HOCHSCHULE RHEIN-WAAL
RHINE-WAAL UNIVERSITY OF APPLIED SCIENCES
FACULTY OF SOCIETY AND ECONOMICS
PROF. DR. WILLIAM MEGILL

Potentials for Private-People-Partnership in Relation to a Sustainable Tourism Development

Cooperation Possibilities between Tour Operators and Communities in Southern Shan State

Bachelor Thesis

by

Sarah Redicker

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Sarah Redicker

Pestalozzistraße.6
42899 Remscheid

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Abstract

This thesis deals with cooperation possibilities between local people and tour operators in order to discover chances, challenges and difficulties of a sustainable tourism development in Myanmar. The research is based on communities in southern Shan state as well as on tour operators with head their office in Yangon.

The thesis identifies the desires and ideas of the communities and ethnic minorities of the area and the extent of community involvement in tourism.

The following questions were formulated to divide the complex research topic in more simple accessible areas: (1) What are the views of local people on community involvement in tourism development? (2) To what extent do local people participate in the Shan state tourism development? (3) What are the appropriate investment measures in a sustainable tourism development? (4) What expectations does the private sector have regarding a possible cooperation? (5) To what extent do tourism businesses in Shan state develop benefit-sharing schemes? (6) In which ways do tour operators want to invest in local communities?

The thesis employs a field research to bring together perspectives from the grass-root level, where little research on this topic has been done to gain a rich understanding of the context of the research. Multiple stakeholders are involved (ordinary members of the communities, tourism professionals, tourism businesses and NGOs) to explore the perspective from a range of stakeholders. The researcher uses literature research, qualitative interviews and participate observation during the research in Shan state and Yangon.

Based on the findings obtained from qualitative interviews, the research concludes that the collaboration cannot be limited to individual projects but needs a comprehensive consideration of tourism in the region, the involvement of local people and the development of the tour operator market. The concerned local people must acquire a sound knowledge of the tourism industry and associated potential impacts. The cooperation can only be sustainable if both, locals and the private sector benefit from it. That means a range of new products and services, accommodation options and catering facilities that are compliant with the natural and cultural heritage of the region must be developed. The opportunities for cooperation between tour operators and locals are not restricted to individual projects but range through the entire tourism-supply-chain. Furthermore, local people and the private sector must be supported by the public sector.

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List of Abbreviations

ASEAN	Association of Southeast Asian Nations
CBT	Community Based Tourism
CCB	Community Capacity Building
CIT	Community involvement in tourism
DC	developing countries
HSF	Hanns Seidel Foundation
LDCs	Least developed countries
MIID	Myanmar Institute of International Development
MOHT	Ministry of Hotels and Tourism
MTF	Myanmar Tourism Federation
NGOs	Non-Governmental Organizations
PPP	Public-Private-Partnership
UN	United Nations
UNO	United Nations Organization
UNDB	United Nations Development Business
UN-ORRLS	Unites Nations, Office of the High Representative for the least developed countries, landlocked developing countries and small island developing states

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1 Concept and Subject of the Research

The title “private-people partnership” was chosen based on the well-known concept of public-private partnership (PPP). PPP is a contractual collaboration between the public and private sector for a special purpose. The aim of PPP is the distribution of labor. The private partner takes responsibility for the efficient generation of products/services while public authorities ensure that common wealth objectives are observed.[1]

This research does not deal with cooperation and division of labor between the private sector and the public sector but serves the discovery of opportunities for cooperation between the private sector and the local people in the tourism destination in southern Shan state.

The first chapter introduces the reader to the subject of this research. The chapter starts by presenting the challenges that the tourism destination Myanmar is currently dealing with. The basic objectives and the associated central questions that accompany the empirical research are formulated.

The reader is given the opportunity to familiarize himself with the structure and the organization of work. The most important terms are defined to complete.

1.1 Problem and Background: Difficulties of a Fast-Growing Tourism Destination

A few years ago it was a conscious question whether tourists would travel to Myanmar or not and very few did. Myanmar was under military dictatorship since 1962 and started to open up only in 2010 when the first civil president was elected. The former General and new Prime Minister Thein Sein started a series of radical reforms and set political prisoners free. The Nobel Peace Prize winner and house arrested Aung San Suu Kyi who had previously called for a tourism boycott in Myanmar was among these former prisoners.[2]

Nowadays the country is one of the top trend destinations in Southeast Asia and a well known place to experience the authentic Asian culture.[3] The number of tourist arrivals increases continuously since the country started to open up. According to ministry figures Myanmar received more than 3.5 million tourists from January to December 2014

[1] Graeme A. H. et. all. (2010) p. 3 ff.
[2] Cf. Burma Campaign UK (2010) [Accessed 18.02.2015]
[3] Cf. Travel and Tour World (2014) [Accessed 19.02.2015]

and earned US$ 1.14 billion as revenue.[4] Tourism has been growing rapidly and is forecast to continue to do so in the following years. The ministry is expecting around 5 million visitors in 2015 and aims for tourist arrivals of 7.5 million in 2020.[5] Therefore the ministry plans to open up more coastal areas and ethnic regions all over the country for the tourism industry.

With such rapid growth new investment possibilities arise and new economic opportunities open up. At the same time the dangers of a social and cultural change and the environmental impacts become more and more present. As part of the ever-increasing integration into the international community the government of Myanmar tries to implement a sustainable tourism strategy supported by international development organizations.

The strong tourism growth in Myanmar demands for enormous investments in the infrastructure of the country to secure a sustainable growth. In addition, the tourism growth depends on various other uncertain factors, such as oil prices, political interventions, environmental aspects and economic uncertainties which may result in a stop of tourism growth.[6]

1.2 Aim and Objective of the Survey

This study seeks to determine how the local people in southern Shan state are integrated into the tourism industry. It focuses on cooperation possibilities between tour operators and local communities in order to ensure a sustainable tourism development with local involvement. The exclusion of local people from a participation in tourism can result in environmental and cultural adverse effects.[7] The study aims to determine the extent of local people involvement in the tourism industry, the adoptions, suitable projects and a general right of participation regarding the decision making processes. Interviews with internationally operating tour operators, locals in the tourism industry, NGOs, local initiatives and with local villagers were conducted in order to obtain a comprehensive picture of the situation in the region. The researcher focused on tourism stakeholder around Inle Lake, Kalaw and Pindaya.

[4] Myanmar tourist arrivals set record (2015)
[5] Cf. MOHT (2013)
[6] Cf. Sharpley R., Telfer D. J. (2015) XV
[7] Tewes-Gradl C. et. all (2014) p.11

Concept and Subject of the Research

The southern Shan state belongs to the top four tourism destinations of Myanmar. It is home to a wide range of ethnic minorities with unique traditional ways of living and has an outstanding natural beauty and therefore combines natural and cultural heritage tourism.

The measurement and recognition of negative and positive impacts of tourism from the perspective of the locals is to be understood as an overarching goal of this work and works as a directive for further cooperation with the private sector. It is the attention of the researcher to focus on the local views and expectations regarding the private tourism sector.

The central research topic:

> *"Potentials for Private-People-Partnership in Relation to a Sustainable Tourism Development - Cooperation Possibilities between Tour Operators and Communities in Southern Shan State"*

aims to determine in which ways tour operators and local communities in the southern Shan state work together. It focuses on the potential areas that can be improved to increase the benefits for both parties in order to generate a sustainable tourism development. Therefore the researcher formulated sub-questions to divide the complex research question in simplified accessible areas.

1. What are the views of local people on community involvement in tourism development?
2. To what extent do local people participate in the Shan state tourism development?
3. What are appropriate investment measures in a sustainable tourism development?
4. Which expectations does the private sector have regarding a possible cooperation?
5. To what extent do tourism businesses in Shan state develop benefit-sharing schemes?
6. Which are appropriate investment possibilities for tour operators?

The evaluation of the impact of tourism from the perspective of the locals and the private sector significantly contributes to the sustainability of the Burmese tourism industry and aims to improve the living standards of the local people. The results of this work aims to provide a basis to develop further studies and first work steps to develop adjust-

ed organisational structures for CIT in Shan state. The study explores the cooperation possibilities of local people and tour operators and presents the current situation as well as preferences and attitudes of the stakeholder regarding a cooperation.

Since Myanmar is a very young tourist destination very little research has been done and few publications and other literature are available. In the last two years some new policies were developed and research reports in cooperation with foreign organizations and NGOs were conducted. These texts serve the researcher as an information base and are explained in chapter 3.2.

1.3 Structure and Organization of the Research

In this chapter the systematic of the work processes is presented. A red thread gives the reader the opportunity to prepare for the content in advance.

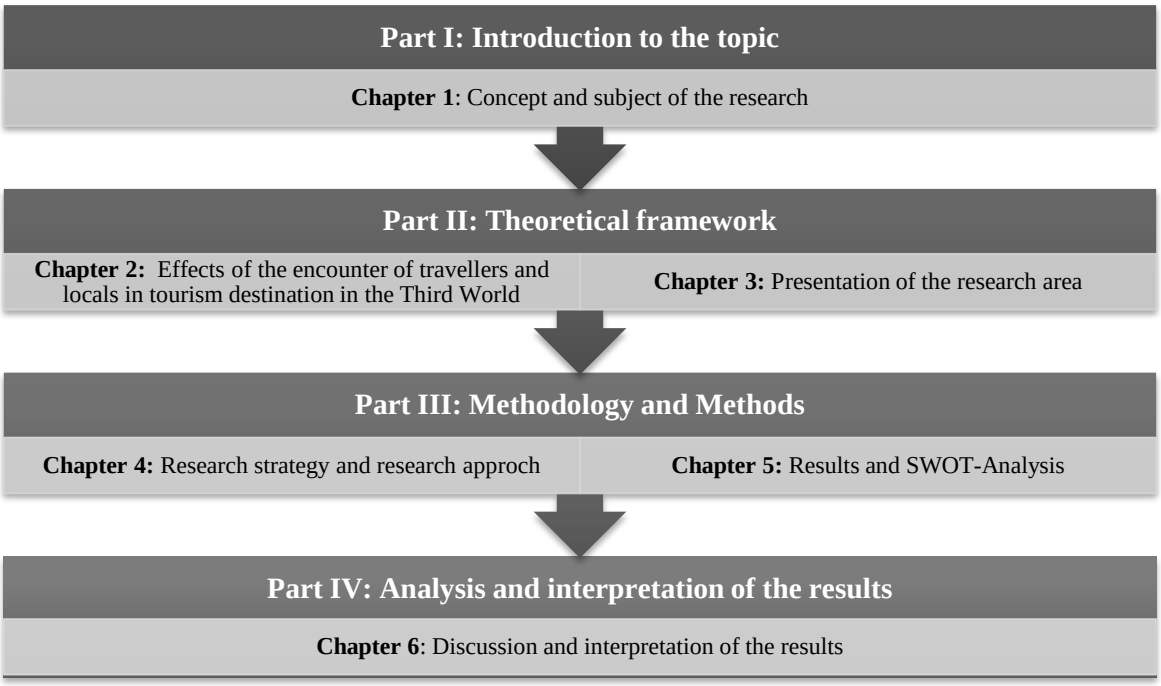

Figure 1: Structure of the thesis[8]

The outline of the thesis and the individual chapters are described in the following:

Part I	Introduction to the topic
Chapter 1	introduces the reader to the research. The challenges of a fast growing tourist destination are discussed and the aims of the research are formulated. The basic research questions are presented. The reader is given the opportunity by the guideline to become familiar himself with the structure and chapters of the thesis. Finally, the most important terms are defined.
Part II	**Theoretical framework**
Chapter 2	gives an insight into the theoretical framework. Tourism in developing countries and the importance of international tourists for developing countries are discussed. The impact of tourism on developing countries and its potentials as a development factor are analysed. The structure of international operating tourism companies in developing countries is explained and the regional requirements for a sustainable tourism management in the context of the CIT are discussed.
Chapter 3	introduces the research area and the development, dimensions and patterns of tourism in Myanmar. In addition, the destination of south-

[8] Own figure

	ern Shan state is described in detail and the geography and tourism infrastructure are illustrated. The tourist highlights of the trekking tourism and ethnic minorities who reside in the region are presented. Subsequently, the legal and constitutional frameworks of the tourism industry in Myanmar are explained.
Part III	**Methodology and Methods**
Chapter 4	deals with the methodology that the research is based on. First, the choice of research methodology is explained and justified. Following, the chapter deals with the nature of data collected, followed by an analysis of the interview form used and a profile of the interviewees. The structure of the interview is discussed. The chapter concludes with an analysis of the strengths and weaknesses of the methodology adopted.
Chapter 5	presents the results of the research. The results were made available with the help of the coding method and are divided between results from the guideline interviews and results from the expert interviews. Finally, all approaches are brought into a SWOT analysis to provide an overview on the cooperation possibilities of locals and tour operators in southern Shan state.
Part IV	**Analysis and interpretation of the results**
Chapter 6	interprets and analyzes the research results. Therefore, the results of the SWOT analysis are considered on the aspects mentioned in the theoretical framework. The participation level of local people in tourism development, appropriate investment measures, expectations of the private sector, benefit sharing schemes and investment possibilities are analyzed. The researcher compares his analyses on interfaces with the government policies and results formulated in the destination management plan of the MIID.

Table 1: Structure and content of the thesis by chapters[9]

[9] Own table

1.4 Clear Distinction of the Most Important Concepts

The following terms are frequently used expressions. The reading of the sources has shown that different definitions are used for the description of the same object of observation. It is also noticed that authors of different sources use the same terms but interpret them differently. To avoid confusion, the following terms are defined for this research. All other terms in this study that are in need of explanation are explained shortly either in the text or in the footnotes.

Sustainable Tourism Development

The term "sustainable tourism" is frequently used today in connection with environmentally oriented actions. Sustainable development first came to prominence in the late 1980s and since then it was followed by development policies and processes in general and tourism development policies in particular.[10] The UNO describes sustainable development as following: "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs."[11] The World Tourism Organization (UNWTO) gives a definition for sustainable tourism and describes it as "Tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities".[12] Consequently, there is a definition of the UN for sustainable development and sustainable tourism. H. Müller developed a pyramid model that functions as full definition for sustainable tourism development:

[10] Sharpley R., Telfer D. J. (2015) p.xvii
[11] Cf.UNO (1987) Chapter 2
[12] UNEP and WTO (2005) p.11-12

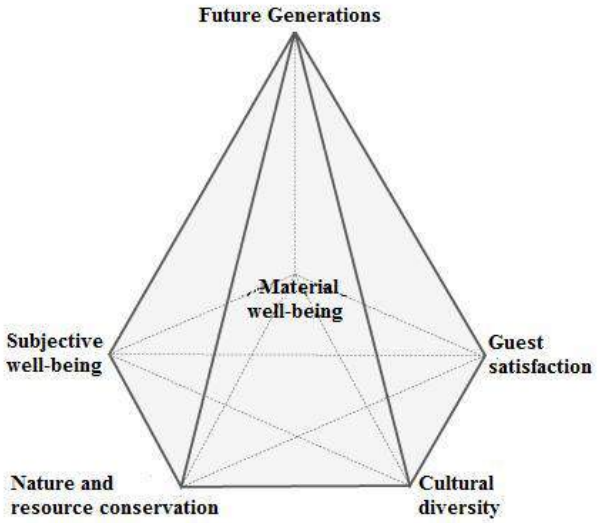

Figure 2: Magic pentagonal pyramid of sustainable tourism development[13]

Müller adds great importance to only speak of sustainability in tourism where the development of long-term processes is designed for better environmental responsibility, social impact and economic productivity.[14]

In the center of sustainable tourism development is a "magic pentagon pyramid" (see. Figure 2). The key points of the target system are:

- Material well-being: income, added value, reduction of disparities, etc.
- Subjective well-being: autonomy, freedom, self-fulfillment, cultural identity, adaptability, etc.
- Guest satisfaction: optimal satisfaction of the guest's expectations, etc.
- Nature and resource conservation: biodiversity, resource conservation, landscape diversity, etc.
- Cultural diversity: cultural creation, maintenance of local culture, protection of cultural property, hospitality etc.

These five key elements of sustainable tourism development have a long-term goal:

- Future Generations: right to influence, generation contract, etc.[15]

In order to achieve a harmony of all five variables, positive relationships between the various factors need to be strengthened. Contradictions which arise from the partial incompatibility of capitalist economic principles and social and ecological exposure limits need to be reduced to a minimum. Nature, society and economy cannot be viewed in

[13] Müller H. R. (1993) p.13
[14] Cf. Müller H. R. (2007) p.26 ff.
[15] Cf. Müller H. R. (2007) p.28

isolation. All future development goals are based on a comprehensive and holistic approach and start from the lowest level of the results chain consequently with the people visited.[16]

Least Developed Countries

Since 1987 Myanmar is run by the United Nations as one of the least developed countries.[17] The term "Least Developed Countries" or "LDCs" is often used mistakenly interchangeably with the terms "Less Developed Countries", "Developing Countries" or "Third World Countries". However, it must be noted that the "Least Developed Countries" are much more in need of development than "Less Developed Countries" (also "Developing Countries"). Third world countries, however, include a much wider range of countries. The number of least developed countries (LDCs) has nearly doubled from 25 to 48 since the introduction of this category by United Nations in 1971. In order to receive this status a country must meet certain criteria.[18] These criteria include:

1. Gross national income per head in the three-year average of less than US $ 992 as a criterion for admission
2. Human Assets Index (HAI) - provides statements about social characteristics such as health and education.
3. Economic Vulnerability Index (EVI) - describes the vulnerability of societies and replaces the old Economic Diversification Index (EDI). It is based on exports, the instability of export earnings, agricultural production and the share of manufacturing industry and services in GDP.[19]

LCDs are not only home the poorest people worldwide but also suffer from an increasing gap between those countries and the developed world.[20]

Ethnic Minorities

The term ethnic minority defines a group of people that speak the same language and share the same culture. They are aware of their unity and togetherness and thereby dis-

[16] Cf. Müller H. R. (2007) p.28 ff.
[17] Cf. United Nations (2013)
[18] UN-OHRLLS (n.d.)
[19] Cf. UN-OHRLLS (n.d.)
[20] Cf. Collier P. (2007) p.9

tinguish from other ethnicities. Furthermore, ethnic minorities are ethnic groups who live on the territory of a State which is mainly formed of a different ethnic group.

Community

Under a community, the researcher refers to a group of people who developed shared knowledge, share experiences and build an own identity. In this thesis, the term community refers to the examined various ethnic minorities living in the mountainous regions of southern Shan state and around the Inle Lake.

2 Theoretical Framework – Tourism in Developing Countries

Due to its rapid and sustained growth and the related materiel economic expectations, it is not surprising that tourism is used worldwide as a development tool. The tourism industry is seen as an effective tool to achieve development, even in academic circles.[21] This is due to the fact that the basic resources for tourism are mostly already given. Therefore, tourism may be considered to have low start-up costs.[22] In this theoretical chapter an approach to tourism development in developing countries is carried out. It provides information on the extent, development and the structure of the global tourism industry. Following, the development and the integration of the supply-chain of international tourism organizations is explained. The theoretical pros and cons of tourism development and the power of tourism as a development factor are discussed in the following. Finally, the involvement of communities in tourism in developing countries is described and explained in detail.

2.1 Development and Structure of Tourism with Special Attention to Third-World Tourism

One characteristic trait of today is the rise of international integration and the associated rapid intensification of the regional expansion of tourism. Tourism contributes 8% of the world's GDP. It accounts for 6% of the world's exports in services. Tourism is responsible for every 11th jobs worldwide.[23] In 2012 the 1 billion mark in international tourist arrivals was exceeded for the first time. This trend continued in 2013 as the arrivals increased from 1035 million in 2012 to 1,087 million arrivals in 2013 by 5%.[24]

The fastest growth in tourism has been demonstrated in Asia and the Pacific region. In particular, a number of LDCs experienced growth rates in tourism arrivals in excess of the global average. The international arrivals increased by 6% or 14 million arrivals compared to 2012 in these countries. The UNWTO expects a continuously strong growth in tourist arrivals in the Asia and Pacific region with a growth rate of 5% - 6%.[25] The strong increase of tourist arrivals in the Asia and Pacific region is associated with

[21] Cf. Sharpley R., Telfer D. J. (2015) p.4
[22] Stroma C. (2008) p.56
[23] CF.UNWTO (2014) p.1
[24] CF.UNWTO (2014) p.4
[25] CF.UNWTO (2014) p.4

economic growth in the region.[26] The table below presents the average annual growth rate of South East Asia of 8.5%.

	International Tourist Arrivals (million)							Market share (%)	Change (%)		Average annual growth (%)
	1990	1995	2000	2005	2010	2012	2013*	2013*	12/11	13*/12	'05-'13*
World	**434**	**528**	**677**	**807**	**948**	**1,035**	**1,087**	**100**	**4.1**	**5.0**	**3.8**
Advanced economies[1]	**296**	**334**	**421**	**459**	**506**	**551**	**581**	**53.4**	**3.8**	**5.4**	**3.0**
Emerging economies[1]	**139**	**193**	**256**	**348**	**442**	**484**	**506**	**46.6**	**4.4**	**4.5**	**4.8**
By UNWTO regions:											
Europe	**261.1**	**304.0**	**388.2**	**448.9**	**484.8**	**534.4**	**563.4**	**51.8**	**3.6**	**5.4**	**2.9**
Northern Europe	28.2	35.8	46.6	60.4	62.7	65.1	68.9	6.3	0.9	5.8	1.6
Western Europe	108.6	112.2	139.7	141.7	154.4	167.2	174.3	16.0	3.5	4.2	2.6
Central/Eastern Europe	33.9	58.1	69.3	90.4	94.5	111.7	118.9	10.9	8.3	6.5	3.5
Southern/Mediter. Eu.	90.3	98.0	132.6	156.4	173.3	190.4	201.4	18.5	1.9	5.7	3.2
- of which EU-28	229.7	267.3	332.3	363.8	380.0	412.2	432.7	39.8	2.7	5.0	2.2
Asia and the Pacific	**55.8**	**82.0**	**110.1**	**153.5**	**204.9**	**233.5**	**248.1**	**22.8**	**6.9**	**6.2**	**6.2**
North-East Asia	26.4	41.3	58.3	85.9	111.5	122.8	127.0	11.7	6.0	3.5	[illegible]
South-East Asia	21.2	28.4	36.1	48.5	70.0	84.2	93.1	8.6	8.7	10.5	8.5
Oceania	5.2	8.1	9.6	10.9	11.4	11.9	12.5	1.1	4.0	4.7	[illegible]
South Asia	3.1	4.2	6.1	8.1	12.0	14.6	15.5	1.4	6.2	6.1	8.4
Americas	**92.8**	**109.1**	**128.2**	**133.3**	**150.6**	**162.7**	**167.9**	**15.5**	**4.3**	**3.2**	**2.9**
North America	71.8	80.7	91.5	89.9	99.5	106.4	110.1	10.1	4.2	3.5	2.6
Caribbean	11.4	14.0	17.1	18.8	19.5	20.7	21.2	2.0	3.0	2.4	1.5
Central America	1.9	2.6	4.3	6.3	7.9	8.9	9.2	0.8	7.3	3.7	4.9
South America	7.7	11.7	15.3	18.3	23.6	26.7	27.4	2.5	5.0	2.6	5.2
Africa	**14.7**	**18.7**	**26.2**	**34.8**	**49.9**	**52.9**	**55.8**	**5.1**	**6.6**	**5.4**	**6.1**
North Africa	8.4	7.3	10.2	13.9	18.8	18.5	19.6	1.8	8.2	6.1	4.4
Subsaharan Africa	6.3	11.5	16.0	20.9	31.2	34.5	36.2	3.3	5.8	5.0	7.1
Middle East	**9.6**	**13.7**	**24.1**	**36.3**	**58.2**	**51.7**	**51.6**	**4.7**	**-5.4**	**-0.2**	**4.5**

Table 2: International tourist arrivals worldwide 1990-2013[27]

The most LDCs strive intensively for visitors, especially from the industrialized countries, under consideration of the great economic importance and the ongoing positive growth of tourism. The UNWTO describes the effect of tourism on LDCs as follows: "Tourism in many developing and least developed countries is the most viable and sustainable economic development option, and in some countries, the main source of foreign exchange earnings."[28] The importance of tourism for the mostly heavily indebted developing countries is the opportunity to generate foreign exchange through tourist traffic.[29]

Sharpley R. (2015) quotes that "developing countries as a whole receive approximately one-third of the international tourism receipts, while the remainder is accounted for by industrialized countries."[30] The number of arrivals to emerging markets and developing countries rose to 459 million in 2011.[31] The UNWTO quotes that "tourism is the first or second source of export earnings in 20 of the world's 48 least developed countries. In some developing countries, notably small island states, tourism can account for over 25% of GDP."[32] Tourism is not only used as a catalyst for development, but also as the

[26] Cf. Sharpley R., Telfer D. J. (2015) p.xv
[27] UNWTO (2014) p.4
[28] UNWTO (n.d.)
[29] Cf. Vorläufer K. (1996) p.12
[30] Cf. Sharpley R., Telfer D. J. (2015) p.10
[31] Cf. UNWTO (n.d.)
[32] UNWTO (n.d.)

driving force for political and economic change. International tourism is the achievement of "economic and social development and progress" and the redistribution of wealth and power.[33] The economic development is recognised worldwide as the most important positive effect of tourism development. Schubert et. all. (2011) summarise: "international tourism is recognised to have positive effect on the increase of long-run economic growth through different channels"[34].

2.2 The Globalization of Tourism Enterprises and Developing Countries

The (Western) centre-periphery dependency model of tourism[35] which was widespread in the 1970s and 1980s no longer holds truth today. New economic forces are grown and the demand and supply of tourism became global. It follows, that the tourism industry and tour operators work in diverse markets with growing competition.[36] The development of globally active, horizontal and vertically integrated transnational travel groups is determinant and result of the rapid growth of tourism. The growth of internationally working travel groups is supported by the absence of trade barriers such as quotes or tariffs for tourism. The only barrier is formed by visas. As Jenkins (1991) says, the destination countries have an "export opportunity free of the usual trade limitations."[37] These travel groups include a large number of companies that are integrated in the tourism-service-chain in the country of origin as well as in the destinations. Most of the travel companies are located in the industrialized countries so it can be argued that only small parts of the tourist revenue remain in the target areas.[38] Especially for packaged tours a large parts of the expenditure is made at the time of booking in the source areas. Therefore the expenditures have only limited effect in the destination countries. The strong position of travel groups allows them to dictate their price expectations to the travel industry and to those in developing countries which have to compete with numerous other destinations on the market.

