2. Tourism development, quality of life and exogenous shocks: A systemic framework

Abstract:

This paper proposes an analytical framework describing a triangle relationship between tourism development (TD), quality of life (QoL) of residents, and shocks or disturbances (SoD). The impacts of TD on QoL have been studied extensively in the literature, but the possible effects of QoL on TD have only been implicitly considered in some studies. Moreover, the influence of SoD on both TD and QoL has only rarely been covered in the literature, and, consequently, the overall relation between these three constructs has remained unstructured and incompletely formulated. The proposed framework contributes to a better understanding of both TD and QoL, thereby providing opportunities for improving both. Additionally, understanding the possible implications of SoD for both TD and QoL provides prospects for improving the preparedness and responsiveness of actors, while potentially speeding up the recovery after unexpected events.

Keywords: tourism development, quality of life, shocks, disturbances, subjective approach, objective approach.

2.1 Introduction

The purpose of this paper is to propose an analytical framework describing a triangle relationship between tourism development (TD), quality of life (QoL) of residents, and shocks or disturbances (SoD) (defined here as occurrences, expected or unexpected, outside the domain of both TD and QoL, but capable to impact both). The framework postulates a series of impacting relations between TD, QoL and SoD. For example, increased TD can negatively affect the QoL of residents of a destination, possibly causing them to be less supportive of tourism, with likely consequences for future TD. Similarly, an earthquake (i.e., an SoD), can severely affect both TD and QoL.

The tourism literature reveals two strands on the relationship between TD and QoL. The first strand discusses the unilateral nature of the relation (e.g., Perdue et al., 1991; Andereck & Vogt, 2000; Kim, 2002; Sdrali & Chazapi, 2007; Marzuki, 2009; Meng et al., 2010), whereby TD is seen as a determinant of QoL, and QoL is just the outcome of TD.

The second strand in the tourism literature provides clues that there is a supplementary relation, whereby TD is the result of QoL (Perdue et al., 1991; Crotts & Holland, 1993; King et al., 1993; Cecil et al., 2010; Croes, 2011a; Meng et al., 2010). This is the case, for example, when a minimum level of education of workers in the tourism industry is needed to handle the product, thereby securing future TD. This may explain why some countries with low levels of QoL (e.g. Haiti) are struggling with developing their tourism industries. QoL in this context is an input in the relationship with TD, yet, in the tourism literature QoL is often related to people’s command of resources (including income) or their cognitive and affective evaluations of their lives (subjective well-being), thereby missing the opportunity to provide QoL with an active role in determining TD.

Understanding the bilateral relationship between TD and QoL could shed light on enhancing the knowledge why some tourism destinations perform better than others. Failure to acknowledge the prospects of QoL influencing TD could have detrimental consequences for the latter (e.g., lower number of visitors and receipts), particularly in a global environment where more destinations are competing to increase their tourism flows and market shares, while originating markets have remained almost unchanged (Croes, 2011a).

The literature has hinted as well at SoD (e.g., wars, weather, terrorism) having an impact on both TD and QoL. Considering a model without these external factors may produce an incomplete picture, and can either lead to missed opportunities for improving both TD and QoL, or severely deepen and/or prolong the negative effects stemming from SoD.
The proposed framework contributes to the literature, firstly by improving the understanding of the relationship between TD and QoL, i.e., by actively involving QoL in the relation. Secondly, this framework explicitly incorporates SoD as a potential third factor that can affect both TD and QoL. Linking TD and QoL to SoD further adds to understanding both constructs, while enhancing the preparedness, response and potential recovery process of destinations.

The structure of this paper is as follows. Section 2.2 examines the concepts TD and QoL and what they exactly stand for. Section 2.3 extends the relationship between TD and QoL from the customary unilateral form to a trilateral interaction, among others, by incorporating SoD as an external influencing factor. Section 2.4 discusses the ways to approach the relationship between the three constructs, while Section 2.5 presents the overarching framework involving all three constructs and their possible linkages. Section 2.6 summarizes and concludes.

2.2 The concepts of TD and QoL

The concepts of TD and QoL have been represented in various ways in the literature. For example, Perdue et al. (1991) and Meng et al. (2010) applied per capita tourism expenditure as a proxy for TD, while Crotts & Holland (1993) employed a per capita tourism and recreation tax. Kim (2002) analyzed TD by its impact (economic, social, cultural, and environmental) and its development stage (beginning, growth, maturity, and decline). These different representations of TD reflect the lack of a readily available definition in the literature of what exactly TD is (Airey, 2005).