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[33] Cf. Sharpley R., Telfer D. J. (2015) p.5
[34] Schubert et al. (2011) p.377
[35] The model describes the dependence of the underdeveloped on the economically active, innovative center. Capital and labor flows continuously from the periphery to the center. The model describes the structural contradictions of the international (developed countries versus developing countries) on the national (strong regional structure vs. weak regional structure) to the (over) regional level (city vs. country).
[36] Cf. Sharpley R., Telfer D. J. (2015) p.xvii
[37] Jenkins C. (1991) p.84
[38] Cf. Vorlaufer K.(1996) p.83

A key role in tourism marketing in developing countries applies to the travel companies who resident in the countries of tourist origin.[39] Numerous travel groups from different countries compete for the market share in most destinations. The long-range journey market is characterized by a relatively high share of individual travelers. Furthermore, this market is full of small-scale tourism businesses that are specialized in niche products and therefore respond flexible to the competition through other travel companies.
It is common for the large international travel groups to corporate with small scale local tour operators in destinations with difficult access. These small-scale tourism businesses in developing countries market themselves on the internet directly to their customers. The target group of independent and individual travelers increasingly uses the internet to book and organize their travels.[40] These small-scale tourism enterprises can be bound to large companies by exclusive contracts or operate for several large companies at the same time. Inbound agencies usually cover whole countries with their full service packages including domestic flights, tours, car hire, accommodation, leisure activities, shopping and other activities. The inbound businesses may be in domestic or foreign ownership. Some of the international tour operators operate their own subsidiaries which are connected via joint ventures to the business. In turn, some organizers and agencies in countries that are favorable for aviation stretch their business activities to the neighbor countries that are not as easy to access. A further form of businesses settled in the tourism industry is the small scale business with usually only 10 or 20 employees. They do not offer the entire range of activities but focus on specific activities. They become experts in offering boat rides, balloon rides, bicycle tours and hikes. Many of the tourism companies operating in LDCs are subject to a foreign management, in particular, if they can customize their offers due to better knowledge of the demand and the needs of tourists. Another advantage for foreign managers may be a greater financial strength and entrepreneurship as well as better education as local people.[41]

2.3 Tourism as a Development Factor

The promotion of tourism in developing countries pursues primary economic objectives. “First and foremost, international tourism represents an important source of foreign exchange earnings; indeed, it has been suggested that the potential contribution to the na-

[39] Cf. Vorlaufer K.(1996) p.84
[40] Cf. Sharpley R., Telfer D. J. (2015) p.xvii
[41] Cf. Vorlaufer K.(1996) p.119

tional balance of payments is the principal reason why governments support tourism development".[42] Furthermore, the creation of employment, income growth and the reduction of spatial and social disparities are important economic effects.

In addition, the national competition is stimulated and the investment in infrastructure increases, which leads to an encouragement of other economies to develop their technical and human capital and other positive side effects of tourism.[43] Tourism expansion is only possible after extensive infrastructure investments which often exceed the benefits in the introductory phase of a tourism industry. This is especially true, if these infrastructure is used entirely or almost entirely by tourists. It is therefore useful to choose sites, functionality and size of the infrastructure in a way to contribute to the local population and other economies. An important feature of many infrastructure investments is their longevity, whereby long-term growth impulses can be given.[44] Unfortunately, due to the scarce capital resources of LDCs they are often forced to invest in infrastructure causing short term economic growth.

Scope, structure and interdependence of demand, marketing, advertising and differentiated economic and cultural conditions vary the impact of tourism on the destination country. Both, domestic tourism and international tourism are considered to be effective means of transferring wealth and investment from richer to poorer countries or regions.[45]

The goal of all economies should be to use the limited production factors and in particular the limited capital available in LDCs in a way that ensures an optimal economic growth and sustainable development. The relationships and effects of tourism on developing countries are represented in the "Structure and integration model of the economic foundations of the impact of tourism development" by K. Vorlaufer:

[42] Oppermann, M., Chon K. (1997) p.109
[43] Schubert et al (2011)
[44] Cf. Sharpley R., Telfer D. J. (2015) p.13
[45] Cf. Sharpley R., Telfer D. J. (2015) p.11

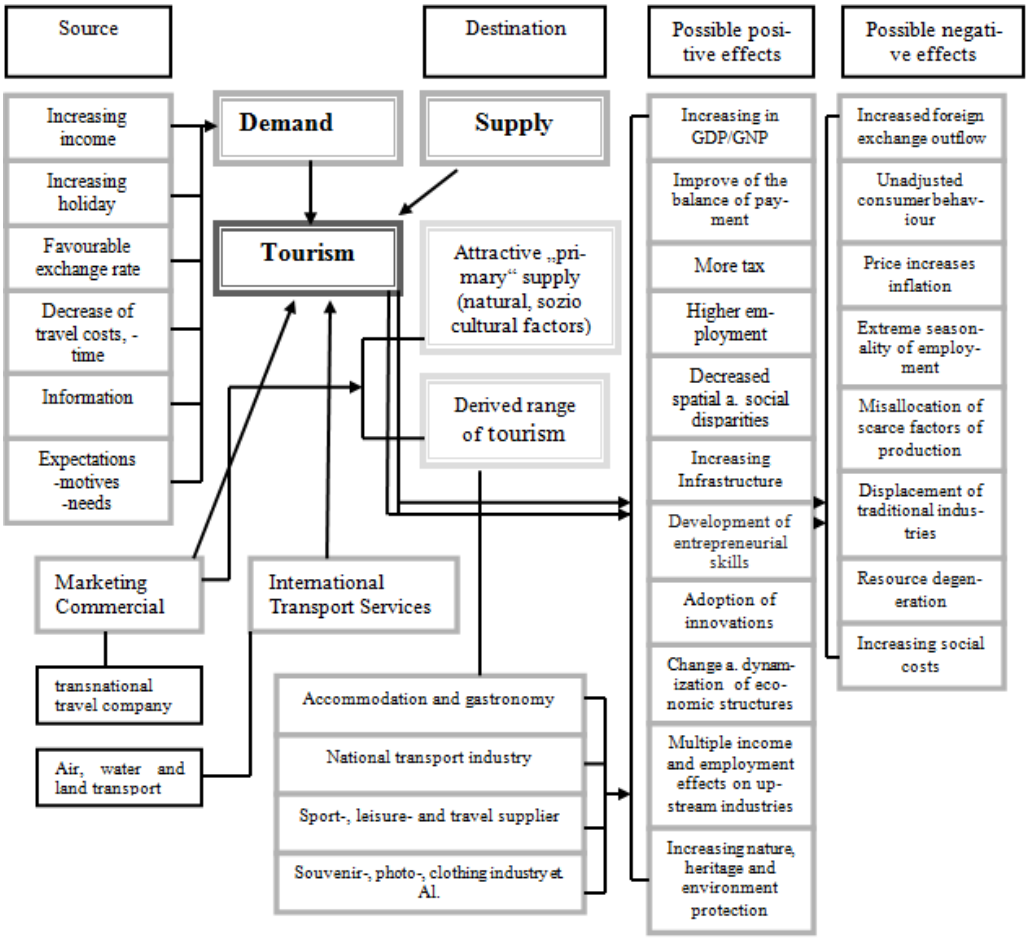

Figure 3: Structure and integration model of the economic foundations of the impact of tourism development [46]

As shown in Figure 3 tourism enables more opportunities for backward linkages throughout the local economy than other industries. This is mainly due to the extensive tourism-supply-chain requiring a variety of goods and services such as accommodation, food and beverage, transportation, entertainment, souvenirs, etc.. The backward linkage opportunities can occur through direct (e.g. accommodation) and indirect (e.g. construction industry) links.[47]

While there is a danger for a country of a too great dependence on only one industry LDCs often have little opportunities for diversification of their economies due to a lack of resources.[48] However, in the case of Myanmar the country has abundant natural resources and agricultural areas, such as the Shan mountains. Nevertheless the danger of dependence is given due to the fact that most other industries are not well developed. It

[46] Vorlaufer K.(1996) p.128
[47] Cf. Sharpley R., Telfer D. J. (2015) p.13
[48] Brown F, (1998) p.59

is more likely that a great dependence on tourism occurs on a LDC than on a developed country.[49]

The tourism industry possibly induces economic structural transformation and the development of entrepreneurial skills. A more dynamic economy and ultimately self-sustaining and innovative development are possible outcomes of a tourism implementation. The shift of people from traditional industry sectors into the tourism industry as entrepreneurs is easier than setting up a business in many other economic sectors, e.g. the manufacturing industry. The need for the introduction of innovations by the management is facilitated by the typical tourism contact between buyers and sellers. The country's economic development potential is enhanced and can be spread to other sectors of the economy.

2.4 Community Involvement and Participation in Tourism in Developing Countries

In recent years, the popularity of mainstream development strategies has been significantly reduced. Instead, the call for a practical application in research with the involvement of indigenous people in research and development rose. These approaches form a contrast to the Eurocentric economic models[50] and mostly plan from a bottom-up principle[51]. Increasing participation of the locals is linked to self-determination and control over local decisions.[52] Therefore, this chapter aims to discover the extent in which community involvement can contribute to tourism development.

Nowadays, many development initiatives demand the inclusion of all relevant stakeholders in the appropriate context. They try to establish a sustainable implementation of the initiatives and not only the efficient implementation of the projects, the demands of the locals and the results for the donor.[53] Thus, the most important result of CIT is to create an environment for the stakeholder, particularly the communities, in which they

[49] Cf. Sharpley R., Telfer D. J. (2015) p.13

[50] Eurocentric is an ideological assessment of societies from an European point of view. Within the scope of economy, an business implementation of an European-style is meant. The term Eurocentric includes not only the geographical Europe, but all "neo-European" states such as North America, South Africa and Australia.

[51] In business, the bottom-up principle describes that individual stakeholders are examined in detail before the prospects of entire industries, markets or regions are considered.

[52] Cf. Brohmann (1996b)

[53] Cf. Ribot (2004)

have a real stake in the development activities.[54] CIT includes involvement of local communities in the decision-making process and strengthening of their capacity for self-determination. This can be done through investments in education, health and local institutions and the support of CIT processes and projects.[55]

Pretty (1994) developed a typology of seven forms of how locals participate in development programs and projects.

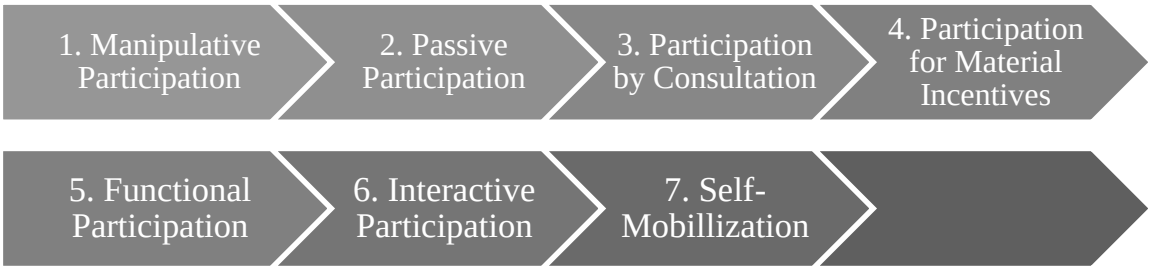

Figure 4: Pretty's' typology of seven forms of local participation in development

The proportion frame starts by manipulative participation, where participation is simply pretence, with people's representatives on official boards but who are unelected and have no power and goes up to self-mobilization. According to Pretty, sustainable development can only be achieved if at least the fifth level of participation (functional participation) is achieved. This includes the formation of groups by the locals to work towards objectives which are important for the communities in frames of a tourism development. The sixth level is interactive participation, which includes people participating in joint analysis of the development and leads to action plans and institutional strength. The seventh stage would be the self-mobilization as mentioned above.[56]

However, the fact that the determining factor for the participation of indigenous people in tourism development is highly dependent on the responsible institutions and legal frameworks, includes that the primarily responsibility lies by the respective governments.

[54] Cf. Havel (1996)
[55] Cf. Havel (1996) p.145
[56] Cf. Pretty (1994)

3 Introduction to the Research Area

The sustained growth of tourism worldwide is stimulated by the emergence of new tourist destinations. More and more regions around the world become important drives for international tourism, including Myanmar.[57]

The national and regional cultural and natural spaces in which tourism occurs are the topics of the third chapter. The structures and patterns of tourism in Myanmar and southern Shan state in particular are presented. In addition, the infrastructure and geographic zones are analyzed in order to draw a clear picture of the current situation. Ethnographic descriptions of the living circumstances of the different ethnic minorities settled in the region are presented. Subsequently, the trekking industry and the most frequently used trekking routes are described. The chapter continues with a description of the legal frameworks for tourism in Myanmar including the most important guidelines.

Many of the occurrences described below could be recognized by the researcher during his stay in the region. The “Destination Management Plan” is used as a source to support the researchers set observations on the local conditions. Due to a lack of further research in the region the ”Destination Management Plan” of the MIID served as the latest and most extensive source for information.

3.1 Development, Dimensions and Patterns of Tourism in Southern Shan State

A visit to Shan state confronts attentive visitors with the political tensions and problems in Myanmar. The Shan people are proud people. Their princes have ruled their own country for centuries until the seizure of power by General Ne Win in 1962. Today the people are under the power of the central government. The hope of the Shan people rests on a federal Myanmar where they can maintain their partial independence. The conflict for supremacy in Shan state is fought with weapons. Armed conflicts still appear primarily in the eastern parts of the state close to the borders to China and Thailand.[58]

Nevertheless tourism is one of the most important and most profitable forms of economies in Shan state. While countries such as Thailand, Vietnam and Indonesia already record high numbers of tourists, Myanmar is far behind due to its years of political and

[57] Cf. Sharpley R., Telfer D. J. (2015) XV
[58] Cf. Otis D. (2014)

economical isolation. The tourist arrivals explode in the last years, despite of the short time that the country is open to international tourism.

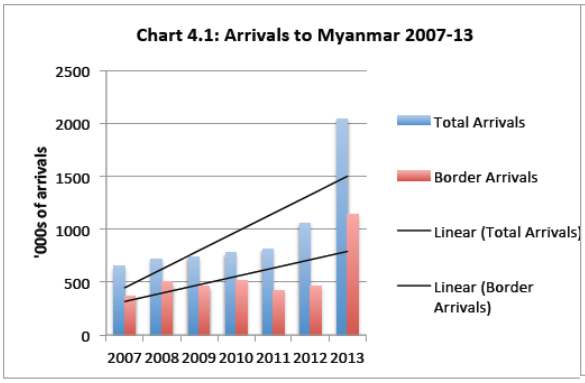

Figure 5: Tourist arrivals to Myanmar 2007-2013[59]

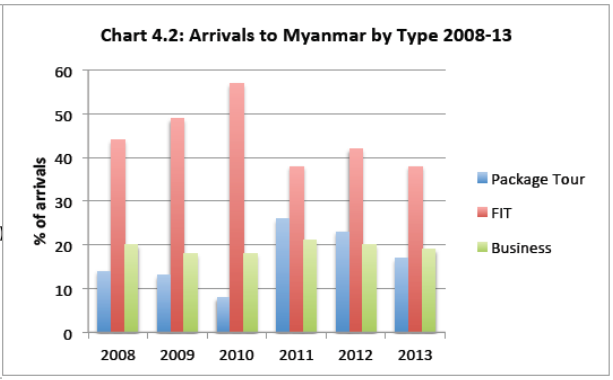

Figure 6: Tourist arrivals to Myanmar by travel type 2007-2013 [60]

Figure 3 illustrates the growth of international tourism arrivals in the period of 2007-2013. The chart distinguishes between the number of total arrivals and the border arrivals which are expected to be mostly day-trippers. The arrivals rose in 2012 for the first time above the 1 million mark. It is assumed that this trend will continue in the following years.[61] The assumption is also confirmed by the 3.5 million tourist arrivals in 2014 already mentioned in chapter 1.1. Figure 4 displays the market share of the travel types is presented. Individual travelers have been the largest market while travel groups have lost market share in the last three years. This leads to the assumption that individual travelers could represent the main target group for tour operators in the future years.

The majority of tourists in 2012 came from other neighboring Asian countries (64%), 22% of tourists came from Europe, 7% from North America and 3.4% from Oceania. The average length of stay was 7 days.[62]

A survey by the MIID which was used for the "Destination Management Plan" revealed that the average European tourist travelling to Myanmar is older than 35 years of age (70%), the tourist are university-educated (78%) and (67%) are travelling independently. The average length of stay is 13.8 night.[63]

Tourism in Myanmar focuses heavily on the four main destinations Yangon (95% of arrivals), Bagan (28%), Mandalay (53%) and Inle Lake (17%) as well as their immedi-

[59] MOHT, MIID (2014) p.19
[60] MOHT, MIID (2014) p.19
[61] MOHT (2013)
[62] MOHT (2013)
[63] Cf. MOHT, MIID (2014) p.20

ate surroundings.[64] This strong centering is expected to loosen up in the future as new destinations opened up increasingly and therefore become accessible to foreign tourists. Domestic tourism focuses mainly on religious pilgrimages but with a changing lifestyle it is to be expected that more domestic tourist will go on vacation for leisure in future time.

Tourism in Southeast Asia, and thus in Myanmar is subject to strong seasonal changes. The high season takes places from October to March and the low season in the rainy season from April to September. In some parts of the country like in Yangon and along the coastal areas weather events are strong. However, in the southern Shan state the climate is much more moderate due to the protective Shan mountains. Therefore the southern Shan state has the potential as an attractive tourism destination all year round.[65]

3.1.1 Geographical Characteristics

The southern Shan state is a highlight on every Myanmar travel. The region is rich for its cultural heritage of the different ethnic groups but also in its natural beauty. The southern Shan mountains form a green storybook setting with the Inle Lake in its heart.

Figure 7: The Shan mountains surrounding Inle Lake[66]

Figure 8: Orange plantations in the Shan mountains around Kalaw[67]

Due to the Shan mountains the region shows a moderate climate. The region has become the agricultural center of the whole country. The local people grow fruits, tea and

[64] Cf. MOHT (2014); p.20
[65] Qualitative observation
[66] Own photography
[67] Own photography

vegetables in the mountains and the lake provides people with fresh fish and vegetables that are grown on floating gardens on the lake. Especially famous are the tomatoes grown on the floating gardens which account for a large part of the overall vegetable production. Despite the fertile soil and the fast-growing tourism industry, the population remains relatively poor. The majority of people lives just above the poverty line.

The development of the individual-off regions of southern Shan state is very different in geographically aspects, ethnically, socially, developmentally and from the tourist accessibility.

Figure 9: Location of southern Shan state within Myanmar[68]

Figure 10: Townships in southern Shan state[69]

Figure 11: Townships that are subject to this research highlighted in red[70]

The exact location of the southern Shan state within Myanmar is given in Figure 5. While the Shan state covers the area reaching to the eastern country boards the region subject to this research is located in the south-west of the Shan state and almost in the center of the country. Figure 6 and Figure 7 show the different townships within the region. A total of about 1.4 million people live in the 19,000 km^2 large areas.[71] In Figure 7 the townships are shaded in red where the research interviews took place namely Nyaung Shwe, Kalaw, Taunggyi and Pindaya. These areas are also the most visited areas by tourists.

[68] MOHT, MIID (2014) p.9
[69] MOHT, MIID (2014) p.9
[70] MOHT, MIID (2014) p.26
[71] Cf. MOHT, MIID (2014) p.22

Nyaung Shwe

Figure 12: Biking path in the north of Nyaung Shwe[72]

The heart of the region is formed by two lakes. The lake in the north is the famous Inle Lake. The lesser known Samkar Lake lies in the south of this area. Both are shallow with a maximum depth of 6 meter. They are located around 900 meters above sea level and are embedded in the valley of two mountain ranges over 1,500 meters. The city of Nyaung Shwe is the gateway to enter the lakes. Nyaung Shwe is also the tourst center of the region with an increasing number of restaurants and hotels. There are different ethnic groups living in the area like Inthar, Shan, Pa-Oh, Danu & Bamar. While the Inthar are living directly on and around the lake the others are spread more in the mountainous surrounding.[73]

[72] Own photography
[73] Cf. MOHT, MIID (2014) p. 28ff.

Kalaw

Figure 13: Kalaw from the bird's-eye perspective[74]

Kalaw Town is located high on the Shan plateau at an altitude of 1,320 meters. The town is surrounded by vast pine forests and fertile valleys with small villages. The fresh clean air attracts many tourists who need to respite from the hot, dry central plain. In the winter it may become freezing cold at night. Kalaw was established a British hill-station. Nowadays it has a population of about 250,000 and it is the trekking gateway in the region. Because of the colonial past of the city many descendants of diverse nationalities still live in this area as their ancestors followed the British colonizers to Shan state. Therefore Shan, Indians, Muslims, Sikhs, Bamar, Nepalese and various ethnic minorities such as Pa-Oh, Danu and Taungyo live in Kalaw.[75]

[74] Own photography
[75] Cf. MOHT, MIID (2014) p.31

Pindaya

Figure 14: Pindaya from a distant view[76]

Pindaya has a population of around 77,769 people and was once one of the principalities of Shan state. The town is situated on a nearly rectangular artificial lake where giant and old banyan trees are growing in a park beside. It is located around 2 hours from Nyaung Shwe in the mid of green rolling hills. The city is located in the Danu self administration zone. In addition to the Danu especially Shan, Bamar and Taungyo live around Pindaya.[77]

Taunggyi

Figure 15: Taunggyi balloon festival 2014[78]

[76] Own photography
[77] Cf. MOHT, MIID (2014) p. 34
[78] Own photography

Taunggyi is the capital of Shan state and becomes more important as a trade center of the region. The city is popular with domestic tourists but not many international tourists come here except for festivals or special events. Taunggyis population is about 348,000 people. In the south of the town ship you can find the pagoda field of Kekku which is one of the emerging tourism attractions. This sight is managed by the Pa-oh self administration zone.

3.1.2 Tourist Infrastructure

The term tourism infrastructure is broad and it is therefore broken down into several relevant topics regarding the tourism industry.

Transport

The quality of roads in Myanmar in general and in Shan state is a great disappointment. However, access to the region is a key element of tourism development. The main road that runs from the Yangon-Mandalay Highway over Kalaw to Taunggyi is in good shape but smaller side streets often resemble sand tracks and they are therefore not suitable for tourist transportation. Traveling on roads is often very time consuming and uncomfortable. Certain regions are not accessible for tourists at all. The roads leading to the various villages in the mountains are mostly slopes.

The region is served by the domestic airport in Heho. Even though there is a second airport in Loikaw the one in Heho remains the entrance gate to the region. In 2013 the airport handled over 95.000 arrivals.[79] Heho is served by all current domestic carriers and it is part of the daily circular routed flights.[80]

There are around 6000 boats which are used for tourist transportation on the Inle Lake. All of these boats offer space for six people and are build in an open-topped wooden style with a single diesel engine.[81]

Accommodation

The accommodation facilities in southern Shan state are varied and range from small guesthouses over medium-class to deluxe hotels. Nevertheless, the number of accommodations is not sufficient to cover the tourism flood. The accommodations coveted by

[79] Cf. MOHT, MIID (2014) p.40

[80] The circular- route goes from Yangon over Nyaung Oo, Mandalay, Heho and back to Yangon. It connects the most popular tourist destinations in Myanmar. The route is usually served twice a day; once clockwise and once anti clockwise.

[81] Cf. MOHT, MIID (2014) p.40

tour operators are regularly fully booked in high season. The oft-repeated statement that the hotels in Myanmar are behind widely behind those in other Asian countries in comfort, service and value for money got disproved by a tourism survey which is explained in the MOHT, MIID (2014) "Destination Management Plan". Accordingly, only a small amount of the Western (16%), Asian (12%) and Myanmar (19%) market are dissatisfied with the price performance ratio.[82] Nevertheless, several tour operators mentioned during the conduction of the interviews that the price-performance ratio is still a main point of criticism in quality management and feedback forms. In fact most of the hotels would like to improve their quality of service. The management of many hotels has already adopted the issues with the renovations and additions of their hotels.

Most hotels are located in Nyaung Shwe whereas high-end hotels can be mainly found on the lake. In addition there are hotels in Kalaw, Pindaya and Taunggyi. The following table provides information about the number of hotels, beds and restaurants. A distinction is made between lodging with a license for accommodation of international guests and accommodation without.

Township	Accommodation with Domestic-only License		Accommodation with International Licence						Restaurants
			Accommodation Type			Rooms			
	Lodging houses	Rooms available	Hotels	Guest house	Licensed total	Hotels	Guest house	Licensed total	
Taunggyi	38	704	14	3	17	478	53	531	49
Pindaya	1	7	5		5	176		176	5
Nyaung Shwe	6	78	28	14	42	1024	197	1221	52
Ayethaya	6	52							
Kalaw	3	30	19	9	28	449	123	572	15
Aung Ban	7	103							
Heho	2	14							
Pinlong				1	1		25	25	
TOTAL	63	988	66	27	93	2127	398	2525	121

Table 3: Hotels, rooms and restaurants available in southern Shan state 2010[83]

Electricity

The power supply in Myanmar is one of the main problems. Power cut offs occur several times a day. Nyaung Shwe and Kalaw are relatively well connected since the Inle Lake is the main source for the Law Pi Taw hydropower dam and the thermal power station in Kalaw. However, other places in the region suffer from an irregular power

[82] Cf. MOHT, MIID (2014) p.43
[83] MOHT, MIID (2014) p.44

supply. Thus most hotels have diesel generators. Less than 30% of the national population has access to electricity. Rising tourism numbers will lead to a rising demand for electricity and thus require an extension of the system.[84]

Water

Tourists usually have higher water consumption than natives and rising tourism numbers will lead to a higher demand for drinking and fresh water. In addition the handling of waste water needs to be reconsidered. The water used by the hotels currently comes from on-site wells. However, there is a danger that rising water consumption results in a lowering of the water table. This would be accompanied by massive damage to the natural environment. It is possible that droughts occur in the mountain villages in the dry season.[85]

Waste Management

Currently there is no efficient refuse collection and recycling system. The majority of the waste is either buried or burned.

3.1.3 The Trekking Industry

The southern Shan state and Hsipaw in the north are the leading trekking destinations in the country. The author attaches a great importance to the trekking tourism since this form of tourism brings together travelers and hosts more than any other travel form. Homestays belong to the relevant trekking experience in the region even though they are officially not allowed.

Kalaw is used as a start base for the trekking routes. From there, half day, day, or multi-day treks are being made in the surrounding mountains. The either two or three-day trek from Kalaw to Indein from where tourists take a boat to Nyaung Shwe is very popular.

[84] MOHT, MIID (2014) p.41
[85] Ministry of Environmental Conservation & Forestry (2012) p.23 ff.

Figure 16: Start of a trekking trail in the north of Kalaw[86]

Figure 17: Overgrown trekking trail around Kalaw[87]

The trekking around Pindaya also offers excellent trekking routes.

The complete trekking industry is in a "gray zone". There is no official visitor or trekking center, neither in Kalaw nor in Pindaya. Instead several private trekking offices have opened up small shops around the market in Kalaw. Trekking in Pindaya can be organized by tour operators or hotels. The trekking guides are not officially licensed or inspected and least of all have an official guide license.[88]

Most customers are individual travelers who come to Kalaw specially because of the trekking. But there are also travel groups organized by tour operators.

3.1.4 Ethnic Minorities

Myanmar is one of the most ethnically diversified countries in Southeast Asia with 135 officially recognized ethnic groups. The 135 ethnic groups are divided in eight main groups according to their origin (Chin, Shan, Kachin, Kayin, Kaya, Bamar, Rakhine and Mon). As mentioned in previous chapters there are many different ethnic minorities living in Shan state. Each of these groups maintains its own culture and way of living. In the following section the ethnic minorities which are subject of this study are described in detail.

[86] Own photo
[87] Own photo
[88] Qualitative observation

Shan

The Shan live primarily in Shan State with the capitol of Taunggyi where they form the largest minority. They can also be found on the border with China's Yunnan Province, Laos, and Thailand.

The Shan migrated to their present settlement area 650 v. Chr. from what is now China. In the end of the 13th century they ruled Burma from the Kingdom of Ava.

Most Shan are Buddhists, but also Hinduism, Islam and animism are common. Most Shan are farmers and live on the cultivation of rice, vegetables, soy and fruit as well as gems and teak are obtained in the region. The Shan have a long tradition in blacksmith, gold and silver work.[89]

Intha

Figure 18: Intha man fishing on Inle Lake[90]

The approximately 100,000 Intha live around the Inle Lake. The word Intha means "people of the lake". The ethnic group originates probably from Dawei in Taninthary. They had to leave because of armed conflicts several hundred years ago. Nowadays, the Intha live as fishermen and farmers but they are also known for their skillful craftsmanship. They are famous for their one-leg-rowing style in which they balance on their narrow boats with one leg to row with the other.[91] This technique is used to keep the hands free for fishing. The rowing technique is also useful to navigate through the narrow channels of the floating gardens. The gardens are built on water hyacinths which are

[89] Qualitative observation and conversation with Shan
[90] Own photography
[91] As featured on the cover of this research.

anchored to the ground with long bamboo poles. The Intha plant various vegetables on these, especially tomatoes. The floating gardens are particularly fertile and can be harvested several times a year. The wide range of traditional crafts covers weavings, but also ceramic, brass, silver and lacquer work.[92]

Danu

The Danu manages themselves in a self-administration zone as well as the Pa-Oh. The Self-Administration-Zone consists of two townships named Ywangan and Pindaya.[93] While Pindaya is visited by tourists Ywangan is located another two hours north and separated from the tourism power. The Danu charges 3 USD entrance fee to tourists to enter the zone. The majority of Danu lives from farming and grows rice, ginger, garlic and corn but also oranges and other fruits.

Pa-Oh

Figure 19: Pa Oh woman cleaning up in Indein[94]

Most Pa-Oh people live from the cultivation of rice, garlic, potatoes, corn and fruits. They are conducting their live to the rhythm of the seasons.

After years of conflict the Pa-Oh ethnicity has now the chance to manage themselves in three self-administration-zones. These are located around Inle Lake and cover an area of

[92] Own observation.
[93] MOHT, MIID (2014) p.34
[94] Own photography

750,000 hectares. The zones are divided among the three townships Hpong, Hsihseng and Pinlaung. There are approximately between 300,000 and 400,000 Pa-Oh people.[95]

Taungyo

The Taungyo live mainly around Pindaya but there are also some villages near Kalaw. They are counted as a subgroup of the Bamar and their language is a dialect of the Burmese language.[96]

Palaung

Figure 20: Old Palaung woman drying green tea in the sun[97]

The Palaung live in Shan state, in Yunnan Province in China and in the north of Thailand. In Shan state they can be found mainly in the north where they have a Self-Administration-Zone but there are also several settlements around Kalaw. Most Palaung belong to the Theravada Buddhism and the mountains around Palaung villages are full of monasteries and pagodas.[98]

[95] Cf. MIID (2012) p.3f.
[96] Own observation
[97] Own photography
[98] Own observation

3.2 Publications, Guidelines and Policies by the Government

The tourism industry in Myanmar is in the development and many decisions and former regulations have to be reconsidered and renewed. For this reason the government has published a number of publications, guidelines and policies that set up a framework for future tourism development. These publications include the "Myanmar Tourism Master Plan 2013-2020", the "Responsible Tourism Policy" and the "Policy on Community Involvement in Tourism (CIT)". The publications work as the basis for the research in this thesis and the findings of the interviews are analyzed based on the intersections with these. The publications, guidelines and policies provide a framework in which the cooperation between tour operators and locals should be developed. Furthermore, the "Destination Management Plan of the Inlay Lake Region 2014-2019" provides an important basis for the research in terms of numbers and facts. The content of these documents is explained in more detail in annex A.

3.3 Legal & Constitutional Context

For the analysis of the research results it is important to understand how the public sector associates with the tour operators and communities. Furthermore, this chapter serves as an overview of the responsibilities of the various ministries that influence the development of tourism. The most important ministries and laws are addressed below. A more detailed presentation of all legal and constitutional frameworks mentioned in this chapter can be found in Annex B. The Ministry of Hotel and Tourism (MOHT) has primary responsibility in all matters related to tourist services and accommodation. The ministry works closely with the government and the relevant departments to set regulations for responsibilities, taxation and licensing related to the tourism industry. The Myanmar Tourism Federation (MTF) was formed in 2012 and promotes Myanmar as a tourism destination. The MTF is in charge of sustainable tourism development and the support of investors. The training and development of human resources is also one of the main tasks.[99]

The Hotel and Tourism law is also important for this research and deals with the obligations of MOHT. It is a guide for tourism investments and licensing businesses as well as it sets out rules, regulations, penalties and prohibitions. Therefore it shapes the basic principles of how the tourism industry should operate. The Labor Organization Law,

[99] MOHT (2013)

Labor Dispute Law and Draft Minimum Wage Law were approved in 2012 and protect the rights of tourism employees for fair wages and safe working conditions.[100]

The Foreign Investment Law promotes foreign investments to fulfill national development objectives with the help of foreign financial and technical resources.

The Myanmar Investment Commission (MIC) was formed in 2011 as initial approving authority for investment proposals.[101]

[100] Cf. MOHT (2013) p.13
[101] MOHT (n.d.)

4 Methodology and Methods

The fourth chapter analyses the scientific foundation, the specialized theoretical concepts and methodological anchoring of the research. The chapter describes the research strategy and the reasons why it was chosen. Thereafter the reason for the field research is explained and the methods used for the evaluation of the research are presented. An overview of the interviewees and their affiliation is given. Finally the structure of the interviews will be explained as well as their strengths and weaknesses identified.

4.1 The Research Strategy

As illustrated in chapter 2 tourism can be used as a development instrument and also as a tool for the alleviation of poverty especially in developing countries. The association between a sustainable tourism development and community participation in the decision-making-process as well as the benefit sharing is outlined. The topic of the research "Potentials for Private-People Partnership in relation to a Sustainable Tourism Development - Cooperation Possibilities between tour operators and communities in Southern Shan State" is inspired by these aspects.

While the basic idea of this research has routes in the research of many sources listed in the references, the research title of this study extends the basic idea in a sense that it analyses possibilities for different stakeholder to cooperate. It is the objective of this work to identify cooperation possibilities for local people with the private sector and thus contribute to a sustainable development in southern Shan state. This study works towards a solution in which both, the private sector and the communities, gain profit through the common involvement in decision-making process and benefit sharing.

A field study approach was chosen in order to gain a comprehensive knowledge of the key themes of the research question and to generate a great and extensive data pool as there is little research about this region on tourism related topics yet. The researcher betakes himself into the field of research while a pure observation status is abandoned. This is connected with a gain of information due to the fact that the researcher gets at least a partial contact with the examined subjects. Some key requirements of scientific work namely a treatment relieved place of observation and analysis are in risk due to the close proximity.[102] The experiential reality was taken as a base for description and anal-

[102] Cf. Weischer, C. (2007) p.116

ysis and therefore a qualitative approach was chosen.[103] The proximity to the subjects researched enables a deep understanding and intensive knowledge about the relationships and events of the research topic. Since the researcher wants to investigate cooperation possibilities between communities and the private sector to promote community involvement in tourism in the research area, the field research approach is suitable for a deep understanding of the communities, their expectations, ideas and wishes regarding tourism. Furthermore, it is most likely that a field research on the community level is an appropriate research resource to investigate community participation in tourism.

The strength of this study lies in its qualitative access using guideline interviews with narrative character, expert interviews and participant observation. The interviewees in the villages were selected randomly. The researcher oriented the selection of villages considering the number of tourist visits. Random samples were chosen of both, communities attended by a lot of tourists and communities where tourism is still a lesser known concept. The precise choice of interview partners will be explained in more detail in Section 4.4.

Furthermore, the research is strengthens by a consideration of the research subject through the perspectives of various key stakeholders (members of the various communities, managers from the private sector, local tourist businesses and a NGO). Another advantage of this analysis is the six months working experience in the tourism sector in Myanmar previous to the actual research stay that revealed a deep understanding for the business, country and culture. This work experience was followed by an one-month-field research in southern Shan State and two subsequent weeks in Yangon where the researcher was able to conduct expert interview with different professionals of the tourism industry. During the analysis the researcher gained deep understanding of the process of data collection and the research sequence. It was also possible to collect first hand data to compare with results from previous literary research. The first hand findings will be presented in chapter 5.

4.2 Types of Study Data Collected

Within this research both, secondary data and primary data were considered. The secondary data analysis relies on existing data which serve as the basis for this work. The

[103] Cf. Heinze. T. (2001) p.27

primary data is the new, original data that was collected during the research period. Various techniques for data collection of primary and secondary data were used.

4.2.1 Secondary Data Analysis

Secondary data analysis uses data generated not primarily for the respective investigation but already existing at the study initiation. This data can rise from surveys of official statistics or other institutions. It can be data from scientific studies or the data produced in the discretionary features of an organization or the all-daily life.[104]

Even if the secondary data were originally collected for other purposes they form the basic framework for this research. The most important secondary data was available through the "Destination Management Plan", outlined in Chapter 3.2. The document provided the latest facts and figures on infrastructure, tourism arrivals, geographic events and population structures to the researcher. Further important resources were the different government publications such as The "Myanmar Tourism Master Plan", the "Responsible Tourism Policy" and the "Community Involvement in Tourism Policy" (Chapter 3.2). The analysis of these documents provided an insight view on the tourism planning of the government and the role in which the government considers the various communities in the context of tourism development.

Further secondary data was used to build up a theoretical framework for this research (Chapter 2). The sources can be seen in the references.

4.2.2 Primary Data

As mentioned above the primary data was collected during a field research trip to Myanmar. The research design of the action or field research differs from others by a specific ratio of researcher and respondent. A major benefit of this approach was conveyed by the first hand experience of the living conditions of the studied social group by the researcher. The research subjects got involved in the development of research questions and the research work. Therefore a separation between scientists and non-scientists was abandoned.[105] In the case of this study the contact to the research subjects lead to the development and selection of research methods.

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[104] Cf. Weischer, C. (2007) p.335
[105] Cf. Weischer, C. (2007) p.116

The researcher made use of qualitative research methods to determine the primary data. Thereby the data is collected non-standardized and analyzed non-mathematically but using special qualitative techniques. In general the term “qualitative” is understood as an interpretive and scientific methodology for collecting and processing socially relevant data.[106] Qualitative methods do not depend on counting but on the action of research itself. Since the end of World War II qualitative research methods have gained considerable prestige and importance. Heinze (2001) states that this is due to social criticism: “The reflection on crises and the growth or survival of social problems and the limited capacity of the dominant positivist social sciences directions to describe or explain social phenomena"[107]. The qualitative methods proofed as an efficient access to the research question due to the close relationship between the research object and the methodology in conjunction with the lack of education of most research subjects. Quantitative methods were not understood by the research subjects.

4.2.2.1 Qualitative Participating Observation

The observation is a form of social action and a scientific method at the same time. Each observation is accompanied by a minimum of social participation. In participant observation the social interaction is even explicitly part of the methodological approach in the field.[108]

The field observations attempts to observe individuals or groups in their natural environment. This is to preserve the authenticity of the observed behavior.[109] Participant observation implies that the researchers participates directly in the social system under investigation and gathers natural environment data. The researcher follows a scientific intention which may be more or less known in the field. Therefore the observer is acting under similar conditions as the observed and becomes therefore more or less a participant in the actions he observes. The researcher pays with a certain limitation of observational possibilities and with limited recording facilities for the gained knowledge associated with participation. Participant observation does not determine the degree of structure and the question of overtly or covertly research. Different combinations of there are possible. The ideal-typical form of high-participant observation is unstructured, active-

[106] Cf. Atteslander, P. (2010) p.350
[107] Cf. Heinze, T. (2001) p.18
[108] Cf. Atteslander, P. (2010) p.94
[109] Cf. Weischer, C. (2007) p.297

participative and open. It therefore involves interaction with members of the observed group.[110]

4.2.2.2 Guideline Interview with Narrative Character

It was the researcher's intention to use semi structured interviews during the planning and in the beginning of the research period. For this purpose a questionnaire was designed that aimed to uncover relationships and structures of matters related to the research question (see Annex D). The questionnaire was divided into several sections, each giving answers according to the various sub-questions formulated in chapter one. Shortly after the arrival in the research area the researchers realized that the procedure was unsuitable for an interview with the various ethnic minorities in southern Shan State. The research subjects mostly behaved intimidated and insecure. Some even refused the interviews completely, especially as the researcher tried to record the conversations with a voice recorder. The interview form of a guideline interview with a narrative character was discovered as most suitable after a few test runs.

The narrative interview normally works without questionnaire or guide. The aim of narrative interviews is to understand and to discover perspectives and actions of persons and their explanations of their own social conditions.[111] It is a research situation in which the stimulus of the researcher simply consists in convincing the research subject to tell a story of his own.[112] The narrative interview form was also tested but did not lead to the desired information. In the end it turned out to work best if the researcher used a guideline to stimulate the conversation flow. The guideline was inspired by the originally-designed questionnaire. Even though the interviews were based on a guideline the conversation focused on a logic and characteristic conversation flow. The existing guideline was always used depending on the current situation i.e. if a "planned" topic was explained already the researcher abstained from a mechanical processing of the guideline. Conversely, new topics that rose in the course of the interview were further enhanced. The given circumstances implied that key decisions were taken in the survey situation.[113]

At the beginning of interviews the respondents were informed about the purpose of the interview. In addition agreements on data protection were reached. Since the majority of

[110] Cf. Atteslander, P. (2010) p.95
[111] Cf. Hermanns, H. (1981) p.16
[112] Cf. Schütze (1978) p.163
[113] Cf. Weischer, C. (2007) p.261

respondents were completely unknown to any form of interviews until now they have been informed of the nature and approximate duration of the guide lined interviews. During the interview itself it was not possible to record the research results in many cases. This was carried out immediately after the conversations. Data for this study were collected in one-to-one interviews with different stakeholders of the tourism industry available in the study area. These included:

- Village members of by tourist frequently visited communities.
- Village member of communities with limited access to tourism.
- Tourism entrepreneurs in the research area.

4.2.2.3 Expert Interviews

Expert interviews contribute to the non-standardized research methods. In general the conversation character prevails but there are transitions to partially open interviews. The interviews live from the fact that experts report on their professional practice. The research structures are presented through a survey guide. Compared to the narrative interview the expert interview is less about the expert as a natural person. Therefore his life story and personal situation are less interesting. The expert is primarily important as a carrier or role and as an informant on the expert system in which the expert is operating.[114]

Compared to the guideline interviews with narrative character the expert interviews were easier to perform and lead to a large increase of information. According to Bogner and Menz (2002) a "secret promise of success" lies in these interviews. This is due to the fact that the researcher deals with professional and motivated individuals who are used to pass on their knowledge.[115]

Bogner and Menz (2002) again distinguish three types of expert interviews: the exploratory expert interviews, the systematizing expert interview and the theory generating expert interview.[116] The systematizing interview approach is used in this research. This form is interested in the action and experience knowledge of the surveyed. Inaccessible insider knowledge can be achieved by this way and exclusive knowledge can be revealed. The interviews work with a relatively differentiated guideline. The comparability of interviews plays an important role for this interview form. Therefore the inter-

[114] Cf. Weischer, C. (2007) p.279
[115] Bogner, A., Menz, W. (2002a) p.8
[116] Cf. Bogner, A., Menz, W. (2002b) p. 36ff.

views are to be conducted in a way that later systematization is facilitated without refusing the possibility of open interviews.[117]

4.2.2.4 Profile of Interviewees

The following two tables summarize the total of 47 conducted interviews. 35 interviews are guideline interviews with narrative character and 12 are experts' interviews.

Table 4 is a breakdown of the guideline interviews arranged by villages. Of those surveyed, 19 are farmers and fishermen, two teachers, three monks, two boat drivers, two produce food, three work in workshops, one driver and three operate their own small tourism business.

Breakdown: guideline interviews with narrative character		
Name of village	**Interview code**	**Number of interviews**
He Hoe	He Hoe 1	1
Im Paw Khone	Im Paw Khone 1-2	2
Indein	Indein 1	1
Intha village	Intha village 1	1
Kalaw	Kalaw 1-3	3
Khaung Daing	Khaung Daing 1-2	2
Kone La	Kone La 1	1
Lowl Saung	Lowl Saung 1	1
Maing Thauk	Maing Thauk 1	1
Myin Ka	Myin Ka 1-3	3
Na War Taung	Na War Taung 1	1
Nampan	Nampan 1-2	2
Nyaung Shwe	Nyaung Shwe 1	1
Pauk Pan	Pauk Pan 1	1
Pindaya	Pindaya 1-2	2
Pine ne Pin	Pine ne Pin 1-3	3
Put Tu	Put Tu 1	1
Sagar	Sagar 1-2	2
Shwe Nyaung	Shwe Nyaung 1	1
Taung Ni	Taung Ni 1-2	2
Ya Sa Kyi	Ya Sa Kyi 1-2	2

[117] Cf. Weischer, C. (2007) p.283

Ywar Pu	Ywar Pu 1	1
Total		**35**

Table 4: Break down: overview of the guideline interviews with narrative character[118]

Table 5 presents the interviewed experts. Of those who were interviewed one is the manager of the NGO who worked on the "Destination Management Plan", four are tourism related local initiatives and seven are manager of tour operator with head office in Yangon.

Break down: expert interviews		
Organization	**Interview code**	**Number of interviews**
NGO	NGO 1	1
Local initiatives	Local initiatives 1-4	4
Tour operator	Tour operator 1- 8	7
Total		**12**

Table 5: Break down: overview of the expert interviews[119]

4.2.2.4.1 Guideline Interview with Narrative Character Interviewees Affiliation

As already mentioned, the interviewees live in different villages. They belong to different ethnic groups and have various professions. Following, the interview codes are listed according to their preoccupations. Some comments are added in brackets to provide a better understanding of the perspective of the interviewed and how they fit in the context of the tourism industry in the region.

[118] Own table
[119] Own table

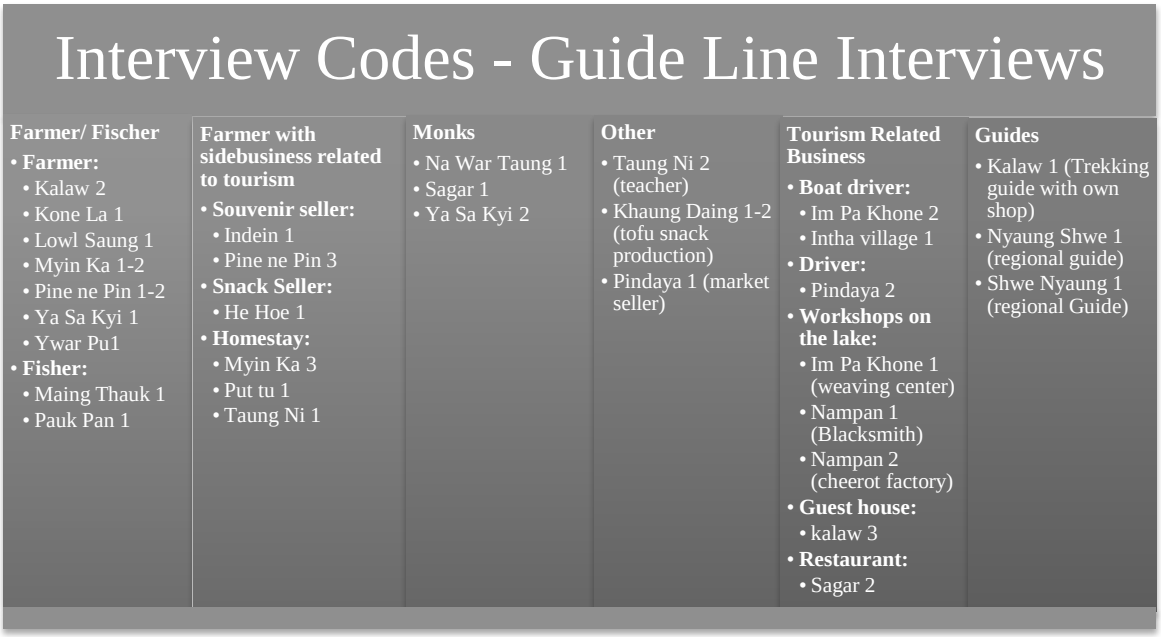

Table 6: Breakdown of interview codes of guideline interview with narrative character[120]

The following figure 11 shows an overview of villages the researcher visited and where interviews were carried out. Furthermore the grey colored villages belong to the Danu, Palaung, Pa Oh, Taungyo and Intha but could not be visited due to the short research period. Pindaya and the Palaung village Ya Sa Kyi are missing on this map. These are located in the north of Aung Ban.

[120] Own table

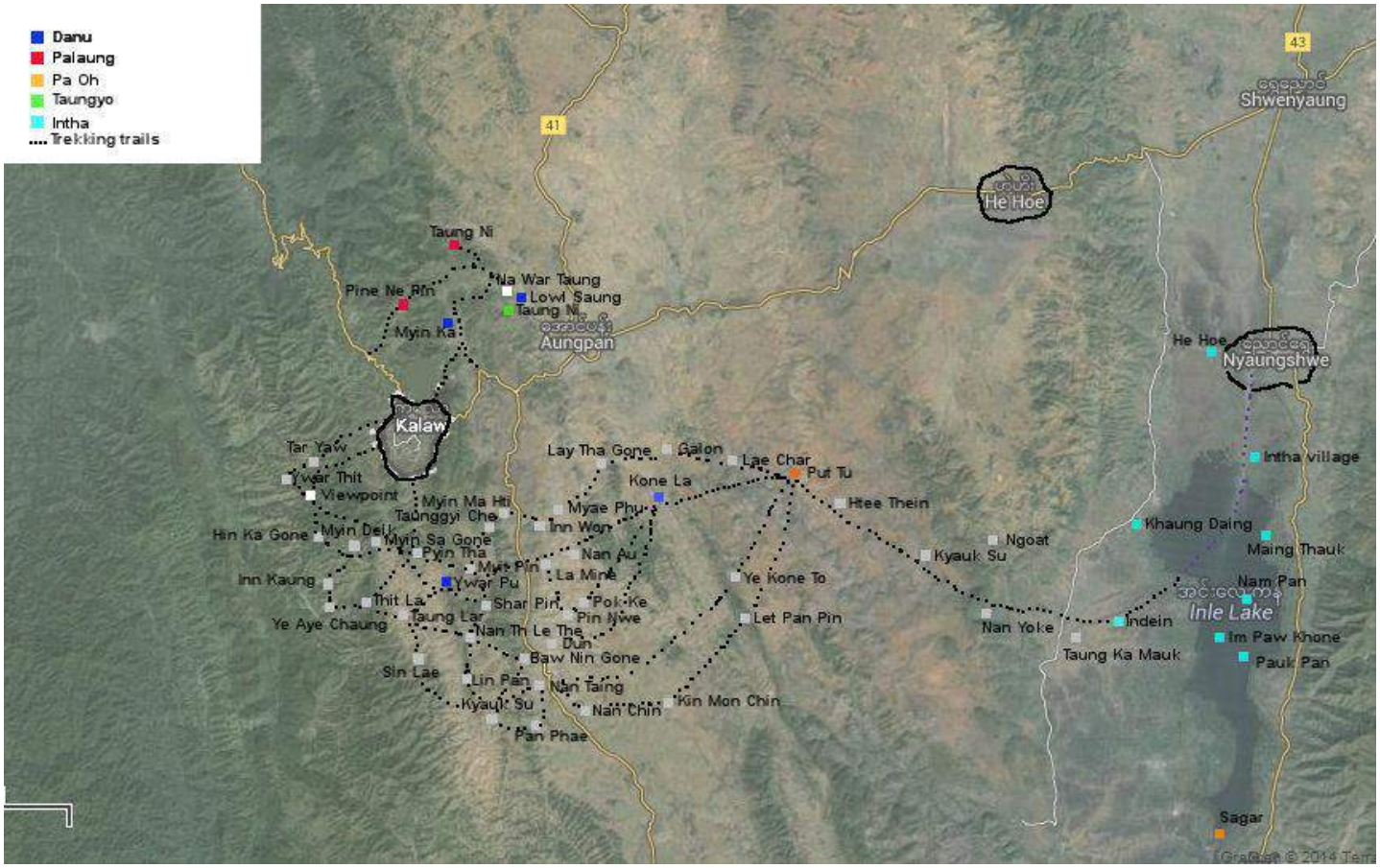

Figure 21: Villages where interviews were carried out with colour coding of different ethnicities[121]

[121] Source of map: Google maps

4.2.2.4.2 Expert Interviewees Affiliation

Table 7 provides a more detailed overview on the experts who were involved in the research conduction. The interview "NGO 1" was elementary for the basis of this work. The interviews with "Local Initiative 1-4" revealed interesting findings since these 4 people could give data from a local point of view but with expert background. The "Tour Operator 1-7" interviews form the counterpart to the guideline interviews. They could contribute important knowledge because of their work experience. In addition the interviewees considered the development of tourism from a different, more economical perspective than the locals. As a result they brought a certain sobriety and feasibility consideration in this work.