The TD concept could be separated into two distinct elements: tourism and development. There is no generally accepted definition of what tourism is, because there are so many uses for tourism (Smith, 1988). And while tourism has different meanings to different people, there is still a need for a standard definition of tourism that makes comparable measurement of the tourism phenomenon possible (Theobald, 2005). The World Tourism Organization (1995, p.12) defined tourism as ‘the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business, and other purposes’. Boniface & Cooper (2001) criticize this definition for being more demand-side oriented, because it is more concerned with the tourist than the tourism sector or industry (supply-side). Goeldner & Ritchie (2012: 4) consider both the demand and supply side of tourism, and defined tourism as ‘the processes, activities, and outcomes arising from the relationships and the interactions among tourists, tourism suppliers, host governments, host
communities, and surrounding environments that are involved in attracting and hosting visitors.’ However, their definition lacks the dynamic properties of tourism, which according to Butler (1997), is one of the major characteristics of this phenomenon. Another deficiency of the definition is that it lacks a purpose: what is the ultimate goal of tourism? Perhaps involving the development concept can shed light on these deficits.

Peet & Hartwick (1999) distinguish between a weak form of development (more of everything for everyone), and a stronger version (using the productive resources of society to better the living conditions of the poorest people). This latter version is in line with the first purpose indicated by Szirmai (2005) who, referring to Myint (1980), divides the development concept into:
1. the fight against poverty;
2. the analysis of long-term economic and social development.

When it comes to tourism, the latter can significantly contribute to poverty reduction (Scheyvens & Homsen, 2008; Croes, 2011b). However, tourism can impact not only the economy and social life, but also the culture and environment of destinations (Kim, 2002).

Development must have a purpose (for example, poverty reduction), but at the same time development must create value for the individual actors at a destination (Haugland et al., 2011). Sen (1999) brings an overarching element to the development concept, whereby expanding the real freedoms that people enjoy ultimately dominates above the more narrow elements of development (e.g., growth in GNP and increase in personal income). In essence, the concept of freedom here emphasizes the significance of empowering people to help themselves, and be the actors of their own development (Stiglitz et al., 2009; Croes, 2012).

Purpose and value indicate that TD is a pluriformal concept that can vary from situation to situation, a feature also recognized by Pearce (1985). TD can be defined as: the sum of dynamic processes, activities, and outcomes originating from the relationship between the actors involved in the tourism phenomenon (for example, tourists, tourism suppliers, residents of a destination, the government), with the ultimate goal of endowing the residents of a destination with the freedom to decide on their own development. TD occurs in a way that promotes a successful and sustainable destination while meeting the QoL aspirations of those who reside at the destination (Goeldner & Ritchie, 2012).

Croes (2011b) invoked three paradigms as a way to give meaning and measurement to the QoL concept. First, there is the income paradigm, which entails that individuals use their income to buy market goods, combined with time, knowledge and non-market goods to provide a more preferable
QoL. The latter is seen here from the perspective of the choices that need to be made about how to allocate scarce societal resources to achieve the QoL. If income is below a certain minimum or threshold, it will limit the individual’s ability to afford a minimum bundle of goods and service that affect their well-being (Croes, 2011b). Income is, thus, up to a certain extend important for the QoL of the individual. In this regard, governments often follow a basic strategy of generating economic growth that will ultimately lead to rising aggregate income, but the question is how much aggregate income matters to the individual (Frank & Enkawa, 2008). This brings forward one important criticisms on the income approach, that is, the level of importance of income in people’s life varies from person to person. Moreover, the relation between income and the purchase of more basic foods and services can be non-linear, and people, particularly the poor, tend to be inclined to satisfy their non-basic needs with their available income. For example, Banerjee & Duflo (2007) found, in their investigation on the economic lives of the extremely poor people in 13 countries that the average person living under US$ 1 a day does not seem to put every available penny into buying more calories, but also spends it on other commodities such as alcohol and tobacco. On the other hand, higher incomes are related to lower marginal utility of money: money becomes increasingly less important, the further a person advances on an organizational hierarchy (Li-Ping Tang, 2007). There are even some instances where income can have a negative effect on people’s QoL, while in others it can even be unrelated to QoL (Li-Ping Tang, 2007). It seems clear, therefore, that income alone cannot explain the state of QoL of the individual, but is merely one of the influences (Ruta et al., 2007). Once the individual’s income threshold has been reached, other factors become important as well in determining the individual’s QoL, whereby the individual’s utility function provides direction.

The second paradigm discussing QoL is the subjective well-being approach, which asserts that individuals are the best judges of their own welfare condition. Rath & Harter (2010: 4) advocate that well-being is not just about being happy, or being wealthy or successful, and even not limited to physical health and wellness, but ‘is about the combination of our love for what we do each day, the quality of our relationships, the security of our finances, and the pride we take in what we have contributed to our communities.’ The authors pinned down five elements that are essential to all people, i.e., career well-being (how you occupy your time, or simply liking what you do every day); social well-being (having strong relationships and love in your life); financial well-being (effectively managing your economic life); physical well-being (having good health and enough energy to get things done on a daily basis); and community well-
being (having the sense of engagement with the area where one lives). The important thing for well-being is how these five elements interact with each other. QoL is seen here from the perspective of how satisfied people are with the circumstances in which they live (Croes, 2011b).

A third paradigm assessing the concept of QoL is the so-called capability approach, based on the work of Sen (1985a, 1985b, 1988, 1997, and 1999). Sen argued in favor of the capability of people to function, i.e., what an individual can do or can be (Croes, 2012). Sen (1999: 75) defined a person’s capabilities as ‘the alternative combinations of functionings that are feasible for her to achieve.’ Functionings are described by Sen (1999: 75) as ‘the various things a person may value doing or being…’, referring to the valuable activities and states that make up an individual’s well-being, for example, a healthy body, a warm friendship, etc. (Alkire, 2005). It can be considered an achievement of a person, i.e., what he/she manages to do or be (Clark, 2005). QoL concentrates here ‘on the way human life goes… and not just on the resources or income that a person commands.’ (Sen, 1999: 24).

Numerous definitions of QoL have been applied in the literature (Table 2.1), yet there is no universally accepted definition of this concept (Susniene & Jurkauskas, 2009). However, several important features of QoL can be distinguished from the literature. First, it is a multidimensional concept that does not focus solely on material issues like income, but can include non-material aspects such as health and education. For example, Cummins’ (1996) QoL approach consisted of seven dimensions (material well-being, health, productivity, intimacy, safety, community, and emotional well-being) termed the comprehensive QoL scale. Stiglitz et al. (2009) introduced seven domains of QoL (health, education, personal activities, political voice and governance, social connections, environmental conditions, and insecurity). Second, it is a dynamic process, where values and self-evaluations of life can change over time (Bowling, 2003). Third, QoL impacts and gives contours to human life, either positively or negatively. For the purpose of this study, QoL is defined as: a dynamic set of both material and non-material dimensions that affect and define people’s life.
Table 2.1: Selected definitions of QOL

<table>
<thead>
<tr>
<th>Author</th>
<th>Definition</th>
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<tr>
<td>Sirgy (1986)</td>
<td>Hierarchical need satisfaction level of most of the members of a given society (p. 329).</td>
</tr>
<tr>
<td>Gjerald (2005)</td>
<td>Emotions and perceptions, both positive and negative, hosts have of their day-to-day life and how it is affected by tourists (p. 38).</td>
</tr>
<tr>
<td>Stiglitz et al., (2009)</td>
<td>Those aspects of life that shape human well-being beyond the command of resources (p. 143).</td>
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</tbody>
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2.3 From unilateral to trilateral interactions

The customary approach in the tourism literature has been to consider TD as a triggering factor to QoL. Studies have found that TD had a positive (and occasionally also a negative) impact on QoL (Table 2.2).