Interview Codes - Expert Interviews		
NGO	**Local initiatives**	**Tour Operator**
• NGO 1	• Local Initiative 1 • Local Initiative 2 • Local Initiative 3 • Local Initiative 4	• Tour Operator 1 • Tour Operator 2 • Tour Operator 3 • Tour Operator 4 • Tour Operator 5 • Tour Operator 6 • Tour Operator 7

Table 7: Breakdown of interview codes of expert interviews[122]

4.2.2.5 Structure of the Field Studies

The researcher distinguishes the structure of the interviews between the guideline interviews and expert interviews since the implementation of both starts from fundamentally different basic conditions. A guideline was formulated for both types of interviews and served to structure the discussions. The guidelines were handled openly in order to promote a creative situation inspired by the conversation. In the case of the guideline interviews with narrative character the guideline rather served as a very rough red thread for the researcher to steer the topic of the conversation in the right direction if it went to far away from the research topic. The data collection was carried out in a six-week research field trip to Myanmar including a four-week field research in southern

[122] Own table

Shan state and two weeks in Yangon. An overview of each phase is shown in the following table:

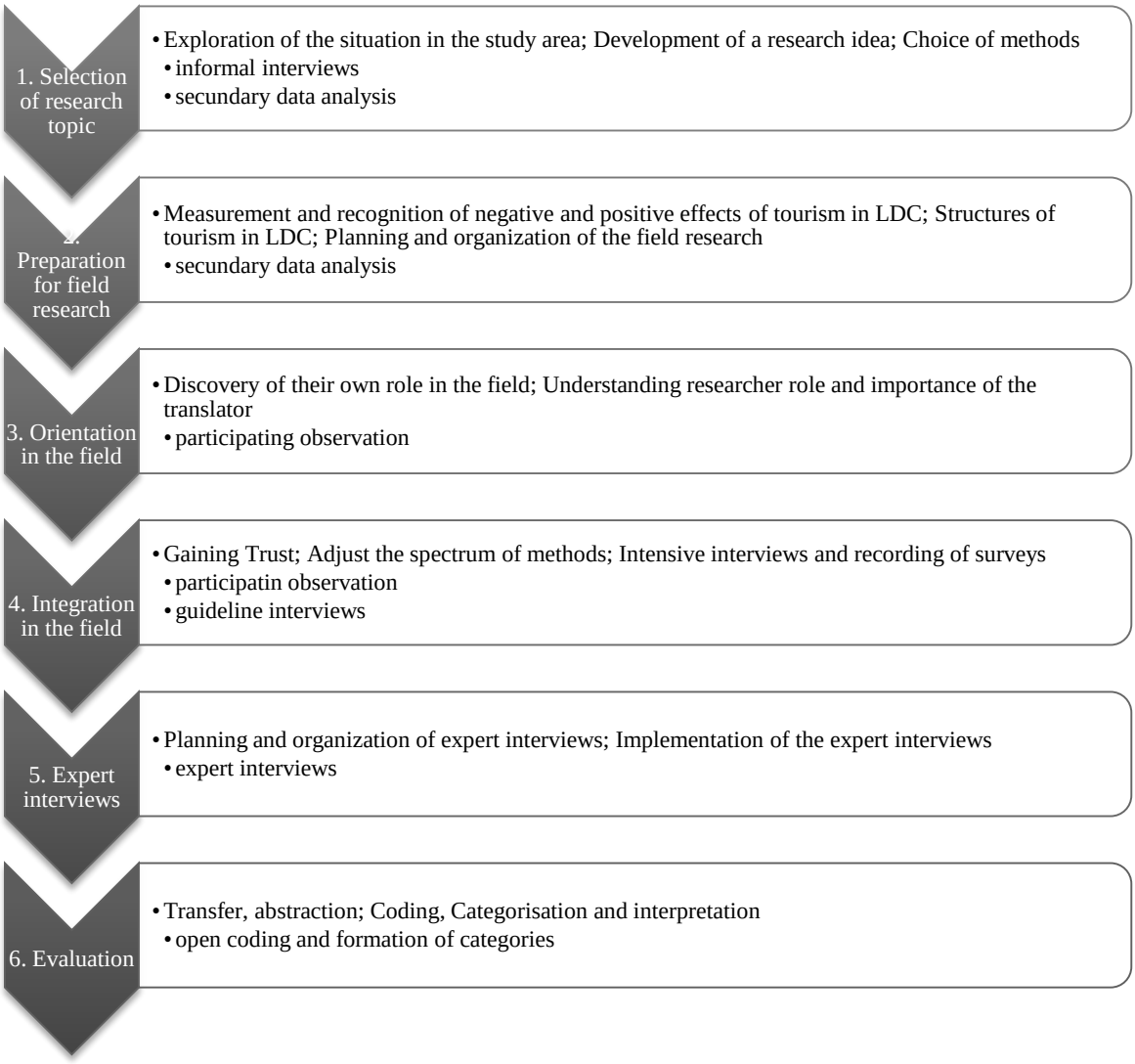

Figure 22: Structure of the field research[123]

4.2.2.6 Structure of the Guideline Interview with Narrative Character

The meeting of researcher and the research subjects is a confrontation of unequal nature. Abu-Lughold (1991) talks about the unequal power in relationships as following: "Women, blacks, and people most of the non-West have been historically constituted as others in the major political system of difference on which the unequal world of capitalism has depended. (…) (B)eing studied by "White men" (…) turns into being spoken for by them. It becomes a sign and instrument of their power."[124]

[123] Own figure
[124] Abu-Lughold (1991) p.142f.

The fact that communicative situations always inherent power structures did not earn enough attention for a long time. The researcher experienced this effect during the field research as people reacted shy and careful to the first attempts of interviews. Helpful means to overcome barriers were to conduct the interviews in a domestic and familiar environment for the researched subject. In addition the joint consumption of cheroots[125] and green tea proved as suitable means to start a trusting and pleasant conversation and reduced feelings of inferiority on the part of the natives.

Figure 23: Invitation to lunch at a house in Pindaya[126]

Figure 24: Palaung hous in Pine ne Pin from the inside[127]

The researcher had to respect the customs and rules of the locals and to accept their generosity and hospitality to build up a relationship of trust.

It was necessary to use a guide and translator for the conversations with the locals and the conduction of the interviews. Especially the inhabitants of the mountain villages have very limited knowledge of the English language. The translator was a connection with the study area for the researcher and helped the author to experience and understand the foreign culture and reality. Through the continuous exchange of the translators, depending on the region, the researcher obtained insights in the region as they can only be taught by local people. The role of the translator went beyond mere translation of the talks and rather conveyed a broad understanding of culture and events in the research area.

[125] Burmese cigars that are especially popular by men and older women.
[126] Own photography
[127] Own photography

4.2.2.7 Strengths and Limitations of the Research

The focus of this work lies on an industry located in a foreign culture unfamiliar to the researcher. The views of indigenous people must be perceived, interpreted and finally displayed in a final work. The capturing of this strange world is in fact more complex than to manufacture and analyze simple data. Therefore attempts were made to focus on an image of the entire culture and not just on the small part of data collected during this work. It might occur that during the data evaluation the researcher found results which are unfamiliar to outsiders or to people who do not know the culture of the researched subjects.

The task of the researcher was to investigate the attitudes of local people towards cooperation with tour operators and a general attitude towards tourism. The vision of the tourism professionals towards the same issue was of the highest importance for this work. The results should thereby be detected with the highest objectivity. For this purpose it is inevitable to confront the world of research prejudice free and realistically.

Since the majority of people move only within one cultural group a confrontation with another culture only occurs on the surface and cannot be interpreted with the existing cultural programming, for example: the behavior of foreigners is often dismissed as "weird". Through conversations with the locals it became clear that in their eyes people of the western world have economic power and live in overall more healthy countries. They are seen as kind of wise. Therefore there is always the risk that the locals answered as what they believed pleases the researcher. Since the research subjects have no influence on the evaluation of their statements, some people seemed to intent that their answers address the pleasure of the researcher. This must be taken into account during the evaluation and analysis of results.

Problems and limitations in the detection and documentation occurred during the translations. Every translation is always an interpretation. During a translation the researcher tried to record what he has learned in the held discussions and therefore searches for matches in his own language and his own culture. Therefore a true understanding of the research subjects cannot be guaranteed in this work. However it was attempted to not lose sight of the real people in every conversation and to reflectively ask whether the written text actually mirrors the intentions of the researched subject.

The basis for this work is set by the researchers custom built interview records. These are highly abstracted as they are based on the translation of questions and answers

through the interpreter. Misunderstandings were cleared only during the conversation by repeated demand.

Further difficulties arose during the encoding process. The process of breaking up the data proved to be very content and time-consuming. The large amount of codes and categories conducted must have been further elaborated and compared with each other. The great number of generated codes was eventually discarded according to a priority list.

The difficulties and limitations of data collection and data analysis had the consequence of a rather rough data material. Language barriers allowed only partly a direct dialogue with the locals. A detailed analysis of the dialogue structure could not be realized. The brevity of stay of six weeks in the study area was not sufficient. Numerous further villages and destinations, interesting for the tourism industry, could not be detected. Instead the work had to be limited to the most relevant tourist areas. The time of the year the research took place was not perfectly chosen. It was difficult to collect enough expert interviews because of the current tourism high season which kept the tour operators busy with their own businesses.

5 Results

Three phases can be distinguished in the evaluation of qualitative data: data preparation, analysis and systematization of the results of the analysis. The analysis method corresponds to what is usually meant by evaluation process (see Chapter 6). The qualitative interview requires a phase of data treatment between data collection and data analysis, especially if the researcher deals with verbal data from interviews. Transcribing data material means to transfer the collected data from an auditory into a written form. Although this process is time-consuming it is indispensable for a systematic evaluation. The transcription was carried out immediately after each interview. In case of the expert interviews the transcription was carried out during the interviews. In both cases it was the researcher's intention to capture all information as complete and extensive as possible. Nevertheless in the case of the guideline interviews weaknesses need to be admitted. The researcher also tried to capture manifestations such as para-verbal [128] and non-verbal[129] utterances.

During the processing of the data, the researcher made use of the coding method. The coding represents a flexible and widely used method for detecting the importance of verbal material. Coding does not prepare the overall importance of the material but rather aims to understand the text from a particular perspective which rises from the research question. Therefore it is not about the development of a meaning horizon but about the capture of the actual meaning of the text.

The codes are developed inductively from the data material. Connections between passages and codes are established during the process of coding.

The following chapter is divided into results from the guideline interviews and the results from the expert interviews. The results are ordered according to the research questions formulated in chapter one. While the general attitude towards tourism is only of interest in the guideline interviews it was not possible to get advisable information about "investment ideas" from the most villagers. The "investment in community involvement in tourism" section is therefore only presented in the expert interviews. For the sake of clarity and reading fluency only one or two quotations are mentioned as proof for the codes. The quotations can be found in Annex C and are listed according to coding of interviewees in chapter 4.2.2.4. Each quotation is provided with a number in

[128] Para-verbal elements are vocal aspects which accompany the verbal statements.
[129] Non-verbal elements are other elements than vocal aspects such as Yawning, laughing, nodding, etc..

brackets that simplifies to find the exact statement that is used as proof in the annex, e.g. ***Nampan 1 (1)***. The text explains whether the corresponding statement was represented by a majority of the interviewees or by a few.

5.1 Results from the Guideline Interviews

This first empirical results section presents the views and attitudes of local people on tourism, the involvement in the tourism industry, the local tourist offer and benefit-sharing. The data result from the guideline interviews with narrative character and participant observation conducted during the empirical field research in southern Shan state. The obtained findings do not claim to be complete. The following section shows a representative summary of the statements of the locals. Coding is used to structure and center the information.

Categories	Codes
Attitude towards tourism	• Tourism benefits for the region • Tourists as unknown strangers • The friendly and interested tourists • The tourists with cameras • First negative impacts from tourism
Involvement in tourism	• Tourism as a work opportunity • Locals do not feel involved in tourism • Barriers for local involvement • More structured tourism development
Local tourism offer	• Non-understanding of tourist requirements • Everyone can work in tourism • Homestay • Handicrafts • Services
Benefit-sharing	• Kinds of benefits • Benefits are not shared fairly • Benefits through tour operators • Beneficial projects
Negative impacts	• Negative impacts

Table 8: Guideline interview results - categories and codes[130]

[130] Own table

5.1.1 Attitude Towards Tourism

The critical factor for cooperation possibilities between locals and tour operators is a positive attitude of the locals towards the tourists. A permanent and sustainable tourism development can only be achieved if the wishes and interests of all stakeholders are ensured. Therefore the basic attitudes towards tourism and tourists are captured in this first section. The codes are divided into four categories and summarize the relationship of the locals towards tourism.

Tourism Benefits for the Region

The basic attitude of the local people towards tourism is positive even though first negative impacts of tourism were mentioned in the tourism agglomerations. The economic aspect is the most obvious positive impact of the tourism industry. Therefore the employment opportunities and the associated rising income were increasingly perceived as positive. The interviewed ***Nampan 1 (1)*** and ***Nampan 2 (1)*** expressed an improvement in their financial situation due to tourism in the villages visited by a high number of tourists.

The interviewee ***Im Paw Khone 1 (1)*** mentioned that tourism helps to preserve and promote the local traditional crafts. The time-consuming production remains attractive for the locals through the sale of elaborate handicrafts. The interviewee ***Nampan 2 (2)*** points out, that the interest of the foreigners in the handicrafts helps to preserve the jobs of people working in workshops.

Figure 25: Tourists tasting self-made rice spirits in Sagar[131]

Figure 26: Blacksmith demonstrating their skills in a workshop in Nampan[132]

[131] Own photography
[132] Own photography

The people in southern Shan State are very proud of their skills and are pleased to present them to strangers. The interviewed often seemed strongly flattered by the interest of foreigners in their work. The researcher experienced that in less-visited villages the locals were excited about showing their products. In the larger workshops on Inle Lake the workers seemed already accustomed to tourists and performed their works emotionally unaffected, although the production was explained to the tourists step by step and in a friendly manner.

The people in southern Shan State believe that tourism will play an important part in the region in the future and therefore creates a chance to sustainably improve the own position. ***Im Paw Khone 1 (2)*** refers the improved living standards to the rising labor supply due to tourism. The increased labor supplies are seen as a stabile future development by the locals. Therefore further people plan to change their profession in favour of the tourism industry as ***Put Tu 1 (1)*** points out.

Tourists as Unknown Strangers

The way locals look upon the foreign visitors can be divided into two major categories. The "tourists as unknown strangers" is explained in the following. The locals meet foreigners usually with an open and curious mind. But the language is a significant barrier for all exchanges. Even in the workshops frequently visited by tourists it is hardly possible for the locals to communicate with the guests. ***Nampan 2 (3)*** reported that personal contact with foreigners hardly ever happens. ***Lowl Saung 1 (1)*** indicates that a communication and thus a cultural exchange is usually only possible by guides. However not everyone uses guides services during their travels.

Communication difficulties are also addressed by ***Myin Ka 3 (1)***. The ***Myin Ka 3 (1)*** interview demonstrated that the foreigners are viewed as different. The strange clothes and expensive technical supplies like cameras and cell phones often seem to irritate or intimidate the locals. Likewise the behavior of foreigners often seems bizarre for the villagers as the tourists' wishes and desires cannot always be understood by the villagers. An example of the non-understanding of tourist desires is expressed by ***Myin Ka 2 (1)***. The interviewee does not understand why the rich and wealthy foreigners with all their expensive technical equipment enjoy trekking in the mountains. In his opinion the sweaty, tired alien could easily hire a motor bike. In this case the understanding of the tourist pleasure of trekking tourism is completely absent.

Contact between travelers and local people usually appears only when tourists require direct services from the locals e.g. guide service and transportation etc.. The cultural experience runs mostly very one-sided as mentioned by ***Pine ne Pin 2 (1)***. While the tourists have the opportunity to obtain information about the foreign culture because of their financial resources and education level this possibility remains excluded to the most locals.

The Friendly and Interested Tourists

Together with the code "tourists as unknown strangers" "the friendly and interested tourists" forms the most frequently mentioned tourist picture. In this case both can occur simultaneously and do not necessarily exclude each other. "The friendly and interested tourist" describes an overall positive tourism perception.

Lowl Saung 1 (2) describes the strangers as light-skinned, friendly people with cameras to whom the village children respond curious in hope for presents. The tourists are seen as wise and successful because of their appearance. Particularly positive comments were made regarding the interest and open-mind of the guests towards the local way of living for example by ***Taung Ni 1 (1).*** The foreigners are even considered as a way of preserving the local culture on the basis of their interest in it. ***Im Paw Khone 2 (1)*** describes a reciprocally respect because of mutual interest.

As already mentioned one of the key factors for the positive sense of the locals regarding the tourists is the possibility of communication. For this purpose it is essential that the tourists travel with guides that also serve as translators. ***Nyaung Shwe 1 (1)*** talks about an information exchange about culture and country that is only possible with the support of a guide who does the translations. An exchange of experiences and cultural backgrounds is interesting for the locals because it moves them from the role of the "observed" into the role of the "host". The traditional code of conduct of the locals requires hospitality. Even when food and drinks are rare they are shared with the guests. The possibility to meet the foreigners as host delights the very polite indigenous people as ***Myin Ka 1 (1)*** says.

The Tourists with Cameras

Photography is a hallmark of all tourists, regardless of country and origin. Local people and in particular women and children are popular as photo motives. In most cases the locals feel flattered by the interest of foreigners like ***Pindaya 1 (1)*** explains. The inter-

viewee ***Ywar Puu 1 (1)*** explained that the tourists like the traditional cloth of the different ethnic minorities worn mostly by women.

Most of the locals are not bothered by being photographed. Many villagers and especially the children even like to pose for the cameras. The interviewee ***Ya Sa Kyi 1 (1)*** reported that the children enjoy being photographed and are curious about how they look like in the pictures.

Nevertheless, there are places where the locals increasingly start to feel disturbed by the flock of tourist with their cameras. This feeling becomes even stronger when the photographed person itself is otherwise unrelated to the tourism industry. ***Pauk Pan 1 (1)*** who works as fishermen states that he knows that tourists are good for the business of his neighbors but he himself sometimes feels disturbed due to people taking photographs of him all the time. The same issue of people who are not part of the tourism industry but feel stressed by tourists taking pictures was mentioned by ***Kalaw 2 (1).*** While several interviewed repeatedly testified to know from people who are annoyed by the photographers, they always protested their own open-mindedness. This might be due to the extreme politeness of the locals. The confession of dissatisfaction with photographs could have resulted in a loss of face against the foreign researcher.

The main reason for the negative feelings of being photographed by tourists is usually not per se mere photography but the mass of the incident photographers. This assumption is also strengthened by the fact that complaints about photographing occurred only in the most visited villages on the lake and along the main trekking route. ***Nampan 1 (4)*** is the only interviewee who expressed a direct wish for a limited number of tourists because of the struggles of being photographed.

First Negative Impacts from Tourism

Despite the positive basic attitude towards the tourists cases have been mentioned repeatedly where the locals were disturbed by the strangers. This was partly due to the behavior of a certain tourists but also due to the tourism side effects. ***He Hoe 1 (1)*** criticized the short clothes of some visitors due to their incompatibility with the traditional clothes of the ethnic minorities. The increased costs, particularly for land prices have been repeatedly criticized, for example by ***Intha village 1 (1)***. The rising land prices were a great trigger for dissatisfaction around Inle Lake.

Occasionally a certain fear regarding a culture and identity loose was expressed as the younger generation is strongly influenced by the tourists. The interviewee ***Shwe***

Nyaung 1 (1) adds importance to the protection of heritage and culture facilities and the education of children.

The increasing pollution caused by the growing numbers of tourists was an aspect mentioned by almost every interviewed person for example ***Maing Thauk 1 (1).*** This is mainly attributed to the increasing boat traffic on the lake, noise pollution and rapidly growing production of plastic waste. The deforestation for construction of new hotels and the lack of wastewater treatment were mentioned, too.

Most locals like ***Pauk Pan 1 (1)*** are aware that their environmental problems did not start with the onset of tourism in their home region but that they have more original nature. In fact it was often mentioned that the most negative impact is created by the farmers themselves as they use chemical fertilizers and pesticides.

The older people increasingly complained of the young people being attracted by easy money that tourism offers, for example to work as trekking guides and therefore drop out of school far too early. For many it is no longer attractive to learn the skills of producing traditional craftsmanship as these are usually cumbersome and difficult. ***Indein 1 (1)*** also mentioned that the traditional handcraft production is becoming less interesting for the young generation since it is not as profitable as working in tourism. The selling of cheaply produced souvenirs or the work as a driver or trekking guide is easier and more profitable. As mentioned by ***Nyaung Shwe 1 (2),*** more and more farmers and fishermen stop working in their original trades in favor of tourism. In the long term there is a danger of over-reliance on tourism.

The least likely perceived negative impact of tourism in the region by the locals is also one of the most serious threats to the local culture, namely the drugs and sex tourism. Some incidents were described and further development of these occurrences can have serious consequences. Therefore it is a concern of the researcher to include this code. The drug tourism is already more popular than sex tourism and several guides reported that they were requested to get drugs for their customers. Although several guides reported such calls these were mostly still isolated cases and not the rule. Several guides like ***Kalaw 3 (1)*** reported that they got asked by clients to by drugs like marihuana or opium for them

Even more rarely sex tourism has been reported. In two cases an exploitation of women from the mountain villages or a request for it has been reported.

Kalaw 1 (1) reported a case where several village girls got triggered by a Chinese woman under false job offers to go to Taunggyi and later got abducted to the south of China where "they experienced terrible things". ***Kalaw 3 (2)*** even reported that he was asked by an Asian tourists whether it would be possible to buy a village girl for a night. The interviewee also adds importance to the issue that the ethnic minorities need protection in the villages.

5.1.2 Involvement in Tourism

This section serves to illustrate how the locals realise themselves as part of the tourism industry. First of all the statements made on tourism and the employment opportunities are presented. This section is followed by the barriers that hinder a participation of locals in tourism. The locals made numerous statements of not feeling personally involved in tourism and the desire for a structured tourism development and involvement in the industry.

Tourism as a Work Opportunity

Most interviewees regarded their participation in tourism directly to their professional involvement with tourism. In this case the tourism directly affects the life and the environment of the locals. ***Im Paw Khone 2 (2)*** explains that today most people in his village work in workshops for the tourists. The production in this workshops focuses mainly on the tourists and very few things are still sold on the surrounding markets.

Tourism is providing job opportunities for diverse professions and also those who do not profit directly are trying to get benefit out of it. An example for this cases of which ***Pauk Pan 1 (2)*** reported, is provided by some of the fishermen who pose in traditional costumes at the lake entrance during the winter months. They pose with traditional fishing equipment for the tourists in hope for some Kyatt.

In addition tourism presents an employment opportunity for people who otherwise would not have a chance to support their families due to their age or other circumstances. ***In Paw Khone 2 (3)*** proudly explained that in their workshop many old people are given the chance to work outside the house. According to her, the old ladies enjoy to have a task beyond the budget and to meet with their work colleagues.

Locals do not Feel Involved in Tourism

The locals do not see themselves as part of the tourism industry like ***Myin Ka 1 (2)*** mentions. It is incomprehensible to them that the main reason of the many trekkers to

walk to their villages are the locals themselves. They do not realize themselves as the main reason for the tourism industry to send clients into the southern Shan state. The locals adapt to the situation as good as possible but are not involved in any decisions as ***Intha village 1 (2)*** confirmed. A statement that is true for each individual interviewed is that they do not feel involved in tourism development regarding the decision-making process.

Those who did not deny their involvement in general did not even understand in which ways they could be involved. In the following some exemplary statements from the interviews are listed to support this assumption: ***Myin Ka 3 (2), Na War Taung 1 (1), Nampan 1 (2), Pine ne Pin 1(1), Shwe Nyaung 1 (2).***

Additionally some locals like ***Nyaung Shwe 1 (3)*** reported that they would like to be involved in the decision-making-process. Some unpopular decisions recently taken by the government have contributed to this desire. A famous example for this kind of unpopular decisions was mentioned by ***Im Paw Khone 1 (3***). The construction of a hotel zone on the eastern shore of the lake deprived many local farmers of their land. Only after protests the government increased financial compensation to a point of satisfaction for the farmers.

Barriers for Local Involvement

The interviewee expresses different aspects that according to their opinion hinder local people in participating in tourism. ***Nyaung Shwe 1 (4)*** lists a few of them, for example the missing experience with foreigners, language barriers, financial barriers and official licenses. One of the main reasons to not participate is again the inability to speak to the foreigners. As already mentioned in the general "attitude towards tourism" the lack of communication is a major obstacle. ***Pauk Pan 1 (3)*** points out that in order to make efficient business with the foreigner it is an obligation to communicate with them.

In addition, a general lack of education is seen as a barrier for example by ***Na War Taung 1 (2).***

Another widely mentioned point is the lack of capital to start a tourism-related business. The population in Shan State is very poor and the money available is usually needed to survive. ***He Hoe 1 (2)*** explains that there are no ways yet to get a loan even though they would need one to start a business for the poor people. The interview ***Kone La 1 (1)*** points out that loans are not only good for the locals but also for the tourists who would benefit from small shops or restaurants in the villages.

A major obstacle to locals who wish to open a small hotel is the special license which is necessary to legally host foreigners and which is not easy to get for everyone. ***Kalaw 3 (3)*** mentions that it is difficult to get a license if you do not know anyone from the military as they are the ones with power.

More Structured Tourism Development

Local people as well as tour operators expressed the wish for a more structured and controlled tourism development. ***Shwe Nyaung 1 (3)*** mentions that there are different organizations and people planning different things but very few cooperate. The interviewee is concerned that too much talking is happening without results.

5.1.3 Local Tourism Offer

The locals increasingly try to generate income with tourism. This section presents the different local tourism products to show potential points of intersection with the tour operators.

Everyone Can Work in Tourism

No barriers in terms of age and gender are perceived to exclude a certain group of people in matters of employment in tourism by the locals. ***Myin Ka 3 (3)*** mentions that people from all over Kalaw and the surrounding villages work in tourism regardless of their ethnic affiliation. The region and ethical descent does not matter. In the eyes of the indigenous even children are acceptable as work force if the families are depending on it as mentioned by ***Nyaung Shwe 1 (5). Im Paw Khone 1 (4)*** says that it is possible that old people gain some extra money for their families for example in the weaving workshops on the lake. In this way it is possible to find niches in tourism for every gender and age.

Non-Understanding of Tourist Requirements

The understanding of the tastes and interests of tourists is not developed enough for many locals. Fundamentally different settings to what is perceived as "taste" or "beautiful" lead to misunderstandings. This applies to activities but in particular referring to the equipment and the quality of hotels and restaurants. The restaurant owner ***Sagar 1 (1)*** explains that the tourists like to see traditional handcraft used in the restaurant interior like the traditional Shan paper lamps. For the locals these traditional produced things are cheap and ordinary but for the tourist they are a part of the local culture. The ability must be learned and practiced to deal with customers in the support services. Some lo-

cals like ***Im Paw Khone 2 (4)*** and ***Shwe Nyaung 1 (4)*** are aware of this lack of knowledge about the foreigners but not all of them.

Homestay

The homestay is one of the most frequently mentioned opportunities for the villagers around Kalaw to participate in tourism. However homestay is officially illegal in Myanmar. The Policy on Community Involvement in Tourism already formulates first standards such as the requirements for the accommodation itself, food and beverage, safety and security, activities offered to visitors as part of homestay program, environmental conditions, local benefits and marketing and promotion.[133] The homestays in the trekking region around Kalaw cannot meet these requirements. Nevertheless the homestay is tolerated, being a "gray zone". Especially in the high season several groups stay overnight each day in the Kalaw surrounding villages. The locals ***Myin Ka 3 (4)*** and ***Pine ne Pin 2 (2)*** know that the homestay is not legal but they know people who offer it anyway because of the need for money and therefore wish for a legal solution.

The most popular and most committed trekking route leads from Kalaw to Indein and takes a minimum of two, but usually three days. If the trekking agencies want to offer this product they have no other choice than to accommodate their guests in the villages along the way. However ***Taung Ni 1 (2)*** confirms that the villagers get only a small remuneration in the amount of 2,000 Kyatt (about 2 USD) per person per night. This money is needed urgently by the locals but considering the hotel prices in Myanmar which are often quoted above average in Asia 2,000 Kyatt seems to be a small amount.

According to ***Taung Ni 1 (2)*** and other villagers who offer homestay the group sizes of trekking groups varies between two and 12 people. This is a rare thing since such large groups mostly stay in monasteries. The interviewee ***Myin Ka 1 (3)*** reports that a lot of tourists visit his neighbor village. In his own house he had tourists only once as their guide used his kitchen for cooking and left him 2000 Kyatt tip.

It also happens that groups or individuals do not stay with the locals overnight but enjoy their lunch break in local houses. It is almost impossible to buy food supplies in the villages. Therefore the trekking guides have to bring everything from the market in Kalaw. In the local houses the kitchen will be used to prepare the lunch. Guests are free to tip the locals for their hospitality but they do not get a fixed loan for opening their home to strangers.

[133] MOHT, MTF, HSF (2013), p.31f.

Handcrafts

The tourists who come to the region are interested in the traditional crafts manufactured by the indigenous population. The used methods are often unique and long vanished in the Western world. The locals have responded and set up workshops in which tourists can admire the work. At the end of every workshop there is a small shop which sells handmade products at high prices to tourists. ***Nampan 2 (4)*** told the researcher during the interview that their products were mostly designed for the export but since the arriving of tourists it is easier to sell directly to the guests. The same is told by ***Nampan 1 (3)*** who used to produce for households and still does but the business shifts more in direction of tourism. Many of these workshops were specially built for the tourists or have changed their production meeting the tourist needs. ***Im Paw Khone 2 (5)*** also focuses the handcraft production on tourism. For them it is the only profitable way to keep producing the expensive lotus silk which they are famous for.

The workshops on Inle Lake are widespread and help the villagers to profit from the visitors. Almost every tourist boat stops at one or more workshops during the standardized one day boat tours on the lake.

Figure 27: Tourist boats in front of a weaving workshop in Im Paw Khone [134]

Figure 28: Tourists watching a demonstration in cheeroth rolling in Nampan[135]

The workshops on the lake are located in the villages Nampan and Im Paw Khone. ***Nampan 2 (5)*** proudly tells the researcher that nearly all the tourists come to this two villages to buy something in their workshops. This form of sale will only work where many tourists are. In other places the locals open small portable shops or follow the tourists with their goods to try to sell scarf, puppets or other souvenirs to tourist in front

[134] Own picture
[135] Own picture

of attractions. ***Indein 1 (2)*** mentions that she has to take her baby to work because otherwise she would have to leave it home alone. In the same time she uses the motherly feelings of the female tourists to increase the sales with the help of the baby.

Services

Another form of making business with tourists are different services. These include a variety of activities in the hotel business, driver services by boat or car, licensed guides, trekking guides, food and beverages. One of the most well paid professions is the tour guide since guides usually get a lot of tip. For ***Nyaung Shwe 1 (6)*** the financial aspect is the biggest desire to become a guide. Others like ***Im Paw Khone 1 (5)*** already work in the tourism service. The interviewee reports that he works as a boat driver for a while now but his biggest wish is to own a boat by himself to maximize the profit.

These services are often seen as the easiest way to benefit from the tourists. Unfortunately there are by far not enough training opportunities to teach the locals service skills and how to deal with foreigners. More and more of the locals try to offer little side businesses to the tourists to gain benefits from them in addition to their actual activities. ***He Hoe 1 (3)*** explains how this can work. Together with other women in the village they bought a special pan for the investment of 3000 Kyatt. Now they are sitting everyday next to road connecting Nyaung Shwe and Khaung Daing to sell "the brother and sister snack" to tourists who are passing by on their bikes.

5.1.4 Benefit-Sharing

This section is intended to show what types of benefits the locals see in tourism. Then the distribution of benefits is evaluated as seen by the population and advantages as well as disadvantages through cooperation with tour operators and locals are perceived. Finally some projects are named that are associated with tourism and support the local population.

Kinds of Benefits

The most visible benefits to the locals are material benefits and consequently a rising income and the employment possibilities. In addition an improved infrastructure is cited as an advantage. A more stable power supply, connection to the wireless network, internet and telephone connections, new roads and an increasing number of shops and restaurants are side effects of tourism development.

Nyaung Shwe 1 (7) says that the quality of life in Nyaung Shwe in general improved. People who are open minded profit the most from the tourists but also farmer and other can profit due to the service-chain. ***Shwe Nyaung 1 (5)*** recognizes an increase in infrastructure and a growing traffic. An increasing number of bars and restaurants is mentioned by ***Nyaung Shwe 1 (8).*** He points out that also the local people enjoy being able to go out in the evening.

In addition some locals have expressed their desire to learn from foreigners like ***Im Paw khone 1 (6)***. This has generally been associated with admiring remarks to the wealth and the diligence of the tourists.

Benefits are not Shared Fairly

The distribution of revenues raised by tourism is perceived as very unfair within the local community. The village population has the lowest value of benefits from tourism but usually commented this with a devoted indifference. The people are poor, frugal and not used to get easy money. The farer away from the main trekking routes and destinations the interviews were conducted the more the people were unconcerned with the distribution of benefits. According to ***Intha village 1 (3)*** the majority of benefits is attributed to the already rich people who earn the biggest hotels.

In return the people were most dissatisfied in villages or regions with large groups of tourists. The dissatisfaction of the distribution rose proportionally to the amount of benefits from tourism. People were also dissatisfied about the fact that a large proportion of tourists book all services in advance in Yangon such as accommodation, restaurant meals and programs. The people thus have the feeling that the biggest part of benefits does not stay in the region. In general a strong dissatisfaction with the government was palpable during most conversations. In addition to the rich people especially the government and the tour operator are seen as benefit gaining parties as ***Nampan 2 (6)*** and ***Nyaung Shwe 1 (9)*** mention in the interviews.

People complained that mostly people with tourism related businesses within the most popular destinations gain benefits. Especially villagers, farmers, fishers or people with other non-tourism related businesses were not satisfied. This even resulted in envy and ill-will towards those who benefit more.

People like ***Shwe Nyaung 1 (6)*** and ***Im Paw Khone 2 (6)*** raise the concern that only people with tourism related businesses benefit while other members of the communities are left out.

Tourism in the region is focussing too strong on Inle Lake and the main trek from Kalaw to Indein. A lot of other interesting destinations within the region, for example the south of the lake, trekking in Pindaya and the regions east of the lake are disregarded as mentioned by ***Sagar 1 (1).***

Shwe Nyaung 1 (7, 8) raises the issue that people not directly involved mostly get disadvantages due to noise pollution. Furthermore some of the ones who did benefit felt that their salaries were to low compared to the wealth of the visitors.

Benefits through Tour Operators

The statements of the locals about the benefits of working with tour operators are exposed under this code. First of all people benefit if tour operators send their clients to local businesses and workshops but also the village people benefit. Im Paw ***Khone 2 (7)*** sais that the big groups of the tour operators and their purchasing power are essential for the workshops to survive. Tour operators usually use the same houses in villages for homestay to ensure a minimum level of hygiene and comfort for their guests.

The locals see one advantage in cooperations with tour operators in the fixed income in the low season. As explained in ***Intha village 1 (4)***, it is a lot of stress if you have to worry for clients during the low season. Tour operators do not pay more for homestay than the individual travellers who book their trekking trips directly with the guides but can ensure a frequent number of tourists at least in the high season. In ***Myin Ka 3 (5)*** the interviewee proudly explains that they have a nice house where tour operators like to send clients to. The payment for the homestay is 2000 Kyatt per person and night.

Na War Taung 1 (3) mentions that treks with overnight in a homestay are not only organized by tour operators with head office in Yangon but also by local trekking agencies.

Shwe Nyaung 1 (9) recognizes that most tour operators work exclusively with local service providers to produce their product and ensure there standards and therefore a close partnership already exists.

Beneficial Projects

There are very few projects regarding support of local people and most of them are initiated by locals themselves. Most local people only recognized supports in their direct environment. ***Na War Taung 1 (4)*** describes a case in which a tourist a tourist not only sponsored a new building for a monastery but also stayed to ensure the construction was carried out correctly.

Results

Beneficial projects by tour operators or related to tourism were not recognized except for one project. ***Khaung Daing 2 (1)*** tells the researcher about the local initiative Inle Speaks which provides classes for people who want to become tourism professionals. Furthermore they run regularly different projects like garbage collection on the lake.

5.2 Results from the Expert Interviews

This second empirical results section presents the results of the expert interviews. Data was collected for local involvement in tourism, local tourism offer, benefit sharing and investment possibilities. The interviews were conducted during a two-week stay in Yangon following the fieldwork phase in southern Shan state. Additional information from a professional point of view could be added to the data from the field research.

Categories	Codes
Involvement in tourism	• Changes in the region • Parties involved in tourism • Barriers for involvement in tourism • Training for local people • Involvement in decision making
Tourism offer	• Trekking tourism • Homestay • Handicrafts • Improvement in the tourism offer
Benefit-sharing	• Station offices • Benefits are not shared fairly • Tourism is too concentrated
Investment possibilities	• Fields that need to be improved • Projects run by tour operators • Projects run by NGOs

Table 9: Expert interview results - categories and codes.[136]

[136] Own presentation

5.2.1 Involvement in Tourism

This chapter lists the statements of tour operators regarding local tourism involvement. The statements are divided in the five different codes: changes in the region, parties involved in tourism, barriers for involvement in tourism, training for local people and involvement in decision making.

Changes in the Region

A general change in the infrastructure is perceived by the expert interviewees. ***Tour Operator 2 (1)*** expresses a remarkable improvement in matters of road conditions and bridges. Due to the increasing number of tourists in the last few years the government invested in infrastructure and new restaurants opened in Kalaw and Nyaung Shwe. ***Tour Operator 5 (1)*** welcomes this development since it provides a wider choice of services for the clients. The interviewee ***Local Initiative 1 (1)*** explains that the number of hotels in Kalaw increased a lot to more than 30 hotels today. Less than half of them are owned by local people according to the interviewee. These changes were perceived as positive because they complemented the local tourist offer.

The locals have to adjust to the new conditions because of the increasing number of tourists. The tip system which is unusual in Myanmar is currently gaining more and more followers in the busy tourist areas. The poor indigenous people were granted to need the money but a tendency to yaw and a tendency to beg is feared by tour operators, for example ***Tour Operator 6 (1).***

Parties Involved in Tourism

This code outlines which parties are integrated in the tourism industry and in which ways they are integrated. The interviewee ***Local Initiative 1 (2)*** mentions that the hotel management of the large and expensive hotels is usually formed by foreigners or wealthy people from other parts of the country whereby the most suppliers like guides, carrier and driver are local people. The hotels mostly belong to investors.

Experienced and trained personnel are required in service-oriented jobs. However there are not enough of them to meet the rush of tourists. Therefore hopes have been placed on well-educated and trained young professionals that have to come.

According to ***Local Initiative 1 (3)*** people from various age groups work in tourism and as trekking guides. However, the job demands high physical fitness and therefore cannot be executed by people of advanced age. That in turn indicates a need for qualified junior staff.

A majority of the population is not involved in tourism but wants to get involved according to the interviewee ***Local Initiative 3 (1). Local Initiative 4 (1)*** quotes that 65% - 70% of the population isn't involved in tourism at all.

Barriers for Involvement in Tourism

The lack of control of local services by laws and regulations is the biggest obstacle to a greater local participation in tourism for the tourism professional who participated in the expert interviews. ***Local Initiative 1 (4)*** claims the wish for a better base regarding laws, regulations and more protection by government. Furthermore, the government is blamed for the most barriers for local involvement in tourism.

This can be seen as well on the fact that the legal framework provides a high hurdle for business start-ups. It is not possible for the locals to get loans to improve their business situation as mentioned by ***Tour operator 4 (1)***.

While some restrictions are regarded as being too strict ***Tour Operator 7 (1)*** says that others should be relaxed to facilitate more work opportunities for local people.

Training for Local People

All interviewed agreed to the point that local people increasingly need training to be able to work in the tourism sector effectively. ***Local Initiative 3 (2)*** expresses the wish for training in English, computer skills and tourism knowledge in general.

The range of subjects to learn stretches from technical skills to social skills and general education. The educational growth is seen as a precondition to increasingly hire local people but also to open up new local business opportunities. ***Local Initiative 1 (5)*** reports about business opportunities villagers miss out on. The local people could sell either prepared food or ingredients to the tourists but therefore need more knowledge about how to handle foreigners.

The human resources of the region are described as poor by ***Tour Operator 6 (2)***. Therefore services and training facilities need to be improved. The interviewed agreed on the fact that the training of locals must exceed mere education. ***Local Initiative 1 (6), Tour Operator 7 (2)*** and ***NGO 1 (1)*** say that it is important for the region that locals learn to develop independently entrepreneurship and pursue their own business ideas.

Involvement in Decision Making

All interviewed agreed on the point that local people in the southern Shan state are not involved in the decision-making in tourism. The professionals ***Local Initiative 1 (7)*** and ***Tour Operator 2 (2)*** express their concern that decision-makers in Myanmar are money

driven. Therefore the ones who pay the most decide what happens and get the most advantages while the local villagers are not involved in decision making.

The interviewees have different opinions of the question whether tour operators are included in the decision making process or not. One half of the respondents like ***Tour Operator 3 (1)*** denies the participation in decision-making while the others express the feeling of a certain degree of involvement for example ***Tour Operator 5 (2)***.

5.2.2 Tourism Offer

This chapter lists several codes regarding the tourism offer of the region. The statements are sorted according to the codes of trekking tourism, homestay, services and improvements in the tourism offer.

Trekking Tourism

In the trekking business the responsibility for the customer rests with the trekking guides. Therefore these people have a challenging task and a lot of responsibility. ***Local Initiative 1 (8)*** mentions that trekking guides do not feel sufficiently protected due to the fact that they are not licensed and their guests stay in homestays which are officially illegal. Because of this "grey zone" the basis for claims and protection is missing. They are afraid to complain or express concerns.

On the other side the tour operators face the problem that due to the non-existing licenses no control and training of trekking guides can be performed. A minimal control of security and quality may not be ensured. The tour operators must rely solely on their personal experience with the guides. ***Tour Operator 3 (2)*** describes many trekking guides as unprofessional, greedy and not trust worthy. The interviewee therefore send licensed guides with the trekking guides to ensure the company quality standards.

Tour Operator 6 (3) rests all hopes on the next generation of young trekking guides with better knowledge who will change the trekking guide market.

Different tour operators mentioned future plans not to send trekking tourists in this region that often anymore since clients get less and less satisfied. The region is not offering enough amenities and the trekking routes are not as spectacular as in the north of Shan state. ***Tour Operator 6 (4)*** prophesies that the trekking industry will move mostly to Hsipaw since the tour operators start to receive complains about the trekking around Kalaw as the trekking is not spectacular enough. Therefore ***Tour Operator 7 (3)*** is concerned that the increasing infrastructure caused damage to many trekking trails which

results in lower attractiveness of the destination. ***Tour Operator 7 (4)*** furthermore claims the wish for more amenities like a hot shower along the trekking routes.

Homestay

The option for accommodation in homestays is one of the most important topics for private-people-partnership as it allows a direct interaction between locals and the tourism business. A change in the law is expected hopefully. ***Local Initiative 3 (3)*** under lines these expectations by mentioning the homestay regulations on a draft level formulated by the "Community Involvement in Tourism.

Local Initiative 1 (9) points out that the local people miss out on business possibilities. With the support and educational training they could sell and prepare food in the villages. It then would be possible to supply the tourist with food along the way instead of buying and carrying everything from Kalaw.

The tour operator repeatedly referred to the desire of official control of homestays as to ensure a certain level of hygiene and comfort for guests. This includes an expansion of the homestay offering. So restaurants for the guests could be built if health and safety could be assured. In this case the tour operator agreed to pay higher prices to the locals.

Tour Operator 3 (3) founds the wish for a legal and controlled homestay on the complains that were received from clients. The complains mostly refer to non-hospitable hosts. The feedback from the Pindaya region seem to be better than the feedback from Kalaw.

Tour Operator 7 (5) mentions that it is imaginable to pay more to the homestay host in case of better educated and trained hosts. This includes the preparation of food, knowledge about hygiene and a general understanding of tourists.

Despite of the lack of a legal basis concerning the accommodation in homestays all interviewed tour operators offered overnight trekking to their clients. The group size of tourists varies between 1-15 people but lies usually between 2-6 as mentioned by ***Tour Operator 3 (4***) and ***Tour Operator 4 (2).***

Services

The tourism service-chain of the tour operators includes a wide range of areas where local people are employed. An exemplary list is given by ***Tour Operators 7 (6)*** and includes trekking guides, station guides, boat driver, car driver, bus driver and hotel staff.

The working structure is well developed and employees receive benefits in some of the tourism related service businesses like the hotel industry but this is not the case in all

employment relationships. ***Local Initiative 4 (2)*** therefore mentions that they like to encourage people to work in the hotel industry. The tourist tips, free food and accommodation make the hotel industry more attractive than other employers.

A concern is expressed by ***Tour Operator 5 (3)*** that the quality standards might decrease due to the strong labor shortages of trained personnel.

Improvements in the Tourism Offer

The tour operators expressed the wish for more individualized and exclusive tourism offers. ***Tour Operator 3 (5)*** therefore expresses the willingness to invest in the training of involved people. The products that are offered in the moment need to improve in quality and originality.

Tour Operator 4 (3) focus all afford on the improvement of establish products instead of selling new destinations in the region. Tourism experts are needed to improve the existing tourism product. The people should be local people as these experts need to know the area very well. ***Tour Operator 5 (4)*** points out that there are some activities like bird watching that require the knowledge of these experts.

Most of the tour operators like ***Tour Operators 6 (5), Tour Operator 7 (8)*** and ***Tour Operator 4 (4)*** want to stretch their regional offers into the east of Taunggyi and to the south and east of the lake. This kind of trips is difficult to arrange yet because there are very few licensed accommodations and no other tourism infrastructure like restaurants. Nevertheless the Loikaw and Samkar are expected to become interesting tourism destination.

5.2.3 Benefit-Sharing

The distribution of benefits in the region is discussed in this section. The experts provide information about the types of cooperation. The first code summarizes statements to the station offices and thus to the bridge for cooperation between tour operators and locals. The second code describes in statements to the opinion that benefits are not distributed fairly.

Station Offices

The majority of interviewed tour operators work with station offices located in Nyaung Shwe, e.g. ***Tour Operator 7 (7), Tour Operator 2 (4)*** and ***Tour Operator 6 (6)***. The task of the station manager and its employees is the organization and implementation of products sold from Yangon. This includes negotiating with service providers ensuring

the quality of products and customer service. Furthermore all hired guides are taught from here and complaints are processed locally if possible. The staff in the station offices is directly employed by the tour operators with head quarter in Yangon.

Most services are externally procured services by local service providers with small-scale businesses. The station managers are choosing their business partners carefully and pay attention to cleanliness, skills and quality. Some services are hugely popular such as station guides. Therefore a bidding war for the best guides can flare up in the high season due to a shortage of available and qualified guides. The profitability of the company stays always in the foreground. ***Tour Operator 3 (6)*** explains that the company works with local service suppliers through the whole tourism supply-chain but also highlights that they see themselves as economically efficient company. Therefore they create wealth in the region and in all the service provider used but they do not feel responsible for them.

In general the station manager decide which local service providers are involved in the business.

One of the interviewed tour operators operates with a different business model. Instead of using a local station office everything is organized from Yangon. Therefore a close collaboration with local service providers is absolutely necessary. ***Tour Operator 4 (5)*** explains that the providers are not exclusively tied to the company but still receive special training in dealing with the customers by the tour operator. The tour operator also encourages the creation of new businesses with expertise and knowledge.

Benefits are not Shared Fairly

Tour operators like ***Tour Operator 1 (1)*** and the ***Local Initiative 2 (1)*** agree with the locals that benefits are not fairly distributed in the region. The villagers receive the smallest amount of benefits. The ethnic minorities around Kalaw and the Inle Lake are in general not actively part of the tourism industry even though they are one of the main reasons for the tourists to visit the region. The local initiatives have a special emphasis on the importance of the various ethnic groups of the region for the tourism industry.

Some of the trekking guides feel unfairly treated by the tour operator. The distribution of profits does not meet the idea of the self-formed Guide Association. This even results in the sense of being exploited by the tour operators. ***Local Initiative 1 (10)*** explains that the cooperation with tour operators becomes more and more unpopular as the trekking guides do not feel being paid enough. Otherwise the security that comes along with

cooperation with tour operators is recognized. The collaboration can have an advantage especially in the low season when not that many tourists arrive in the region.

There is a risk that hatred, greed and dissatisfaction among the villagers become an issue if continuously only single people benefit from tourism. The profit distribution should benefit to entire communities whereas individual persons should not benefit. Therefore, all of the tour operators mentioned to assist their clients with the distribution of donations to ensure that benefits are spread along communities and not individuals, for example ***Tour Operator 2 (3***). The tour operators are ware that benefits need to be spread as wide as possible. ***Tour Operator 3 (7)*** expresses the opinion that the private sector needs to support villages and not individual people.

Tour operators raised the concern to difficulties in a fair distribution of benefits over various villages. Not all villages are open-minded about foreigners and behave shy or repellent. Therefore some villages and trekking routes are preferred to others. ***Tour Operator 1 (2)*** claims that it is therefore difficult to involve all villages in the tourism industry. Furthermore, the tour operator must comply with wishes of their clients in a certain frame. This results in a increasing organization of the most popular trekking routes.

The limited number of preferred trekking routes by tour operators raises the desire to expand their offer into other regions of southern Shan states. An extension of the tourism area can also help to contribute benefits from the tourism industry in other areas of Shan states. At the same time the congested areas would be relieved. ***NGO 1*** and ***Local Initiative 3 (4)*** support the idea of open up more regions in southern Shan state and therefore equalize the amount of tourists including remote areas like Ming Khaung, the east and south of the lake.

5.2.4 Investment Possibilities

The category of investment possibilities and its contained code "fields that need to be improved" present the points at which the experts see investment opportunities to improve a sustainable tourism development. Afterwards projects that are initiated by tour operators as well as projects by private initiatives are explained.

Fields that need to be Improved.

Training sessions for the various professional groups are most urgently desired and qualified personnel is the most urgent needed resource. ***Local Initiative 4 (3)*** therefore requests fair trade, social responsibility, trained local business people and training cen-

ters. ***Local Initiative 1 (11)*** wishes for a trekking guide school to improve quality and service.

Local people are encouraged to continue their original profession in order to avoid a dependency on tourism. As ***Tour Operator 3 (8)*** mentions, tourism is not a stable source of income for the local people. It is subject to seasonal change and dependent on the taste and satisfaction of clients.

In addition the desire for an improved infrastructure in favor of tourists as well as local people was expressed. An improvement in infrastructure is not only about new roads but the construction of a hospital, electricity and internet connection. Therefore ***Local Initiative 1 (12)*** wishes for a proper hospital and ambulance. ***Local Initiative 3 (5)*** expresses the desire for improvements in road construction, internet, electricity and an overall improvement of living standards while Tour ***Operator 6 (7)*** wishes for better accommodation, road conditions and new activities..

It is particularly important to invest in the trust between locals and tour operators. While the locals feel defrauded by the tour operators the tour operators think to be easily deceived by the locals. Therefore ***Local Initiative 1 (13)*** explains that trekking guides are unsatisfied with the contractual connections to the tour operators as these are not standardized. The cooperation with tour operators ensures a work guaranty but many of the local trekking guides distrust the contractual cooperation. On the other hand, Tour ***Operator 6 (8)*** claims that mistrust arise from corruption in southern Shan state. The local people are described as money and power driven being not very honest and do not accept criticism. The missing trust is also valid towards the government. ***Tour Operator 3 (9)*** and ***Tour operator 1 (3)*** explain that trust is lacking in many areas. They do not trust local people in financial aspects and agreements. Furthermore the trust in the government to act in the interest of the private sector and the locals is missing. Therefore the private sector finds it very hard to work sustainable.

Great importance is attributed to the fact that the tourists also need to be educated and trained. The interviewees, e.g. ***Tour Operator 5 (5)*** sees a great importance in the fact that guests should be more aware of the local behavior and should even more respect the different way of living. This refers to clothing and behavior in rural areas or in sacred places. The understanding of the guests by local people is much easier if guests adapt parts of the local lifestyle. Therefore a distribution of the “Do’s & Don’ts” booklet pub-

lished by the government was mentioned as first action even though this was performed by only one of the interviewed tour operators.

Projects run by Tour Operators

Some of the tour operators maintain small community projects in southern Shan state e.g. the installation and disposal of garbage bins in Indein by ***Tour Operator 2 (5)***. In addition, all tour operators mentioned to help customer who would like to donate something to do this in a meaningful way. ***Tour Operator 4 (5)*** explains that clients should donate to institutions that benefit whole communities like monasteries, orphanages, water supply and training for locals. ***Tour Operator 3 (10)*** stresses the need to explain clients not to give money directly to the people. Further forms of projects were mentioned but none of them situated in southern Shan state.

Figure 29: Garbage bin in Indein sponsored by a tour operator[137]

Figure 30: Monastry in Myin Ka that is frequently visited by tourists[138]

Some tour operators can imagine to invest directly in one or more communities as long as they can also benefit personally from this investment. The construction of toilets was exemplified in this regard by ***Toru Operator 3 (11)*** but connected with the wish for exclusively use for the sponsor and the local people.

It is not always easy for the tour operators to start community projects. ***Tour Operator 4 (7)*** mentioned a project in another region of the country. A small campground was implement which was run by a community. The project had to be stopped due to complaints from a nearby hotel.

It is important for the tour operators that the idea for the implementation of such projects arises from the communities. A project can only work over a long period of time

[137] Own photography
[138] Own photography

through direct involvement and personal commitment. The tour operators do not think that it is their task to initiate projects. Furthermore the projects should be encouraged by local entrepreneurs. ***Tour Operator 4 (8)*** demands financial support for those local people by the public sector. The private sector is looking for new cooperation possibilities as well as local run guesthouses and restaurants that can be implemented to the tourism offer. ***Tour Operator 7 (9)*** mentions a minimum standard regarding hygiene and quality as only precondition.

Projects run by NGOs and Local Initiatives.

Some of the institutions and individuals in the region plan their own projects to maintain their region. Not all projects could be implemented, for example due to lack of capital. ***Local Initiative 1 (14)*** wants to become a part of a sustainable development and therefore plans a project on a voluntary basis. A large part of the local trekking guides agreed on spending a small amount of their earnings on a regularly basis to invest the money in the sourcing of small projects.

Recently there are projects in plan to implement micro credits, infrastructure and waste management. ***Local Initiative 3 (6)*** tells about difficulties in the evaluation of who is trust worthy enough to receive micro credits.

Local Initiative 2 (2) is also planning on projects like the construction of restrooms, educational training and the implementation of biogas in local villages. Therefore the support of experts and cooperation possibilities are needed.