The findings in the conventional unilateral approach, however, do not provide an explanation for a more active role for QoL in the TD-QoL relation. The connection between TD and QoL becomes bilateral when QoL is considered an active factor influencing TD. Three mechanisms have been identified through which QoL’s influential role is emphasized. First, QoL can affect TD in terms of the support for future TD. For example, King et al. (1993) found a negative impact of TD on the QoL of residents of Nadi (Fiji), but these negative impacts did not cause diminished community support for tourism, because of the economic dependency on this activity. In a sense, the authors implied that a negative impact of TD on the individual’s QoL, could have caused a lack of (active) support for TD, with possible negative impacts on future TD. Supportive residents tend to be receptive and friendly to tourists, which in turn provide a positive experience for tourists, influencing their intention to return and/or their word-of-mouth recommendations (Carmihael, 2006). Authors such as Andereck et al. (2007), Claiborne (2010), and Andereck & Nyaupane (2010) have also hinted at the possibility of QoL impacting future TD through the willingness of people to support tourism.
Second, QoL can influence TD through providing amenities that benefit not only the residents, but future TD as well. Cecil et al. (2010) presented the case of the Indianapolis Cultural Development Commission which embarked on a cultural tourism initiative. The Commission promoted the cultural development of six district neighborhoods, in sharing the authentic and diverse character of Indianapolis and its people with residents and visitors alike, aiming at improving the QoL of its residents. On a similar note, Croes (2011a) found that although cultural tourism consumption contributed to only about 2% of the island’s total tourism receipts, it affected a rather large share of salaries and income in Aruba. The author also asserted the implicit link of TD to QoL through a high living standard for the island, and that development of cultural tourism could further add to the comparative and competitive advantage of the island. This would not only be beneficial to Aruba’s TD, but ultimately would affect the QoL of its residents (at least the material well-being aspect). These examples indicate that TD could be the outcome of the pursuit of a better QoL, providing evidence that QoL can affect future TD.

Third, QoL can influence TD through the education route. According to the United Nations Economic and Social Council (2007), TD enabled

<table>
<thead>
<tr>
<th>Author</th>
<th>Findings</th>
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<tbody>
<tr>
<td>Meng et al. (2010)</td>
<td>Positive correlation between TD and QoL.</td>
</tr>
<tr>
<td>Andereck &amp; Nyaupane (2010)</td>
<td>TD had a positive impact on both the community's and individual's QoL.</td>
</tr>
<tr>
<td>Marzuki (2009)</td>
<td>TD had brought more benefits than costs to residents' QoL.</td>
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<tr>
<td>Andereck et al. (2007)</td>
<td>TD had both positive and negative effects on the community's QoL.</td>
</tr>
<tr>
<td>Sdraly &amp; Chazapi (2007)</td>
<td>Cultural TD had positively impacted the destination's and residents' QoL.</td>
</tr>
<tr>
<td>Fredline et al. (2005)</td>
<td>TD can have positive and negative impacts on QoL, both at the personal and community levels.</td>
</tr>
<tr>
<td>Gjerald (2005)</td>
<td>TD had a pronounced impact on the QoL of local life.</td>
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<tr>
<td>Kim (2002)</td>
<td>Some types of impacts of TD impacted some of the dimensions of QoL.</td>
</tr>
<tr>
<td>Andereck &amp; Vogt (2000)</td>
<td>Tourism can positively impact the QoL of a community.</td>
</tr>
<tr>
<td>Crotts &amp; Holland (1993)</td>
<td>TD is a feasible means of improving a rural community's QoL.</td>
</tr>
<tr>
<td>Perdue et al. (1991)</td>
<td>TD is a viable means for improving local QoL.</td>
</tr>
</tbody>
</table>
governments to allocate financial resources to improve their countries’
education conditions. In the example of the Maldives, TD has contributed to
almost 100% of the population becoming literate over time. Stiglitz et al.
(2009) argue that better-educated people generally have better health status,
lower unemployment, more social connections, and greater engagement in
civic and political life. However, education on its turn can influence future
TD. The tourism industry is labor-intensive, depending on the availability of
good quality personnel to deliver, operate, and manage the tourist product
(Amoah & Baum, 1997). Even more, the tourist experience depends
importantly upon the interaction between the tourist and the personnel of the
tourism industry. A good experience for tourists can have a positive
influence on their willingness to come back to the destination, as well as on
their word-of-mouth recommendations to others, all contributing to a
positive effect on future TD. Education can play a decisive role as well in
the attitudes of residents towards TD, as it can, for example, educate them
about the significance of tourism to the economy of the destination, and how
they may contribute to a positive TD in the future.

Besides the unilateral and bilateral relations, there is a possible third
relation affecting both TD and QoL, which is SoD. Examples hereof
include wars, terrorism, technological, political and economic events,
weather, etc. (Table 2.3). Three comments are warranted regarding the
impact of SoD on both TD and QoL. First, the effects do not always have to
be negative. For example, the global financial and economic crisis (2007–
2010) caused a global contraction of 4.3% in tourism, but some countries
(like China, Brazil and Spain) experienced an increase as tourists tended to
travel closer to home (UNWTO, 2010). Similarly, Tambunan (2010)
reported that Indonesia managed to keep a positive economic growth rate
during this crisis, while poverty decreased thereby improving QoL
conditions of people.
<table>
<thead>
<tr>
<th>Type</th>
<th>Category</th>
<th>Subcategory</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expected</td>
<td>Man-made</td>
<td>Wars</td>
<td>Wars in Iraq and Afghanistan; Mexican drug war; war in Darfur; Georgia-Russia war.</td>
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<td></td>
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<td><strong>Technological events</strong></td>
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<td>Further growth of the internet (incl. social networks, etc.), new apps (e.g., mobile phones, tablets, etc.).</td>
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<td><strong>Political events</strong></td>
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<td>New presidents in several nations, including the United States and Brazil.</td>
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<td><strong>Economic events</strong></td>
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<td>Emerging economies like Brazil, India, China, and Russia; Physical introduction of the euro in 2002 and the further expansion of the euro zone; merger of United and Continental Airlines.</td>
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<td><strong>Sports</strong></td>
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<td>Summer and winter olympics games; FIFA World Cups soccer.</td>
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<td></td>
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<td><strong>Natural</strong></td>
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<tr>
<td></td>
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<td>Seasonal weather, El Niño and La Niña.</td>
</tr>
<tr>
<td>Unexpected</td>
<td>Man-made/natural</td>
<td>Terrorism</td>
<td>Terrorist attack on USS Cole; September 11; Bali bombings; London bombings; Madrid train bombings; Istanbul bombings; Mumbai terrorist attack.</td>
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<td></td>
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<td></td>
<td><strong>Economic events</strong></td>
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<td></td>
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<td>Global financial and economic crisis; euro crisis.</td>
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</tbody>
</table>
Table 2.3: Major SoD since 2000 (non-exhaustive list) *(continued)*

<table>
<thead>
<tr>
<th>Type</th>
<th>Category</th>
<th>Subcategory</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political events</td>
<td></td>
<td></td>
<td>Coup d'états in Venezuela, Haiti, and Honduras; Arab Spring Revolution.</td>
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<tr>
<td>Fires</td>
<td></td>
<td></td>
<td>Wildfires in Australia, Russia, and the United States.</td>
</tr>
<tr>
<td>Health disasters</td>
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<td>SARS, avian flu, swine flu; cholera outbreak in Haiti.</td>
</tr>
<tr>
<td>Weather</td>
<td></td>
<td></td>
<td>Worst heat waves in Europe, Australia, and Russia.</td>
</tr>
<tr>
<td>Geological disaster</td>
<td></td>
<td></td>
<td>Haiti earthquake; Kashmir earthquake.</td>
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<tr>
<td>Meteorological disaster</td>
<td></td>
<td></td>
<td>Hurricane Katrina; cyclones in Bangladesh and Myanmar.</td>
</tr>
<tr>
<td>Industrial disaster</td>
<td></td>
<td></td>
<td>British Petroleum Deep Water Horizon oil spill; Fukushima Daiichi nuclear disaster.</td>
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</tbody>
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Second, it is possible that both TD and QoL could decrease in the short run, while becoming better afterwards than what had been the case before the crisis. For example, the Republic of Lebanon experienced a fast and fortunate recovery of its tourism (even raising its luxury quotient) after several years of crisis (assassinations, wars, and political turmoil) (Jallat & Shultz, 2011).

Third, TD and QoL can, on their own, have an influence on SoD. Fang (2011), for example, argued that tourism is both a contributor and a victim of climate change, and the industry should, therefore, also be committed to reducing CO₂ emissions. Wu (2011) reasons that air pollution is becoming
one of the major problems that China is facing as a consequence of a rapid growth in pursuit of QoL.

Within TD itself, there are some forces that also influence its result. Lohmann (2004), for example, refers to an endogenous dynamism within the tourist behavior, whereby the experienced and educated traveler will change behavior even in a constant framework situation. The tourist industry, on the other hand, can influence tourism demand through, e.g., product standardization and pricing strategies, implicating the workings of endogenous elements on TD.

The discussions in this section suggest that a possible triad relationship exists between TD, QoL, and SoD, with active roles for all three constructs. This makes the situation more complicated than has been considered up to now in the tourism literature, where the emphasis was on the effects of TD on QoL. The complexity of the situation is manifested when considering an integrated approach assessing this triangle connection.