Figure 31: Library in Myin Ka donated by a local initiative[139]

Figure 32: Water supply system in Myin Ka donated by a local initiative[140]

Others, like ***local initiative 3 (7)*** already started projects to contribute to the protection of the region. The projects range from the protecting the environment, waste reduction,

[139] Own photography
[140] Own photography

infrastructure development or the education of local people. One of the facilities on the lake run by ***Local Initiative 4 (4)*** even made it their priority to teach local people in the hotel and gastronomy business. Therefore a school with an operating restaurant and hotel was opened. Furthermore the facility contains environment preservation devices like an Inle Lake awareness center, an aquarium and a breeding station for the original Burmese cats. ***Local Initiative 2 (3)*** builds schools, libraries, water supplies and bridges in the mountainous surrounding of Kalaw.

5.2.5 Negative Impact

Many of the tour operators and local initiatives mentioned aspects that can be considered from different points of views and in many cases also have a negative impact on the region. ***Local Initiative 4 (5)*** wants to encourage locals to change their profession and to start working in the tourism industry. The main reasons mentioned by the local initiative are the higher amount of earning potential and the reduction of the number of farmers on the lake as they contribute a large part to the pollution of the lake. In the same time Tour ***Operator 7 (10)*** is more concerned of a too great dependency on tourism.

A threat to the culture of ethnic minorities in the mountain villages was seen by ***Local Initiative 1 (15)*** mainly in individuals who reside in the mountains without a guide. Possible reasons for problems caused by individual travelers are a lack of communication skills, a lack of instructions and dangers because of violations of law. The ***Tour Operator 7 (11)*** is aware of a responsibility of the private sector regarding a responsible training for tour guides, for example to explain to tourists why they should not hand money to children.

The drug tourism mentioned in the guideline interviews was also recognized by the expert interviewees, for example by ***Local Initiative 1 (16)*** who mentions the drug tourism as negative side effect of tourism and explains that tourists repeatedly asked guides to buy drugs for them. Furthermore first forms of sex tourism in form of "happy end massages" were recognized in some of the hotel spas and mentioned by ***Tour Operator 3 (12)***.

Others, like ***Tour Operator 6 (9)*** do not yet come in contact with drug or sex tourism but mentioned that they already heard about it in southern Shan state. Furthermore the

tour operator mentions that the ethnic minorities do not have any protection yet and therefore a dangerous situation occurs.

The money of the tourists attracts many locals and easily leads to wrong decisions. The people miss out on knowledge and education about tourism which is reflected in Nyaung Shwe where dozens of new hotels are built from the ground. Very few of these hotels meet the taste and demands of Western customers. ***Local Initiative 3 (8)*** says that due to the lack of experience and knowledge man very tall building were constructed that do not fit to the natural and cultural heritage of the region.

Furthermore ***Local Initiative 3 (9)*** expresses the concern of the prospects for a quick and easy money clouds the vision of the future as another danger for the locals. Investors are increasingly buying farmland from the farmers in the region as a possible investing in hotel grounds. The farmers do not consider the fact that the farmland is their capital.

High risk is seen in the increasing number of school drop outs by ***Local Initiative 2 (4).*** These young people can work only in the simplest of all professions due to a lack the education. ***Tour Operator 3 (13)*** explains that there is a risk that they become beggars, criminals or lose their track in any other way. The easy money and interesting lifestyle of the foreigners attracts young people. The experts see a danger and a possible reason for the decay of tourism in the region in this progress. ***Local Initiative 2 (5***) explains this idea in more detail. The local people do not understand the reason of the wealth of the foreigners and especially young people see them being superior. Therefore the young villager want to change their lifestyle and become more like the strangers. In the worst case, this leads to an imitation of habits like drug and alcohol abuse.

5.3 SWOT-Analysis

The SWOT analysis summarizes the previously discussed results of both types of interviews and forms the backbone for the subsequent data analysis.

Strength	Weaknesses
• Increasing tourism arrivals • Positive attitude towards tourism • Natural and cultural heritage values • Unexploited destinations in the region • Jobs for every age and gender • Unique traditions • Diverse ethnic minorities • Authentic lifestyle of ethnic minorities	• Environmental damage • Lack of trained and skilled local people • poor infrastructure in terms of electricity, road expansion, mobile phone networks and public service • Lack of coordination in tourism planning and management in the region • Increasing living costs • Locals are not involved in decision-making • Communication difficulties between locals and foreigners • Unawareness of tourist needs • Benefits are not spread fair • No standards and external control for homestays
Opportunities	**Threats**
• Innovative tourism offer • Job creation and poverty reduction • Tourism preserve traditions and culture • Cultural exchange • Homestay possibility for CIT • Increasing infrastructure for locals • Security and stability through co-operation	• Negative socio-cultural impacts like sex and drug tourism • Decline of cultural identity • Loss of authenticity • Rejection of tourist due to misunderstanding • Dependence on tourism • Local get annoyed by cameras • School drop outs

Table 10: SWOT-Analysis of the research results[141]

[141] Own presentation

6 Document Analysis

The aim of the research is to analyze the possibilities for cooperation between locals and tour operators in the framework of sustainable tourism development in southern Shan state. For this purpose the work was guided by a number of research questions:

(1) How do local people look upon the community involvement in tourism development?

(2) To what extent do local people participate in the Shan state tourism development?

(3) What are appropriate investment measures in a sustainable tourism development?

(4) Which expectations does the private sector have regarding a possible cooperation?

(5) To what extent do tourism businesses in Shan state develop benefit-sharing schemes?

(6) Which are appropriate investment possibilities for tour operators?

Chapter 5 presented the results conducted during qualitative interviews in the context of the research questions.

The analysis begins with a detailed discussion of the strengths, weaknesses, opportunities and threats arising from the SWOT-analysis in comparative consideration of the government policies. In this way the opinions of the local people, the private sector and the public sector are introduced to the analysis. It is therefore consensual with the "Myanmar Responsible Tourism Policy" that claims that "People take an active responsibility in the tourism sector – in public and private sector, and in communities where tourism occurs: it is about identifying issues, prioritizing and taking action alone or with others to address challenges".[142] Finally, recommendations for cooperation opportunities for locals and tour operators are formulated.

6.1 Discussion

The discussion summarizes the results of the SWOT-analysis of Section 5.3 and discusses these with reference to the "Responsible Tourism Policy" and the "Policy on Community Involvement in Tourism". The "Myanmar Responsible Tourism Policy" adds great importance to tourism as a national priority sector. Therefore aims are formulated that should guide the implementation of a sustainable tourism development. The

[142] MOHT, MTF, HSF (2012) p.4

first aim is to "Integrate domestic and international tourism into the national economic policy, and develop linkages between tourism and other economic sectors to maximize benefits. Further strengthen cooperation mechanism within the public sector and with the various tourism stakeholder (private sector, local communities and civil society)."[143]
The following interpretation of the results therefore aims to formulate recommendations for cooperation which include opinions of local people, the private sector, local initiatives and to a certain extent the public sector.

6.1.1 Interpretation of the Strength

Myanmar is a country with a growing number of tourists. As explained above (see chapter 3.1) the tourist arrivals increase each year. The southern Shan is easily accessible to the increasing number of tourists due to its' connection to the major flight routes and its' accessibility by new roads (see chapter 3.1.2).
The research conducted an overall positive attitude towards the tourism industry and the tourists. A positive attitude is essential for the inclusion of communities in tourism and a sustainable tourism development. The involvement of communities creates wealth and thus an overall improvement of the situation of the communities. [144]
The locals repeatedly formulated the desire to remain with their cultural heritage. The "Responsible Tourism Policy" also claims this point to be important and calls the protection of national identity and the development of a cultural heritage as essential. [145]
The cultural and natural heritage of the region which also provide the main attraction for tourists is to be promoted in a responsible manner to meet the demands and expectations of travelers. [146] In the long term the guidelines aim to ensure that the most important cultural heritage sites receive interpretation in local and international language. [147] The unique culture of the region has to be protected and preserved and negative impacts need to be minimized.[148]
A further strength which is seen by the subjects of this research are the unexploited destinations in the region. The tourism industry is centered on the Inle Lake, Kalaw and

[143] MOHT, MTF, HSF (2012) p.8
[144] MOHT, MTF, HSF (2013) p.11
[145] MOHT, MTF, HSF (2012) p.8
[146] MOHT, MTF, HSF (2012) p.15
[147] MOHT, MTF, HSF (2012) p.13
[148] MOHT, MIID (2014) p.56

Pindaya but missing out wide regions of beautiful landscape and fascinating culture. The "Destination Management Plan for the Inlay Region 2014-2019" suggests to spread the tourism benefits of tourism further throughout the wider region. [149] Furthermore the "Responsible Tourism Policy" proposes to train local guides in particular to increasingly enable visitors to enjoy the natural heritage and protected areas. [150]

Tourism promotes the region with entirely new business opportunities. While the locals repeatedly mentioned that the biggest advantage of tourism will be the increasing job opportunities they also praised the fact that tourism offers opportunities for people regardless of age or gender. The "Policy on Community Involvement in Tourism" lists several employment opportunities like: the sale of "[…] food and beverages, village guiding, accommodation and ancillary services. The provision of these products and services include many more roles such as food production, transport, arts and crafts, cultural performances (e.g.) dancing, singing, story-telling) and cultural demonstrations such as weaving, agricultural practices, music craft making and cooking."[151] Furthermore the employment of local people is recognized as a target. Nevertheless it is mentioned that an external expertise might be necessary to promote a strong development.[152]

The unique traditions like handicrafts and local artisan are named to be supported by the "Myanmar Responsible Tourism Policy" [153] and therefore meet the requests of several local people and experts.

The protection of the living culture of the diverse ethnic minorities also forms a strength of the tourism industry in southern Shan state. The diversity of ethnic groups in the region and their further cultural differentiation are worth being supported and protected. [154] The policies therefore formulate the aim of specially trained guides who are able to transfer the living culture of ethnic groups. [155]

6.1.2 Interpretation of the Weaknesses

The interviewees were concerned about the environmental damages and threats to the region. Those who work with tourists are aware of the damage done to the lake and in-

[149] MOHT, MIID (2014) p.55
[150] MOHT, MTF, HSF (2012) p.14
[151] MOHT, MTF, HSF (2013) p.11
[152] MOHT, MIID (2014) p.56
[153] MOHT, MTF, HSF (2012) p.12
[154] MOHT, MTF, HSF (2013) p.14
[155] MOHT, MTF, HSF (2012) p.13

creasingly try to take action against it. Therefore cleaning up actions were initiated and the implementation of rubbish bins was either performed or in the planning. The "Destination Management Plan" clearly reveals that the lake is the central aspect of the southern Shan state region and it is also most endangered. [156] The lake also functions as agricultural center and power supply (see chapter 3.1.2) of the region. The "Destination Management Plan" also points out that tourism is only one of many threats to the lake and not the most dangerous one.[157] Nevertheless the "Myanmar Responsible Tourism Policy" implements a responsible environmental practice in flora and fauna and the encouragement of sector improvement in waste management and reduction of waste and over consumption in their aims. [158] Many interviewees were concerned about the amount of plastic waste that comes along with the tourists, in particular the amount of plastic bottles used in a country where it is not recommended to drink tap water. [159] First attempts were mentioned to implement refill stations in some of the hotels but customers are suspicious about the cleanliness of the water and therefore refuse to use them.[160]

The aim of the "Myanmar Responsible Tourism Policy" is to "Establish an adequate and appropriate capacity building programme through continuing professional development, training and education."[161] Therefore it covers the request of local and expert interviewees who wish for more training possibilities. The visions of local people and the measurements of the policies correspond in the desire for training institutions that should offer a standardized training in all tourism institutions. Furthermore a train-the-trainer program in all tourism sectors like transport, hospitality, tour operator and tour guides is formulated. [162] [163] The formulated request meets the desires conducted in this research to improve the "Community Capacity Building (CCB)"[164]

Furthermore the people need training in subjects not related to tourism. The locals as well as the "Destination Management Plan" recognized that it is very tempting for villagers to sell off their land to investors for quick gain but do not think of the long-term

[156] MOHT, MIID (2014) p.53
[157] MOHT, MIID (2014) p.53
[158] MOHT, MTF, HSF (2012) p.8 ff.
[159] MOHT, MIID (2014) p.55
[160] Interview Local Initiative 3 (10)
[161] MOHT, MTF, HSF (2012) p.8
[162] MOHT, MTF, HSF (2012) p.10
[163] MOHT, MTF, HSF (2012) p.18
[164] CCB refers to measures that are based on the empowerment of suffering people (e.g. the destitute, the patient) to help himself or herself to organize help.

consequences. They need to get explained that they are selling off their basis of existing. [165]

The code of poor infrastructure in terms of electricity, road expansion, mobile phone networks and public services is responded by the "Myanmar Responsible Tourism Policy" with the objective of more efficient energy usage by the tourism sector." [166] The "Destination Management Plan" suggests further development like infrastructure development in a way that is not overwhelming the landscape, road construction improvement and drainage.[167]

The lack of coordination in tourism planning and management in the region is considered with a lot of attention by the policies and the "Destination Management Plan". Therefore it is one of the aims of the "Myanmar Responsible Tourism Policy" to "Enhance the understanding and effective management of tourism from a national to a local level and with the stakeholders in destinations."[168] This includes an "integrated tourism planning: land use, zoning, building control and resource planning"[169] as well as "a tourism investment process that includes responsible tourism development guidelines."[170] While the policies present a set of aims and objectives the "Destination Management Plan" considers the origin of the difficulties as seen by the interviewees of this research to be set in the complexity about which government department covers which aspects of management and how they cooperate.[171] The complicated collaboration of different of responsible authorities delays and renders many attempts for tourism related projects.

The code of increasing living costs is not mentioned in any of the sources used for this analyses and therefore no appropriate measures are taken to solve the problem of the local people. This issue could be addressed if the next code would be better integrated into tourism.

The code "Locals are not involved in decision-making" is recognized by the sources. The "Policy on Community Involvement in Tourism" sees the main problem in the "[…] lack of an adequate vision as well as a shortfall in planning, regulation and con-

[165] MOHT, MIID (2014) p.58
[166] MOHT, MTF, HSF (2012) p.14
[167] MOHT, MIID (2014) p.56
[168] MOHT, MTF, HSF (2012) p.8
[169] MOHT, MTF, HSF (2012) p.10
[170] MOHT, MTF, HSF (2012) p.10
[171] MOHT, MIID (2014) p.55

sultation with the communities involved in tourism projects."[172] While the "Myanmar Responsible Tourism Policy acknowledgements the importance of a role of local communities in the management of tourism it labels this issue with a low urgency in the moment.[173] Nevertheless this code is given great attention by the "Policy on Community Involvement in Tourism". A consultation of communities in concern of tourism planning and management that affects the local livelihood and a prior providing of sufficient information about any involvement in tourism is recommended.[174] The policy also claims that the involvement of local people usually takes more time due to a broader consultation processes.[175]

The code "Communication difficulties between locals and foreigners" is not paid attention to by the policies and therefore there is no official program to meet this weakness. Despite of the policies the issue is recognized by the "Destination Management Plan" where a vocational training for the local people is suggested.[176] The possibility to communicate in foreign languages can also be seen as an entrance to the tourism labor market.

The code of "Unawareness of tourist needs" is recognized in the policies and possible solutions are presented. Mostly the lack of knowledge about health, safety and security is seen as a problem that can be solved due to training and regular audits. [177] The "Myanmar Responsible Tourism Policy" also involves a general tourism awareness training in local communities in the planning and pays attention to the limited understanding of tourism business concepts in remote areas..[178]

One of the aims formulated in the "Myanmar Responsible Tourism Policy" is to: "Spread benefits in the community, encourage local entrepreneurship and civil society engagement to secure livelihoods for women and youth to alleviate poverty."[179] Nevertheless this research conducted that local people as well as experts experienced the benefits as not being spread fairly within communities and regions due to a lack of local participation in tourism. While the policy comprises a wide range of action points to improve the local involvement in tourism they have not been implemented yet. Fur-

[172] MOHT, MTF, HSF (2013) p.7
[173] MOHT, MTF, HSF (2012) p.17
[174] MOHT, MTF, HSF (2013) p.11 ff.
[175] MOHT, MTF, HSF (2013) p.15
[176] MOHT, MIID (2014) p.55
[177] MOHT, MTF, HSF (2012) p.16
[178] MOHT, MTF, HSF (2012) p.14 f.
[179] MOHT, MTF, HSF (2012) p.8

thermore the "Destination Management Plan" limits the euphoria about benefits through tourism as "[…] not everyone will and can benefit from tourism: tourism must be part of an overall comprehensive and diverse economic development. Developers and planners must be aware of this."[180]

Legal homestay is an important issue for many of the locals and all of the experts interviewed in this research. Whereby the missing official standards and external control for homestay is recognized as a code. The hope of the participants of the research is that an external control will benefit both sides – the locals and the private sector. The local people will gain security and protection while the private sector can ensure a certain quality and safety standard. The "Policy on Community Involvement in Tourism" contains a list of "Myanmar Homestay Standard - Major Criteria and Requirements" in its appendix. The formulations are still on a draft level but contain criteria to accommodation, food and beverage, safety and security, activities offered to visitors as part of homestay program, environmental conditions, local benefits and marketing and promotion.[181]

6.1.3 Interpretation of the Opportunities

The Southern Shan state offers a wide range of opportunities for local people to participate in tourism and cooperate with tour operators.

The opportunity of cooperation that is often mentioned between tour operators and local people as well as a general tourism involvement is the creation of jobs and thus a poverty reduction. The maximization of opportunities to gain employment in tourism enterprises for local people is formulated in the "Myanmar Responsible Tourism Policy" The "Myanmar Responsible Tourism Policy" formulates that an overall achievement for the local people should be to gain more employment opportunities due to tourism enterprises. Therefore it is important to purchase products locally to generate employment on all levels of the tourism supply-chain.[182]

Another of the most obvious cooperation possibilities is based on an innovative tourism offer. Many of the interviewed tour operators claimed to see the southern Shan state as a soft adventure region with in increasing focus on the quality of the products. This is in

[180] MOHT, MIID (2014) p.58
[181] MOHT, MTF, HSF (2013) p.31 f.
[182] MOHT, MTF, HSF (2012) p.12

line with the vision of the "Myanmar Responsible Tourism Policy" that wants to support and enable soft adventure activities to include local people and spread benefits. [183]
Activities like mountain biking and trekking are preferred in southern Shan state and they are also mentioned by the „Destination Management Plan" as appropriate activities. [184]

These tourist activities promote the contact between tourists, the natives of the region and the natural environment. The local people can help to improve existing and new products. The knowledge about the locale flora and fauna is a great advantage, for example for bird watching or trekking.[185]

Tourism development implies the possibility to preserve local traditions and culture.
One aim of the "Myanmar Responsible Tourism Policy" is to: "Reflect on the tourism products and experiences that are traditional in Myanmar character, as well as on the market demands and expectations of visitors, with an interest in supporting responsible and sustainable tourism development."[186]

The interviewees repeatedly mentioned that tourism contains the chance for cultural exchange and therefore for the gain of knowledge. The "Policy on Community Involvement in Tourism" also states the added value through cultural exchange: "[…] sharing the cultural and spiritual significance of different sites involves much more than the mere interpretive experience of just delivering facts and figures about the community or ethnic group. The provision of access to the destination and to general tourist services is equally important, particular in remote areas."[187]

The research conducted a weakness through the lack of standards and official regulations for home stay. Homestay is seen as huge possibility for CIT and cooperation between local people and the private sector. The accommodation form of a homestay meets the actual demand in the region and therefore is in line with the demands of the "Myanmar Responsible Tourism Policy".[188] Local people are encouraged to run accommodations either in own responsibility or in partnership with the private sector.[189]

[183] MOHT, MTF, HSF (2012) p.15
[184] MOHT, MIID (2014) p.57
[185] MOHT, MTF, HSF (2013) p.11
[186] MOHT, MTF, HSF (2012) p.8
[187] MOHT, MTF, HSF (2013) p.10
[188] MOHT, MTF, HSF (2012) p.10
[189] MOHT, MTF, HSF (2013) p.12

The "Destination Management Plan" sees the main advantage in the benefits that directly go to local communities.[190]

A growing tourism industry results in an improvement of the infrastructure which is also accessible for locals. It is important that the transport infrastructure is designed in a way to minimize negative environmental impacts but maximize the economic local benefits.[191] The implementation of restroom facilities in the major tourism destinations does not only provide benefit to the tourists but can also be used by locals who otherwise do not have access to restrooms.[192] Another aspect mentioned by interviewees and the resources is the improved access to medical and emergency facilities.[193]

One of the aims of the "Myanmar Responsible Tourism Policy" is also a concern discovered during the research, namely security and stability through cooperation between local people and the private sector. A cooperation ensures that set standards of all tourism services on health, safety and security across the tourism industry are met.[194] The provision of adequate information to visitors like the "Do's & Don'ts" guideline is expected to improve the health, safety and security of all stakeholders but mostly the tourists.[195]

6.1.4 Interpretation of the Threats

The aim of the "Myanmar Responsible Tourism Policy" is to "apply ethical standards through tourism development to minimize social, economic and environmental harm."[196]

Therefore the decline of cultural identity as feared by the interviewees of this research is also a concern that the "Myanmar Responsible Tourism Policy" pays great attention to. The tourists have to understand the social norms of the destination when visiting cultural sites.[197] The distribution of the already mentioned "Do's and Don'ts" guidelines[198] is highly recommended. Since the rapid growth of tourism is accompanied by a rapid

[190] MOHT, MIID (2014) p.57
[191] MOHT, MTF, HSF (2012) p.11
[192] MOHT, MTF, HSF (2012) p.16
[193] MOHT, MIID (2014) p.56
[194] MOHT, MTF, HSF (2012) p.8
[195] MOHT, MTF, HSF (2012) p.16
[196] MOHT, MTF, HSF (2012) p.8
[197] MOHT, MTF, HSF (2012) p.13
[198] MOHT, MTF, HSF (2012) p.19

change in the region there is a recognized concern by the interviewees as well as in the "Destination Management Plan" that young people are exposed to a loss of traditions.[199] The loss of tradition goes along with a loss of authenticity. The authentic livelihood and culture of the ethnic minorities in the region is the main attraction to many tourists who visit the area. A loss of authenticity may result in short run of tourists visiting the area and results in an irreparable damage for the culture of the ethnic minorities. Therefore the "Destination Management Plan" quotes: "The tourism industry has a responsibility to ensure that cultures are celebrated sensitively and not exploited, as well as ensuring local products and services are actively engaged equitably."[200]

A rejection of tourists due to misunderstanding should be avoided by the implementation of information centers. These will have the task to inform and guide visitors in all major destinations.[201]

The codes "dependence on tourism" and "local get annoyed by cameras" lack of avoiding measures through the policies and the master plan. The increasing focus of local people on tourism could lead to an economic catastrophe in the case that the tourists stop visiting the region. There are several scenarios in which an absence of tourists is possible, for example a loss of interest in region due to new, more attractive destination in Myanmar, a flooding of the region with beggars as a direct result from tourism or heavy environmental issues like a dried out Inle Lake.

School drop outs are also a serious problem recognized by the interviewees and the "Myanmar Responsible Tourism Policy". The quick gain of tourism triggers local people to stop their original business. For adults this effect can lead to a dependency on tourism. For children it leads to school drop outs. These children have a poor education and therefore they have only few chances to get employed in a profession they can earn a living. This often results in begging, scams or criminality. Therefore it is the responsibility of tourism operators, service providers and local authorities to discourage children from missing school.[202]

The last code of threats refers to the negative socio-cultural impacts like sex and drug tourism. Even though the "Myanmar Responsible Tourism Policy" includes the aims of prevention of sexual exploitation of men, women and children, raise awareness and de-

[199] MOHT, MIID (2014) p.58
[200] MOHT, MIID (2014) p.58
[201] MOHT, MTF, HSF (2012) p.10
[202] MOHT, MTF, HSF (2012) p.19

tecting human trafficking through tourism and preventing and detecting drugs and narcotic abuse there is not much attention paid to this topics so far. [203] The probable reason therefore is that these cases did not happen because of the very few tourists. However the interviewees in this research reported several cases. The random interviews and the shortage of research time lead to the conclusion that even more cases could be detected during a prolonged stay. This is a problem with serious consequences for the people that should be paid attention to by the government.

6.2 Cooperation Possibilities between Tour Operators and Local Communities

The discussion takes the SWOT-analysis results in chapter 5.3, the policies of the MOHT and the "Destination Management Plan" into account and shows that the majority of the collected data in this research is simultaneously perceived by locals, the private sector and public sector. This leads to the question why the local people are still barely involved in tourism and also do not feel involved.

Therefore it is important to distinguish between the inclusion of individuals into the tourism-supply-chain and the inclusion of complete communities into the tourism industry.

In fact all interviewed tour operators stated to work with local services provider. The access to these collaborations results from the tourism-supply-chain. The organization of this cooperation is run either by regional offices or directly from the Yangon head offices but in either ways by the tour operators.

The cooperation along the tourism-supply-chain relates to the following areas[204]:

1. Accommodation and service
2. Transportation
3. Crafts
4. Activities
5. Food on beverage
6. Construction
7. Natural conservation

The following figure illustrates some of these intersections:

[203] MOHT, MTF, HSF (2012) p.19 f.
[204] Tewes-Gradl C. et. all (2014) p.7

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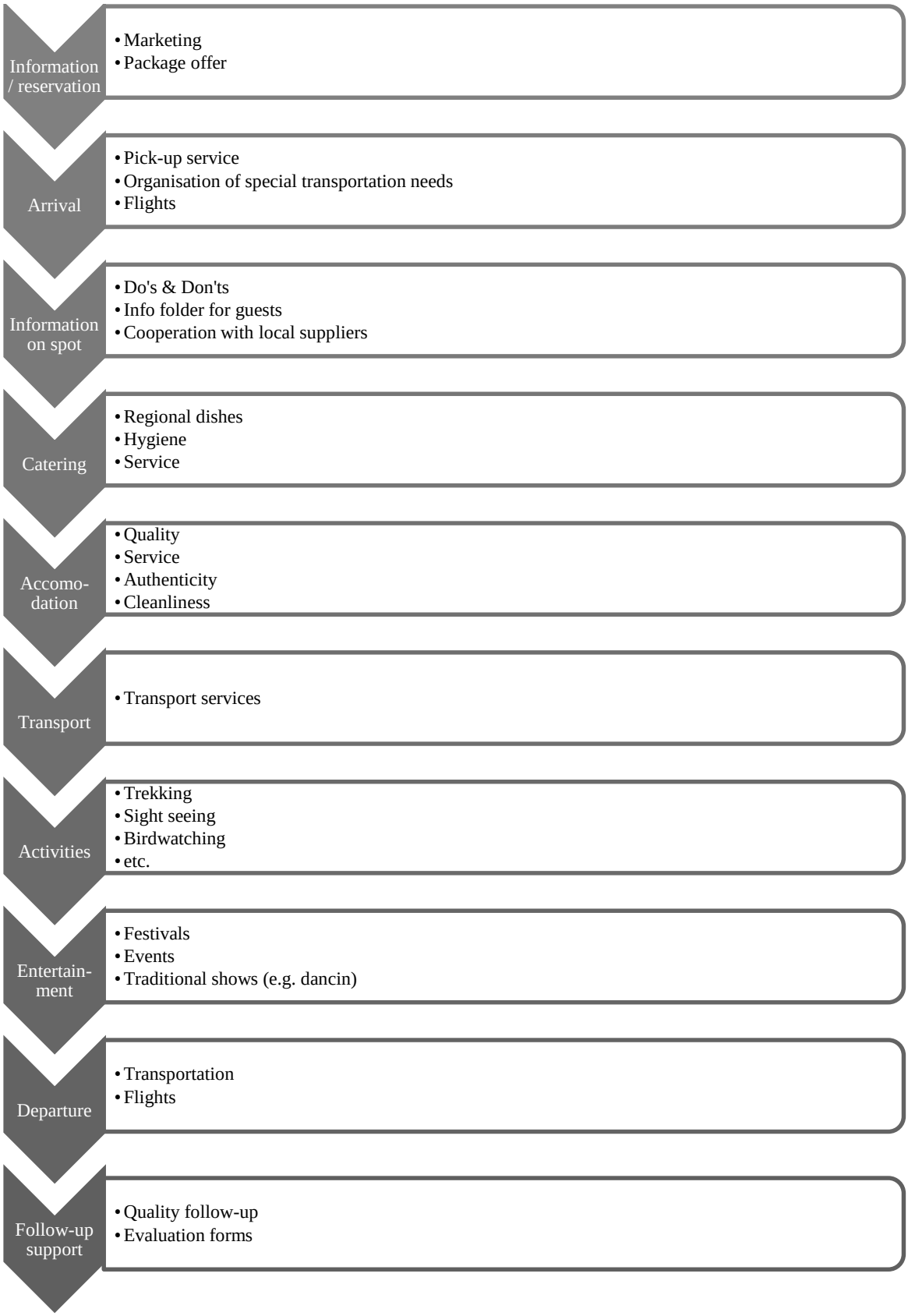

Figure 33: Exemplary tourism-supply-chain of a tour operator in Myanmar[205]

[205] Own figure

The segments between arrival and departure are mainly performed by local tourism providers and coordinated by the tour operators. The research conducted that some of the segments require improvement in southern Shan state.

The most important issue in all sections of the tourism-supply-chain is an urgent need for trained staff. According to the research results, there is a training requirement in service, foreign languages, quality, hygiene and a general tourism understanding.

Additionally a wider range of products, activities and tourism offers is desired by the tour operators. This desire is confirmed with the wish of the local people for a simplified introduction to the business world. Training opportunities and micro credits are required to develop entrepreneurial understanding and to open up an own business. This demands are also required by the "Myanmar Responsible Tourism Policy": "Promote local entrepreneurship through micro and small enterprises in building local capacity in partnership with established local, national and international partners."[206] The "Policy on Community Involvement in Tourism" formulates the following: "Community members should be encouraged to start their own small and medium enterprises or to act as investors or even joint venture partners with the public or private sector."[207]

The added value in the region is already recognizable in the increased infrastructure due to an increasing tourism industry with cooperation of local businesses with tour operators. The trust and communication between those partners is worthy of improvement in many cases. A strengthened dialogue between the two parties is the basic requirement.

The cooperation between tour operators and communities is much more difficult. A legal framework is necessary to enable contact of the two parties on an eye-to-eye level. Currently the tour operators send their customers in the mountainous regions to the different ethnic minorities without any form of control. On the long-term, this may result in a negative development for local people as well as for the private sector. While the locals are facing a decline of their culture, the abandonment of traditional handicrafts, the risk of school drop outs, a danger of selling of their land and basis of existence and other negative effects such as drug and sex tourism, it is not possible for the tour operators to ensure safety, cleanliness and quality of the purchased products to their customers. This leads in a long-term to the tourism industry destroying its own destination. A loss of attractiveness of the destination consequently results in decreasing tourism flow.

[206] MOHT, MTF, HSF (2012) p.12
[207] MOHT, MTF, HSF (2013) p.11

It is therefore essential to create a sustainable cooperation with regulations and laws. Neither of the two parties can achieve sustainable tourism development in the long term without the other. The "Policy on Community Involvement in Tourism" describes the need for communities to cooperate with the private sector as follows: "Many development projects have worked hard in the past 20 years to promote CBT around the world, but only a small number of CBT projects has achieved significant economic benefits due to poor market access and poor governance. Collective management structures are often too complex to work effectively. The imposition of democratic and secular institutional forms on communities with traditional patterns of authority can also have unintended effects."[208]

Some of the tour operators started to found their own small tourism projects but often failed due to laws and regulations and the borders of legal actions. The drive for cooperation between tour operators and local communities cannot be created merely by the tour operators, as the private sector's duty is to act economically and not to act as a development company. The drive and the inspiration for collaboration must rather be created by the communities themselves. The "Policy on Community Involvement in Tourism" expresses this duty as follows: "In future, local communities need to increasingly develop tourism activities and enterprises in addition to the already existing and planned measures of the private and public sector."[209]The role of the private sector will be to market and sell those activities designed by the communities, services and businesses to the end user. The "Policy on Community Involvement in Tourism" describes it as follows: "The distribution network of travel agents, wholesalers and inbound tour operators reselling tourism products to distant markets is equally important."[210]

6.3 Conclusion

This qualitative study focuses on the cooperation possibilities of local people and the private sector in order to support a sustainable tourism development.

In order to maintain the desire to participate in tourism by the locals, the adverse effects must be prevented or minimized by a qualified management. The positive effects need to be strengthened and promoted. It is essential for a sustainable tourism development to

[208] MOHT, MTF, HSF (2013) p.14
[209] MOHT, MTF, HSF (2013) p.6
[210] MOHT, MTF, HSF (2013) p.15

ensure that the objectives of the private sector correspond significantly with the objectives of the hosts in order to generate benefits from a long-term partnership.

The field research is an important practical contribution to the understanding of tourism in Myanmar, in particular to understand the cooperation of locals and the private sector. The recognition, measurement and evaluation of opportunities for cooperation in this work were found to be extremely difficult. During the research and the interviews, the researcher became more and more aware of the concept that the collaboration cannot be limited to individual projects but needs a comprehensive consideration of tourism in the region, the involvement of local people and the development of the tour operator market. The first challenge of this work was to evaluate a suitable method to collect data. Qualitative guideline interviews with narrative character proved to be the best way to collect data in a country where the standardized collection of data is not yet advanced. Expert interviews were used to capture views and opinions of various tourism stakeholders in an open conversation.

The local perspective on involvement in the tourism industry, the extent of local participation in the Shan state tourism development, appropriate investment measures in a sustainable tourism development, expectations of the private sector in reference to a possible cooperation, the extent of develop benefit-sharing schemes and the extent of investment in local communities form the center of the analysis. An attempt was made to collect data from various stakeholders of tourism in order to create an overall picture of the situation.

Communication must be the focus of future collaborations in order to reduce mutual distrust. The previous discussion of the results underlined that tour operators, locals and the public sector agree in a majority of the found strengths, weaknesses, opportunities and threats and therefore agree in the dealing with these problems. Therefore a closer cooperation has great potential for success.

Travelers should be advised in advance of their travel in the destination by the “Do's & Don'ts” guideline to behave culturally sensitive and avoid misunderstandings. The ethnic groups in the destination region need to understand the tourists’ behavior and how they can participate in the tourism business.

The local people require support of the tour operators in the form of training and support by the public sector or NGO’s in form of initial financial aid (micro credits). The advice and support by tourism experts from the private sector is necessary in the mo-

mentary state of development to create mutual benefit. A major factor in a successful cooperation between tour operators and locals is the creation of options for actions and legal frameworks for the local population. The desire for action must be obtained from the locals own motivation and according to the possibility of their living environment.

The capacities of the local people need to be developed and supported. In this way the tourism at village level can be developed independently and in personal responsibility. The concerned local people must acquire a sound knowledge of the tourism industry and associated potential impacts. In this way misunderstandings can be avoided and a friendly attitude towards tourism maintains which is the basis for cooperation between tour operators and local people. The following education and training measures are proposed for the ethnic minorities:

- Language training in English
- Training in the understanding of tourist demands (behavior, cultural, needs)
- Health and safety training (cleanliness, importance of hand washing, house management)
- Training in handicrafts to preserve the unique cultural traditions and for sale to tourists
- Training in the theory and practice of hospitality, accommodation and hospitality

The cooperation can only be sustainable if both, locals and the private sector benefit from it. That means more income possibilities and sources that are not in contradiction to the way of life of the locals have to be developed. A range of new products and services, accommodation options and catering facilities that are compliant with the natural and cultural heritage of the region must be developed. Therefore the following measurements are considered as being useful:

- Legalization of homestays under the control and consideration of different criteria to ensure the quality and safety for locals and tourists.
- The promotion, support and cooperation with local specialized small scale businesses by tour operators (e.g. local guides for bird watching, local driver services, etc.).
- The expansion of the tourist offer to previously untouched areas of the region in order to relieve the congested areas and spread the distribution of benefits.

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- The improvement and development of new environmentally friendly products including local service providers.
- The tour operators need to be aware of their responsibility towards the destination and accept offered tools (e.g. the “Do's & Don'ts” guidelines)

The opportunities for cooperation between tour operators and locals are not restricted to individual projects but range through the entire tourism-supply-chain. All future development goals must be based on a comprehensive and holistic approach that needs to be set at the lowest level of the results-chain. The challenge lies in a reduction of mutual distrust and an awareness of the common goals. Furthermore, locals and the private sector must be supported by the public sector. The policies must be considered and put into action to form a legal framework for sustainable tourism development that involves the local population.

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Annex

A. Description of tourism guideline and policies

Myanmar Tourism Master plan 2013 - 2020

The Myanmar Tourism Master Plan is strongly oriented towards the Myanmar Responsible Tourism Policy and has the aim to formulate strategic programs, projects and activities for the period between 2013 and 2020. It also contains a short term action plan of 2013-2015. The plan aims to maximize the profit from tourism, promote national employment, generate incomes and ensure that the social and cultural benefits are distributed fairly. For this purpose, the following key objectives are formulated:[211]

1. Strengthens the institutional Environment.
2. Build human resource capacity and promote service quality.
3. Strengthen safeguards for destination planning & management.
4. Develop quality products and services.
5. Improve connectivity and tourism related-infrastructure.
6. Build the image, position and brand of Tourism Myanmar.

The Master Plan will implement gender equality, environmental sustainability, partnerships, innovative financing, regional cooperation, ensure access for disabled people and consultation and participation. It sets the target of 3.01 million visitors in 2015 and 4.48 million in 2020. Therefore, it is expected that tourism receipts growth reaches 10.81 billion US$ and 1.49 million tourism related jobs will be created until 2020.[212]

Myanmar Responsible Tourism Strategy

The Myanmar Responsible Tourism Strategy quotes: "We intend to use tourism to make Myanmar a better place to live in – to provide more employment and greater business opportunities for all our people, to contribute to the conservation of our natural and cultural heritage and to share with us our rich cultural diversity. We warmly welcome those who appreciate and enjoy our heritage, our way of life and who travel with respect."[213] This vision will be achieved by following nine action points that give a direction for an implementation of the Responsible Tourism Policy:

[211] MOHT (2013), p.i
[212] MOHT (2013), p.i
[213] MOHT, MTF, HSF (2012) p.6

1. Tourism is a national priority sector.
2. Broad based local social-economic development.
3. Maintain cultural diversity and authenticity.
4. Conversation and enhancement of the environment.
5. Compete on product richness, diversity and quality – not just price.
6. Ensure health, safety and security of our visitors.
7. Institutional Strengthening to manage tourism.
8. A well trained and rewarded workforce.
9. Minimising unethical practice.

Furthermore the policy indentifies different stakeholder as key roles for the sector:[214]

- The role of the public sector – national government.
- The role of the private sector.
- The role of communities.
- The role of non-governmental and civil society organizations.
- The role of conservation institutions and organizations.
- The role of women.

Community involvement in tourism (CIT) Policy

The Policy on CIT is an addendum of the "Myanmar Responsible Tourism Policy "and its' aims and objectives are directly linked to the Tourism Master Plan.

Aim of the policy is to expend the tourism product and to enhance community involvement in tourism. It promotes a careful management of tourism in order to prevent negative influence of an increasing industry. Therefore it gives the following objectives:[215]

1. Strengthening the institutional environment and civil societies.
2. Capacity building for community related activities in tourism.
3. Developing safeguards, systems and procedures to strengthen community planning and management in tourism.
4. Encouraging local entrepreneurship through micro- and local enterprises.
5. Diversifying and developing quality products and service at community level.
6. Monitoring positive and adverse impacts of community involvement in Tourism.

[214] MOHT, MTF, HSF (2012) p.22f.
[215] MOHT, MTF, HSF (2013) p.13

Destination Management Plan

The Destination Management Plan was conducted by the Myanmar Institute for International Development and the International Centre for Integrated Mountain Development and with funding from the European Union for the MOHT.

It formulates its vision as follows: "The Inlay Lake Region will develop as a competitive and sustainable destination that is a great place to live, work and visit." Therefore three principals are formulated around which tourism should be developed:[216]

1. Activities should be based around low-impact enjoyment, such as boat trips, trekking, heritage tourism and respect for the natural environment and the people that make it their home.
2. Accommodation should be in-keeping with the natural beauty and culture of the area and remain in designated areas, being constructed and managed to the highest possible environmental standards.
3. Infrastructure should be appropriately upgraded and managed with a key consideration of reducing climate change impacts: improvements in tourism related infrastructure must bring benefits to local communities.

[216] MOHT (2014) ; Destination Management Plan p. 10

B. Legal & constitutional context details

Ministry of Hotel and Tourism (MOHT)

The Ministry of Hotel and Tourism (MOHT) has a primary responsibility in all matters relating to tourist services and accommodation. The ministry works closely with the government and the relevant departments to set regulations for responsibilities, taxation and licensing related to the tourism industry. The MOHT also includes the directorate of Hotels and Tourism and Hotel and Tourism Development. The Destination Management Plan for Inlay Lake Region 2014-2019 lists their key objectives and functions[217]:

- Implement systematic development of Myanmar's tourism industry.
- Encourage national and international investment in the tourism industry.
- Develop opportunities for wide participation of private entrepreneurs in tourism.
- Promote Myanmar as a world-renowned tourist destination.
- Determine hotel and tourism zones.
- Coordinate with relevant government departments and organizations to form and define the functions of tourism and hotel supervisory bodies in states, regions, districts and towns.
- Upgrade quality, standards and technical skills of the tourism industry.
- Create jobs and raise standards of living through tourism development.
- Cooperate with ASEAN and other countries in Tourism.

Myanmar Tourism Federation

The Myanmar Tourism Federation (MTF) was formed in 2012 and promotes Myanmar as a tourism destination. Furthermore, the MTF is in charge of sustainable tourism development and the support of investors. The training and development of human resources is also one of the main tasks.

Hotel and Tourism Law 1993

Myanmar's first Law on Tourism is the Hotel and Tourism law of 1993 which is valid until today. The objectives of the law are: (i) systematic development of the hotel and

[217] MOHT (2014) ; p.18

tourism industry (ii) enable tourists to observe Myanmar's cultural heritage and natural scenic beauty (iii) prevent destruction and damage of cultural heritage and natural scenic beauty (iv) contribute to international friendship and understanding (v) develop technical knowledge and understanding (vi) provide security and satisfaction for tourists,[218]

The law deals with the obligations of MOHT and is a guide for tourism investments and licensing businesses as well as it sets out rules, regulations, penalties and prohibitions. It sets out the basic principles of how the tourism industry should operate. Although the law on Tourism is valid till today, the tourism master plan formulates the need to bring the existing law on the date and to revise it: "Following the adoption of the above Laws and the Responsible Tourism Policy, there is a need to review the 1993 Myanmar Hotel and Tourism Law to determine where appropriate amendments are needed."[219]

Labor Organisation Law, Labor Dispute Law and Draft Minimum Wage Law

The Labor Organization Law, Labor Dispute Law and Draft Minimum Wage Law were approved in 2012 and protect the rights of workers employed in tourism for fair wages and safe working conditions.[220]

Foreign Investment Law 2012

The Foreign Investment Law from 1988 got supplemented in 2012 by a new specific Foreign Investment Law. It promotes foreign investments to fulfill national development objectives with the help of foreign financial and technical resources.[221] These Objectives are formulated as:[222]

- Promotion and expansion of exports
- Exploitation of natural resources which require heavy investment
- Acquisition of high technology
- Supporting and assisting production and services involving large capital
- Opening up of more employment opportunities

[218] The state law and order restoration council law No.14/1993 p.3
[219] MOHT (2013): p.13
[220] Cf. MOHT (2013) p.13
[221] Cf. Ministry o National Planning and Economic Development (2013)
[222] MOHT (n.d.):The objectives of the Republic of Union of Myanmar Foreign Investment Law

- Development of works which would save energy consumption
- Regional Development

The Myanmar Investment Commission (MIC) was formed in 2011 as initial approving authority for investment proposals.

C. Quotations from the interviews

Interview Code	Quotations
He Hoe 1	*(1) "I really like the tourists. They are polite and friendly but sometimes they wear very short clothes."* *(2) "If we could get a loan we could open a small shop to sell our snacks. But nobody feels responsible for us."* *(3) "We do prepare the brother and sister snack for the tourists. Together with some other women from my village I bought the special pan we need to fry the snack. The tourists pass our village on the way with their bikes. We don't earn a lot but it is a bit and we only had to invest 3000 Kyatt for the pan."*
Im Paw Khone 1	*(1) "We have done our handcraft also before there were so many tourists but they like to see how we are working and this helps to preserve our culture."* *(2) "Before there were so many tourists it was sometimes hard to find work and it is not easy nowadays to make a living of fishing."* *(3) "Nowadays everyone around the lake wants to work in tourism because it is more money but we don't make any decisions. The government makes all decisions like they are building the big hotel zone. I know that a lot of farmers lost their land and were not happy."* *(4) "We have a lot of old people working in our weaving center they like to come here rather than sitting at home."* *(5) "I am working as boat driver but I would like to own my own boat so I don't have to give provision any more. A boat costs more than 1800 US$. I can't afford that."* *(6) "The biggest benefit from tourism is money but I think we can also learn from the foreigners."*
Im Paw Khone 2	*(1) "The tourists are interested in our traditions and like to see our weaving. We like them because they help us to conserve our cultural heritage and our traditional handcrafts."* *(2) "Tourism generates income in our village since the tourists visit our workshops. 150 people from Paw Khone and surroundings villages work here. We mostly produce for the tourists nowadays. Before we sold our weaving products on the surrounding markets."* *(3) "We like what we are doing now. Do you see all the old people working here? I could produce with younger workers which would give me more business because they are weaving faster. The old people like to come here and having a chat with each other. They like to show the tourists their skills."* *(4) "Local people need someone who shows them how to do a business with foreigners."* *(5) "We switched our production completely to please the foreigners. They pay better than local people. Nowadays we mostly do cotton weaving but also the more expensive lotus silk weaving. Our workshops are famous for the lotus weaving."* *(6) "Mostly people with an own tourism business and the employed people benefit from tourism. Like our workshop and our employees."* *(7) "The tour operators send their clients to our workshop so they can see and learn*

	about the weaving. The groups are important for us because of them we can make enough profit to make living."
Indein 1	*(1) "The tourists want to see how we traditionally work and all our handcrafts. Sadly more and more people stop working in the traditional way because you can earn more money with tourists."* *(2) "When I sell my scarf's I always take my baby. I can't leave it at home and the tourists by more especially woman. I think they feel pity for me and I can sell more."*
Intha village 1	*(1) "The land prices everywhere around the lake raised a lot because of the tourists."* *(2) "Everyone around here that it is good to make money with tourists but we don't get asked if we want the tourists to come here. We are not involved in any kind of decision making."* *(3) The foreigners and rich people from Yangon who own the expensive hotels earn the most. I heard that some of the rooms cost more than 100 US$ a night. [Laughs]"* *(4) "Working with tour operators can be good because you get a fixed income even in the low season. They also don't have to worry for clients."*
Kalaw 1	*(1) "There was a big story in one of the villages as a Chinese lady took the girls from a village nearby a brought them to China where they experienced horrible things with men. The women promised their families that they would get good jobs in Taunggyi but lied. I think this story shows that people in the villages need to be protected. They are poor and need money and they don't have much experience with foreigners."*
Kalaw 2	*"Sometimes the people in the villages feel observed by the tourists and their cameras because other than us they don't need them to make a living."*
Kalaw 3	*(1) "Sometimes the clients ask me if they can buy drugs somewhere. They want to try Opium or Marihuana and it's not difficult to get if you know who to ask."* *(2) "Once an Asian tourist even asked if he could buy one of the village girls for one night."* *(3) "If you don't know anyone from the military are do not have enough money to corrupt someone it is very hard to get a license."*
Khaung Daing 1	*(1) "Tourists com frequently to our village to see our work. Our village is famous for our rice snacks."*
Khaung Daing 2	*(1) "The most people who come to us are send by tour operators. But I haven't heard of projects. Inle speaks in Nyaung Shwe provides classes and I saw them collecting garbage but they are not tour operators."*
Kone La 1	*(1) "Sometimes you need money to start a business. Our village is not rich. I think if the people would have more money to open up small shops the tourists would enjoy it as well."*
Local initia-tives 1	*(1) "Kalaw changed a lot especially from the infrastructure. 5 years ago we had only small local hotels nowadays there are many as you can see. We have now more than 30 hotels and less than half of them are owned by local people"* *(2) "All suppliers, like guides, carrier and driver are from Kalaw or the villages around. The big hotels belong mostly to rich people from Yangon or foreigners."* *(3) "We have people in our association in the age between 16 and 60. But being a guide can be very exhausting and people normally stop around 50."*

(4) "If we would have a better base regarding laws and regulations and more protection by government I am sure we could make a better business. Yes, there are lots of barriers mostly created by the government. Our work is difficult since we are in a grey zone."

(5) "The local people need to receive training an especially educational training in the villages. They should know how to handle foreigners. If the people in the villages could cook and sell food in a way that foreigners like we could start buying in the villages instead of carrying everything from Kalaw. This would be good for our business but also helps the villagers."

(6) "Local people need to get taught how to do things and should not get ready made projects. The locals should be involved and taught how things work."

(7) "In our country everything depends on money. Whoever can pay the most decides what happens. Local people don't have money and therefore we don't have a voice. Involving local people would be an improvement."

(8) "Most of the trekking guides don't have a license and we go to villages to let people stay at local houses. Therefore, we are afraid to complain if there are things not well because we now that we can get in trouble. Even though homestay is not legal it is tolerated by the responsible people in Taunggyi. They know that the tourists bring them money and around Kalaw it is safe, so they don't need to worry for the tourists. But still, for the guides it is difficult because of this grey zone. It is hard to stand up and have a voice if your business is in this grey zone"

(9) "Yes, we need educational training in the villages. They should be trained on what foreigners eat and like. We could then buy food in the villages instead of carrying it from Kalaw. People here (including us) need to be taught how things work instead of receiving ready projects."

(10) "Yes some people do. What we don't like is that tour operators in Yangon charge a lot more for trekking than what we actually get here. More and more people therefore don't want to work with tour operators anymore. In low season they have an advantage because they get work more easily than the freelancing guides."

(11) "We would wish for a trekking guide school so that in future only licensed and trained guides can work and therefore ensure a good service."

(12) "Besides the aspects I mentioned already we would wish for a better infrastructure. We don't have a proper hospital here that could help if anything happens to our clients. They have to go to Taunggyi to receive good help. There is no ambulance, communication is not always working and special transport is not easy to arrange."

(13) "There are problems with working contracts. A lot of guides work as freelancer but the some of the guides who work with agencies have contracts. The contracts are different for every company and some don't want to give working contracts at all. Since 2010 we have work the whole year around but in rainy season we sometimes have only 3-4 tours in a month. Guides working with Tour Operators have a more regular employment. Many guides have to do sight business in this time."

(14) "We want to get involved to ensure a sustainable development. For example we are planning that every guide works on trip a year for free and the money he would have earned goes in our fund to finance small projects."

(15) "Tourists who go alone also get lost and then the villagers have to help them even though they speak little English or don't want contact to foreigners. Sometimes foreigners even have tents and just camp on the land of the village people. We locals can get in trouble for this."

	(16) "There is also a negative impact of tourism. More and more tourists come and ask us guides to buy drugs for them; mostly marihuana and opium."
Local initiatives 2	*(1) "We try to make our business as good as possible but for the ethnic people in the villages around it is hard, because they have to wait for the tourists to come. They are not actively a part of the industry even though they are the main reason why tourists come here. I mean they are not coming to see me or Kalaw; they come to see the Pa Oh, Danu, Palaung and Taung Yoe living around here."* *(2) "They get very few benefits but we would like to implement projects to support them and educate them like building toilettes, use biogas, teach them to collect and burn garbage. We need support to do so; maybe some experts could come and help us. We are looking for cooperation."* *(3) "We run several projects and build schools, libraries, water supplies and bridges. We don't get support by tour operators but would accept any help we can get."* *(4) "A very big danger is an increasing number of school drop outs."* *(5) "The locals don't understand the richness of the foreigners and see them as superior. This leads to the young people changing their lifestyle and becoming more and more western. They also copy the bad behavior and take drugs and drink a lot of alcohol."*
Local initiatives 3	*(1) "Everyone in the region wants to get involved. I have never heard of anyone who wanted to stop tourism development."* *(2) "Training is the most important thing in the moment. Training in English, computer skills and tourism training."* *(3) "Homestay is not allowed yet but there are already eight rules on a draft level to protect the locals offering this service and ensure quality standards for tourists."* *(4) "We need to promote the areas in the south like Ming Khaung village and also the regions to the west of the lake. Loikaw will be a main destination in the future."* *(5) "The living standard, knowledge, awareness, infrastructure like roads, internet and electricity are the fields that urgently need to be improved."* *(6) "We are planning to implement a micro credit system but the problem is to evaluate about who is serious with the loan and trustful enough to pay it back."* *(7) "We are working on reducing the waste in the area. Therefore we have regularly clean-up actions with lots of volunteers. We also try to promote refill stations in the hotels to reduce plastic bottle consumption."* *(8) "In Nyaung Shwe we have the problem now that more and more hotels are build. Lots of them are build by people who are not familiar with the desires and tastes of the tourists. Therefore, some very tall buildings were constructed with a design that doesn't fit in the city at all. The government created a new law that doesn't allow new building with over five levels without a special permission."* *(9) "Because of the rising land prices the local farmer sees an easy way to make quick profit and sell off their land but don't realize that they are depending on it. Therefore we give the business advice to everyone to not sell everything to investors."* *(10) "A great issue for the environment s the amount of plastic bottles used by foreigners. Imaging every tourist is drinking 2-3 liter a day from 250 ml or 500 ml bottles. We do not have a proper waste management system in the region and therefore the plastic is either buried or burned. Some of the hotels started to implement refill stations but tourists are still suspicious about the cleanliness of the water."*

Local initiatives 4	*(1) "The local people are not very well involved in tourism in the region. 65%-70% of people in the region and don't deal with tourism at all."* *(2) "We like to encourage people in the region to work in the hotel industry because we have comparatively good benefits because tourists tip a lot and normally staff gets free food and accommodation. For example the workshops worker gets small daily wages and do not profit from the sales."* *(3) "What we really need is fair trade, social responsibility, trained local business people and training centers."* *(4) "We do a lot to support local people in the region because it's our concern. We are running an awareness center on the lake since 2012 where we breed the rare original Burmese cat, run an aquarium with to Inle Lake local fish and explain decreasing other species. 2013 we attached a training center for gastronomy and hotel business. Most of our students receive a scholarship and all are from the surrounding villages. In addition to the tourism-related subjects we teach our students ethic, morality, sexual education, police, gender and environment studies. Everyone who has something to teach is invited to do so"* *(5) "We encourage people on the lake to change their profession towards tourism. Research proved that the biggest environmental damage to the lake is done by the local farmers. They use pesticides and fertilizer to grow their floating gardens but all the chemistry goes straight to the lake. Another big issue is sewages produced by the workshops."*
Lowl Saung 1	*(1) "I can't talk to the foreigners because I don't know English but sometimes their guides translate for us. Definitely this is the longest conversation I ever had with a foreigner."* *(2) "It's interesting to see the tourists. They are friendly and take pictures of us. They look very different and our children are very curious. Sometimes they even get presents from the foreigners."*
Maing Thauk 1	*(1) "Sometimes there are too many tourists on the lake. Especially in winter time the tourists can be annoying. They also have a bad environmental influence on the lake."*
Myin Ka 1	*(1) "The tourists that are coming with guides are very interested in how we live. They ask questions and the guide can translate. Once people came to my house and I served green tea. They took pictures of me and my family which was funny for us"* *(2) "I and my family are farmers we are not involved in the tourism business and any decisions."* *(3) "I don't have business with tourists but in our neighbour village [Pine Ne Pin] they sell bags and scarves to tourists. It happened that tourists had lunch in our house and they left us 2,000 Kyatt."*
Myin Ka 2	*(1) "I don't really understand why the foreigners like to walk around. They are sweating a lot and most of them look very exhausted. They are rich and still walk up all the mountains. I think they could rent a motorbike."*
Myin Ka 3	*(1) "We would like to know more about the foreigners but it is difficult for us to talk to them because we can't speak English. Some groups ask their guides a lot of questions and he translates them but some groups just come here without saying anything to us. They [the tourists] look different and interesting. They have expensive phones and cameras. If we could talk to them maybe we could learn something from them."* *(2) "Local people don't decide anything. We just try to be friendly to tourists, like the*

	government says: take care of foreigners [laughing]" *(3) "People from all over Kalaw and surrounding villages work in tourism"* *(4) "In this region it is no problem but the government normally does not allow that people stay in our houses. It would be nice if we could host them legally."* *(5) "When we let people stay at our house we normally get 2000 Kyatt from the agencies and sometimes a little tip by the people. We have a nice house that is why agencies like to send their clients to us."*
Na War Taung 1	*(1) "I don't know in how far people around here are involved in tourism but they are not involved in decision making."* *(2) "I think the villagers around here are not yet educated enough to work in tourism. They can't speak English and can't communicate with tourists."* *(3) "Tour operators from Yangon send big groups on the trekking trails. They stay in monasteries or home stays. There also small agencies in Kalaw organizing and selling trekking but mostly for individual travellers in small groups."* *(4) "The tourists help us with their donations. A few years ago there was a Swiss man coming here. When he was staying in the monastery he recognized an unfinished building. The following year he came back and donated the material to finish it. He even stayed in the monastery for one month to overlook that his plans for the building were worked out correctly. He also took part in the building process and paid the workers. The men returned again to Myanmar and also build a school building in a nearby village."*
Nampan 1	*(1) "Tourism generates employment possibilities in our village because it is visited by everyone coming to the lake. Tourists buy souvenirs in our workshops and we earn a lot of money by tourists because they are rich."* *(2) "No we are not involved in decision making [incomprehensible laughing]* *(3) "We are now focusing on tourism. Although we sell the items for the household to local people but the workshop is just for tourists. Local people are not interested in how we make them. The village got busier with all the tourists coming here."* *(4) "For the business all the tourists are good and I don't mind if they take pictures of me working but sometimes the boats with all the white people are going to our houses as well. I don't know why our village is so interesting but sometimes it would be nice if we could make a stop so that not more tourist boats can come."*
Nampan 2	*(1) "On the lake the tourism helps us a lot. Before, we were just rolling the cheroot at home while our men went fishing. Now we do it here where the tourists can watch us and take pictures. We earn more money and I enjoy being around all the other women and chatting."* *(2)"The tourists are interested in our handcrafts. They like to see how we are working and this preserves our traditions and gives us woman a work opportunity."* *(3) "We don't really have a lot of contact to the tourists except of when they come to the shop and I speak only little English so I cannot talk a lot to them."* *(4) "Yes our business was mostly export now but tourism is also our business."* *(5) "Yes all the tourists by something in our village if no cheeroth than they buy in the silversmith or the weaving centre."*

	(6) "We do get money but the tour operators and the government earn a lot more. I have a friend who is living on the eastern shore and he had to sell his land because the government wants to build hotels there. He got money for it and now he is alright but first he was very unhappy. I think the government is earning a lot with the tourists and that is why the force people to leave their land."
NGO 1	*(1) "The local people should learn how to market their businesses and regions."* *(2) "It is very important for a sustainable tourism development to open up more regions in southern Shan state for tourists and therefore equalize the amount of tourists."*
Nyaung Shwe 1	*(1) "Every time I talk to a tourist or guide on a trekking route they ask me a lot of question about my county and culture. They are interested in Myanmar and so am I in their countries."* *(2) "I am only in Nyaung Shwe for three years now but I can see that more and more hotels are build. The people are not working as farmers any more but are employed in tourism."* *(3) "No, local people are not asked about tourism development. [...] Local people should be consulted if they are involved in the change."* *(4) "Local people should be able to have their own business but most of the time the investment is more than they can afford. I think local people should work in the tourism sector since it can improve their life standard. For example, I want to become a tour guide but I first need to gain more experience and improve my English. Afterwards I have to attend a workshop in Yangon to get my license. It is not easy and also not cheap to go to Yangon, so I have to safe money first."* *(5) "Sometimes already children work in the hotels. Old people (about 60) not so much because they stay at home."* *(6) "People in Shan state can make a very good living from tourists. That is why I want to become a tour guide."* *(7) "The quality of life improved. We have better employment possibilities, the income rose and a lot of roads are renewed because of tourism but also the land prices increased. But people only benefit if they are open minded and want to learn something. Everyone who works in the tourism industry now benefits but also farmers and other people who sell food to hotels, for example."* *(8) "Nyaung Shwe changed so much in the last years. Before we only had few restaurants and at nine o'clock everything closed. Nowadays I often go out to have a beer with my colleagues after work because the beer stations are open until late in the evening. This is very nice for us as well as for the tourists."* *(9) "Yes, the most money still goes to the tour operator in Yangon or the government who owns the very big hotels."*
Pauk Pan 1	*(1) "The tourists also pollute the lake but I think this is also a problem of the local people since most environmental damage is done by locals."* *(2) "No, we are mostly fishermen and don't deal with tourists. But nowadays some people from our village pose for the pictures of the tourist in traditional cloth and with traditional traps. Therefore, they get some money every now and then but most tourists just take the picture."* *(3) "You have to speak English to speak to foreigners and most local people do speak English very little."*

Pindaya 1	*(1) I like it when the tourists takes pictures. It shows me that the want keep a memory of their visit in our country.*
Pindaya 2	*(1) "I work as a driver right now. But I would like to open up a small souvenir shop. I just don't know what I could sell."*
Pine ne Pin 1	*(1) "We are not involved in the decision making process"*
Pine ne Pin 2	*(1) "I would like to know more about the foreigners but I can't asked them anything. People mostly just pass by and they do not have the time to stop. I think it would be rude to stop them just to ask questions."* *(2) "The people offer homestay because they know it is tolerated and they need the money but still they are afraid."*
Pine ne Pin 3	*"We opened this small shop to sell weaving to the tourists. We let them dress up in the traditional cloth and they love it."*
Put Tu 1	*(1) „Since a few years we have more and more tourists coming here. My friend is working as a trekking guide and he earns good money. In future there will be more guides needed. That's why I am thinking of becoming a guide, too"*
Sagar 1	*(1) "There are so many tourists on the lake but only few come done to visit our village. In the neighbor villages further south it is even less."*
Sagar 2	*(1) "The tourists like to see our traditional handcraft in the interior of restaurant or hotels. They mostly all love our Shan paper lamps. For us locals it's like cheap material because we are used to it but for the foreigners it is very beautiful."*
Shwe Nyaung 1	*(1) "The tourism is increasing anyway and everyone will be touched by it somehow. I think it's important to support heritage and culture facilities so we don't lose our identity and teach our values to our children."* *(2) "I think the final decisions are made by higher authorities."* *(3) "In the moment there are a lot of people and organizations who tell us that we should have a voice but so far I am not sure if anyone is really interested in it."* *(4) "Some are stopped to start a business by either not enough capital or they do not have enough experience with foreigners."* *(5) "We have a lot more traffic now but also an increased infrastructure."* *(6) "People working for the tourism industry benefit other people do not benefit so much. For example the farmers mostly export their harvest only little is sold to restaurants and hotels."* *(7) "Everyone who now works in the tourism industry benefits especially around the lake but for other people it is more a disadvantage because it gets noisier and land got more expensive."* *(8) "The salary of local people working in tourism is still very low. Especially compared to the prices those tourists have to pay for hotels."* *(9) "The tour operators use local suppliers for their services and can ensure a fixed income."*
Taung Ni 1	*(1) "We can earn more money and the people who can talk to the tourist can learn a lot from them. They also tell us how things are working in other countries. I like to listen to these stories. I think one day I want to live in the United States."*

	(2) "We are farmers but sometimes groups come to our house and have lunch there or stay overnight which brings us 2,000 Kyatt per person. It is welcomed money because we don't have a lot. [...] Mostly it's small groups with two or three people but once we had 12 people staying. For lunch, it happens often that big groups come."
Taung Ni 2	*(1) "Sometimes it is disturbing that the tourists come in our school. I understand that they are curious but they disturb the class."*
Tour operator 1	*(1) "Another thing that people don't like is that the benefits from tourism are not distributed very fair. The most money goes to the hotels or the companies in Yangon but for only little money is left. Even less is going to the villagers."* *(2) "There are difficulties to involve all villages in the trekking tourism. Most people want to visit the same villages on the way between Kalaw and Indein. Sometimes we would prefer to go to more remote areas but it is not easy to organize trekking to all villages because some villagers are shy and don't want to give tourist a place to rest for lunch or offer homestay. For the guides; we have a problem because our business is not completely legal."* *(3) "Many people are absolutely money driven and don't keep their words. We also don't believe that government makes its decision in our or the population sense. On this base it is very hard to work sustainable."*
Tour operator 2	*(1) "Nyaung Shwe changed a lot especially for infra structure like road conditions and bridges."* *(2) "Sadly the Government so far doesn't think about involvement of local people. They only see opportunities to make money but they don't think about the impacts."* *(3) "If tourists want to donate something we as tour operators are happy to help them."* *(4) "We have hired our office building by a local."* *(5) "Our former station manager in Nyaung Shwe started a lot of projects. He put up garbage bins in Indein and paid labor to collect the garbage. We encourage our clients to donate and help them to do it in a ways that whole communities benefit and not only few people."*
Tour operator 3	*(1) "The local people are not involved in decision making regarding tourism and neither are we. I think the ministry of tourism is very smart and the minister is a very good man but he does not belong to the military and therefore he has a heavy position and not as much power as needed."* *(2) "Many of the trekking guides are greedy and rude, although they are poorly trained. Therefore, we conclude no fixed contracts and always send our licensed guides with the clients on the trekking routes. We need to ensure that there is a minimum standard of hygiene and that a communication between tourists and locals takes place."* *(3) "Homestay should become legal and controlled by law. We had complains that clients were not treated friendly by the hosts. In general we do not get much good feedback from Kalaw region but much better from around Pindaya."* *(4) "In the high season we sent up to 50 clients or small groups on the trekking trails with an overnight in a homestay. Usually the groups contain of 2-4 people but can go up to 15."* *(5) "I want products that I can sell exclusively and do not need to share with other companies. Therefore we train the local people where we send our clients to offer a*

	good service e.g. for lunch " *(6) "We use local services for everything and it is all organized by our station office but it is not our business to support the weak. Business is business and we can't spoil the market. If we work efficient and profit oriented we create wealth in all the service companies we use. I see this as the kind of benefit we are responsible for."* *(7) "The business needs to support villages and not individual. If the benefits are not spread within the communities the money creates greediness, hatreds and jealousy. Tourism is too concentrated."* *(8) "Tourism is not a stable source of income and locals should not give up their businesses in favor of quick money from tourism. If the clients don't get hassled too much or don't enjoy a region anymore we stop sending them their and sell them different destinations."* *(9) "The biggest issue for us is trust. We can't trust the locals with money, we do not trust in their service, no trust in government policies and we can't trust in agreements."* *(10) "We advice our clients to buy stuff for communities or donate to monasteries if they wish to but we always try to make sure to not give direct money to the people."* *(11) "We would like to support some communities but therefore get an exclusive right to send our clients there. If I build a toilette in village it is ok if the locals who look after it use it as well but I don't want to promote my competition."* *(12) "Lately we had the problem that happy ending massages were offered to clients who were shocked. This happened in expensive hotels more than once."* *(13) "If Students don't go to school anymore and people start begging - if that is happening I pull put my clients because then we can't ensure to them anymore what we promise."*
Tour operator 4	*(1) "Legal frameworks are the biggest barrier. It is too difficult to start up businesses and it is nearly impossible for locals to get a loan."* *(2) "When people do the trek from Kalaw to Indein we make sure it is only small groups of maximum 4 people."* *(3) "We don't want to offer more destinations within the region but create new and better products directly on the lake."* *(4) "Southern Shan state is good area for sports and soft adventure. We need more activities to make tourists stay longer and take the focus on a wider area all around the lake."* *(5) "We do not have a station office on purpose. Instead we are working close with local supplier and encourage people to set up own companies. They do not work exclusively for us but we support start ups with knowledge. Our philosophy is that people work better and harder if they are running their own business."* *(6) "We do have different community projects which we support like donations to monasteries and orphanages, water supply and training for guides but none of them especially for southern Shan state."* *(7) "We don't have a project in southern Shan state but we had a nice community project in the south of Ngapali which we had to stop because some other hotels complained. It's just to show you that initiating projects is not always as easy."*

	(8) "There are many possibilities but to much talking is happening. Money should be spend on spot for entrepreneurs. People need to be supported and we need to improve the length of stay of our clients. Nevertheless, I think it is the people themselves who have to come up products in which they want to get involved and which we can sell."
Tour operator 5	*(1) "The infrastructure improved a lot and lots of new hotels are built. We can offer a lot more restaurants and bars to our clients than a few years ago."* *(2) "Tour Operators have the possibility to get recognized by the government and also to become a small part of decision making."* *(3) "The quality of services decreases because of an increasing tourists numbers. They do not need to offer a good service, they are not licensed and nobody controls the most services."* *(4) "We need more experts for different kinds of activities like bird watching.* *(5) "The tourists need education before they go to villages and visit indigenous people in form of do's and don'ts. The locals also need training in form of a better understanding, cultural differences and behavior of tourists."*
Tour operator 6	*(1) "Local people get more used to tourists and now they expect tips. We have to be careful that people don't become as greedy as in Thailand but people here in Myanmar are poor and need the tips."* *(2) "The human resources in Myanmar are pretty poor. The customer service needs to be improved and more training facilities need to be implemented. In Yangon we already have different projects but in other areas we still need improvement."* *(3) "Experienced guides are hard to find but young people are coming and the market will change."* *(4) "The trekking industry will move on to the north to Hsipaw. We get to many complaints from around Kalaw and the trekking is not as spectacular."* *(5) "Only few people go down to Samkar yet because tourists don't stay long enough to explore more. Loikaw becomes an interesting destination but trips there are difficult to organize. These new destinations are more difficult to organize but few tourists go there and therefore it is still very authentic"* *(6) "Our station office in Nyaung Shwe organizes the entire local supplier."* *(7) "In Pindaya and Kalaw we need better accommodation, road conditions and new activities."* *(8) "It is very hard to make business with the local people in southern Shan state because the region is very corrupt. Everything is about power and money. People don't tell everything all the time and don't take criticism serious."* *(9) "We do not have complains by our clients but we heard that drug and sex tourism is happening in Myanmar. Myanmar is not a sex tourism destination but people have no protection and therefore the current situation is quite dangerous."*
Tour operator 7	*(1) "Restrictions are too strict a relaxing of regulations could help to generate jobs for locals."* *(2) "To involve local people in tourism it is important to not just give but teach them how to manage a business."* *(3) "The trekking industry is growing rapidly. We are looking for new hiking trails especially since more and more roads are renewed. Therefore, they are not as nice for*

	the tourists anymore." *(4) "It would be great if we could offer a hot shower to our clients somewhere on the main trekking trails."* *(5) "It would be great if the local people could offer food to our clients. In this case we also could pay them more for accommodation. Till now we can't ask the locals because they are missing on ingredients, knowledge about hygiene and a general understanding of the taste of foreigners."* *(6) "We have local people working for us in different sectors e.g. as trekking guides, station guides, boat driver, car driver, bus driver and of course the hotel staff."* *(7) "We have a station office in Nyaung Shwe"* *(8) "There are plenty of new destinations in southern Shan state. In close future the areas behind Taunggyi and east of the Inle Lake will be of interest for us."* *(9) "Of course we would promote and work with local people who for example own a community guest house or open small restaurants or tea shops. For us it is important that there is minimum standard regarding hygiene and quality. Therefore the villagers need to be trained in these aspects but we as tour operators cannot pay for special training. Someone else will have to pay"* *(10) "We have to be careful to not build up dependency on tourism."* *(11) "I think we as tour operator also have a responsibility to train our guides to tell the clients what to do and what not. One big issue is not to give anything to the children and not to build up expectations for money but many tourists still do."*
Ya Sa Kyi 1	*(1) "I always know if another trekking group has arrived because then all our children run outside and get excited. They like to pose for the cameras and sometimes the tourists show them how they look in the pictures."*
Ya Sa Kyi 2	-
Ywar Pu 1	*(1) "The foreigners like to take pictures of us especially of the women. I once asked a guide and he told me that they like our colorful turbans."*

D. Guideline Interview with Narrative Character

Introduction

Which village do you come from?

Do you personally think that your village is visited by a large number of tourists?

General attitude towards tourism

This section is to determine the basic attitude of the local people towards community involvement in tourism development?

1. In your opinion does tourism in general provide worthwhile employment opportunities?
2. Does tourism generate income in your village?
3. Do you think that tourism can encourage a variety of cultural activities by the local population?
4. Do you believe that tourists promote cross- cultural exchange and therefore respect for one another's culture?
5. Do you believe that tourism can have a negative influence?

a) From your experience, is there a negative influence of tourism in your village?

b) What kind of negative influence do you recognize?

Involvement in Tourism

This section deals with questions about the extent of people participating in Shan state tourism development and the local understanding of tourism involvement.

6. From your experience in you village, are there changes caused by tourism development?
7. In your views, what are suitable means of involving local people in tourism development?
8. In your own view, what should be an appropriate role of the local people in tourism development?
9. Do you feel personally involved in the decision-making process regarding tourism development in Shan state such as establishment of tourist hotels, home stays or guest houses?
10. Do you think there are any ways in which the current decision making process regarding tourism development in Shan state such as establishment of hotels, guest houses and home stay could be improved?
11. In your view, how do you generally rate the level of local people's involvement in the decision-making process in Shan state?
12. How could the decision-making process be improved?
13. Do you feel personally involved in the tourism development process in the Inle Region?
14. Who does market Inle area as a tourist destination?

Local Tourism Offer

This sections aims to show existing local tourism business models which serve as collaboration opportunities with the private sector in order to generate a sustainable tourism development.

15. From your experience, where do people who work in tourism in the region come from?
16. Do residents/members of the local people work in tourism?

17. What kind of jobs do they work for?

18. What categories of people (in terms of age and gender groups) work in tourism?

19. Are there any barriers that stop local communities (residents) from working in tourism?

20. What kind of business do they own/ operate?

21. Do residents/members of the local community provide entertainment (e.g. perform tourist shows, dance, etc.) to tourists?

Benefit-sharing

This section include question to determine the extent of which tourism businesses in Shan state developed benefit-sharing schemes

22. From your experience, could you comment who generally has benefited from the development of tourism in Inle area in the past 3 years?

23. How did local people benefit from tourism?

24. Why do such people benefit from tourism?

25. Who has benefited from tourist send by tour operators?

26. Are there special projects in cooperation with or initiated by tour operators?

27. Who did benefit from the tourism development (hotel, restaurant, lodges, and guest house) in Shan state?

28. Are any improvements needed to make the benefit distribution of these developments more successful?

29. Are there any other or related matters you would like to comment on which I have not raised?

Demographic characteristics of Respondent

- Gender of Participant: O Male O Female

- Which ethnic group do you belong to?
- What is your level of education?

O Primary School O Secondary School O High School

O College O University O no formal education

- What is your profession?
- How old are you?

O 16-24 O 25-34 O 35-44 O 45-59 O 60+ yrs

E. Expert Interview

Introduction

This section is to give background information to the tour operator.

1. Agency Name _____
2. When was this agency established?
3. Your Position in the agency _____
4. How regularly do you send tourist on treks in Shan state?
5. Is this company already supporting tourism development projects in the Inle Lake region?

Involvement in Tourism

This section deals with questions about the extent of local people participating in Shan state tourism development and changes caused by a tourism development.

6. From your experience, are there changes caused by tourism development?

a) Is there a change in the awareness of tourism?

b) Are there changes in the quality of life of the villagers?

c) Are there increased or decreased employment opportunities for local people?

d) Did the household income of local people in general change?

e) Did the prices of goods and services change?

f) Did the quality of goods and services change?

g) Were entrepreneurial trainings provided?

h) Did the accessibility (transport and communication) increase?

i) Other area: ……

7. In your views, what are suitable means of involving local people in tourism development?

a) Should local people be encouraged to invest in the tourism sector?

b) Should local people work for the tourism sector?

c) Should local people take part actively in tourism the decision-making process?

d) Should tourism benefits be shared with local people?

e) Should local people attend tourism related seminars, workshops and trainings?

f) Are there any other possibilities that you would like or you consider to be appropriate means of involving local people:

8. In your own view, what should be an appropriate role of the local people in tourism development?

a) Should local people take leading role as entrepreneurs?

b) Should local people take a leading role as workers at all levels?

c) Should local people have a voice in the decision-making process of local tourism development?

d) Should local people be consulted when tourism policies are being made?

e) Should local people not participate by any means?

f) Should local people be financially supported to invest in tourism development?

9. Do you believe that local people are involved in the decision-making process regarding tourism development in Shan state such as establishment of tourist hotels, home stays, guest houses, the

amount of tourists send to villages or trekking routes?

10. Do you think there are any ways in which the current decision making process regarding tourism development in Shan state such as establishment of hotels, guest houses and home stay could be improved?
11. In your view, how do you generally rate the level of local people's involvement in the decision-making process in Shan state?
12. How could the decision-making process be improved?
13. Who does market Inle area as a tourist destination?

Local Tourism Offer

This sections aims to show existing local tourism business models which serve as collaboration opportunities with the private sector in order to generate a sustainable tourism development.

14. From your experience, where do people who work in tourism in the region come from?
15. Do residents/members of the local people work in tourism?
16. What kind of jobs do they work for?
17. What categories of people (in terms of age and gender groups) work in tourism?
18. Are there any barriers that stop local communities (residents) from working in tourism?
19. What kind of business do they own/ operate?
20. Do residents/members of the local community provide entertainment (e.g. perform tourist shows, dance, etc.) to tourists?
21. From you view, is there a business opportunity for local people they miss out so far?

Benefit-sharing

This section includes questions to determine the extent of which tourism businesses in Shan state developed benefit-sharing schemes

22. From your experience, how did local people benefit from tourism?

a) Quality of life
b) Employment opportunities
c) Awareness of tourism
d) Household income
e) Prices of goods and services
f) Income- generating projects
g) Entrepreneurial training
h) Accessibility
i) Other areas

23. Are there local people who benefit from collaboration with tour operators?

a) In what ways have such people benefited from collaboration with tour operators?

24. Are there special projects in cooperation with or initiated by tour operators?

a) How do benefits from such projects affect the intended people?
b) How are benefits distributed among the target people?

c) Are any improvements needed to make the benefit distribution of the project more successful?

25. Do you believe that sharing benefit with local people also promotes your business?

26. Are any improvements needed to make the benefit distribution of these developments more successful?

Investment

This section aims to show the areas where tour operators see the need for improvement and investment possibilities.

27. From a business perspective, which are areas which need to be improved in order to gain an added value in the tourism destination?

a) Awareness of tourism

b) Prices of goods and services

c) Quality of goods and services

d) Income- generating projects

e) Employment opportunities for local people

f) Entrepreneurial training

g) Trained guides with knowledge of the regional flora and fauna

h) Accessibility

i) Transportation

j) Waste management

k) Accommodation possibilities

l) Preservation of art and handcraft

m) Cultural demonstrations and shows

28. Does your company invest in any of the above mentioned fields?

a) In which ways do you invest?

29. Do you plan to invest in any of the above mentioned fields?

a) In which ways do you invest?

30. From your experience, are there barriers that prevent collaboration with local people or an investment?

31. Are there any other or related matters you would like to comment on which I have not raised?

F. Picture Gallery[223]

Picture Gallery 1: Women working in a weaving centre in Im Paw Khone.

Picture Gallery 2: Intha woman working in front of her house on the eastern shore of the Lake.

Picture Gallery 3: Floating village of Nam Pan.

Picture Gallery 4: Intha fishermen fishing in front of the Shan mountains.

Picture Gallery 5: Soy snack production in the village Khaung Daing.

Picture Gallery 6: 5 day market on the lake - Pa Oh women in traditional dress buying flowers.

[223] All pictures in the photo gallery are own photographs

Picture Gallery 7: Old woman rests during the production of a sticky rice snack in Khaung Daing.

Picture Gallery 8: Tourists boats in front of a weaving workshop on Inle Lake.

Picture Gallery 9: Floating gardens of the Intha people on Inle Lake.

Picture Gallery 10: Tourists visiting a cheeroth factory.

Picture Gallery 11: Palaung woman looking after the family children while the young family members work on the plantations.

Picture Gallery 12: House in the Taungyo village Taung Ni.

Picture Gallery 13: The researcher in a traditional Palaung dress in a small shop in Pine Ne Pin.

Picture Gallery 14: Pine ne Pin from the distance.

Picture Gallery 15: Main street in the Palaung village Taung Ni.

Picture Gallery 16: Small farm in the Danu village Lowl Saung.

Picture Gallery 17: Ochs carts are used in transportation means.

Picture Gallery 18: Water buffalos are very valuable and are used for the ploughing of the fields.

Declaration of Authenticity

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