2.4 A dual analysis approach

The impacts of TD on QoL have been mostly grounded on micro data collected through some survey, a procedure known as the subjective approach. Responses from respondents are measured based on a set of survey questions, where respondents report their own subjective state and values (Stiglitz et al., 2009). Other studies are founded on the objective approach where the analysis is established on macro statistics that are considered as proxies representing each single individual being studied (Table 2.4).

Both approaches have their benefits and limitations. The subjective approach captures experiences that are important to the individual (Kim, 2002; Das, 2008), but at the same time, this approach suffers from the fact that ‘people usually judge their well-being against that of other people rather than in absolute terms.’ (Kazana & Kazaklis, 2009: 211). This condition is known in the literature as social comparison, where a person compares himself or herself with others assessing an aspect of the self, for example, the person’s well-being. According to Suls et al. (2002), comparing oneself with others is a pervasive social phenomenon, possibly influencing many results (e.g., a person’s self-concept, level of aspiration, and feelings of well-being).

The strength of the objective approach is that it can be defined and quantified in a rather easy way, without relying too much on individual perceptions (Kim, 2002; Das, 2008). However, data collected through the objective approach may suffer from problems of under (e.g. crime rate) or
over reporting (e.g., income), and may not accurately reflect people’s experience of well-being (Das, 2008). For example, the human development index (HDI), which is often used as a proxy for QoL (Croes, 2012), still has unresolved issues like the adequacy of the weights of its components (life expectancy at birth, mean years of schooling, expected years of schooling, and gross national income per capita) (Lozano & Gutiérrez, 2008).

<table>
<thead>
<tr>
<th>Subjective approach</th>
<th>Objective approach</th>
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<tbody>
<tr>
<td>Sdraly &amp; Chazapi (2007)</td>
<td></td>
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<tr>
<td>Fredline et al. (2005)</td>
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<tr>
<td>Gjerald (2005)</td>
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<td>Kim (2002)</td>
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</table>

It is because of the signaled imperfections in both approaches that several authors (Costanza et al., 2006; Das, 2008; Kazana & Kazaklis, 2009; Stiglitz et al., 2009) have suggested an integrated approach to assess the relation between TD and QoL. As put by Graham (2011: 109) ‘having both to look at gives us a more complete picture of the drivers of well-being in the same way that X-rays taken from different angles help a doctor to diagnosis a medical problem correctly.’

A combined application of both the subjective and objective approaches requires, for comparability purposes, a harmonization of the unit of analysis under both methods. Units of analysis in social research can be individuals, groups (e.g., families) or even non-human entities (e.g., houses) (Babbie, 2010). Stiglitz et al. (2009) argue that when measuring QoL, the emphasis should be on people rather than on the communities they are member of. This is because a larger unit such as a community may contain asymmetries in how resources and opportunities are distributed among the members (e.g., among men and women), that are only uncovered at the most basic level of analysis, which is the individual. The individual is, therefore, the most suitable unit of analysis when comparing results based on micro and macro approaches in a format containing the TD, QoL and SoD constructs.
Figure 2.1: Analytical framework of a triangle relationship between TD-QoL-SoD

- Value proposition
- Amenities provision
- Economic benefits
- Education level
- Social impacts
- Cultural impacts
- Environmental impacts

- TD (Tourism Demand)
- QoL (Quality of Life)
- SoD (Sustainability of Development)

- Climate change due to e.g., CO2 emissions
- Demand (e.g., safety concern) and supply factors (e.g., destruction of resorts)

- Objective approach (macro-based)
- Subjective approach (micro-based)

- Expected
- Unexpected

- Non-material dimensions
- Material dimensions

- Support for tourism
- Amenities provision
- Education level

- Economic impacts
- Social impacts
- Cultural impacts
- Environmental impacts
2.5 A systemic analysis framework

The issues discussed previously are combined in an analytical framework (Figure 2.1) for an integrated picture. Each of the three constructs has an active role to play in the triangle relationship. The direction of the arrows indicates that one construct has an impact on the other, and vice versa. The framework presents a combined application of both objective and subjective methods to compensate for the individual imperfections of each of these methods. The objective approach (dotted area in the middle of the framework) is more straightforward and looks solely at probable relations between the three constructs, and does not involve the individual in a more detailed manner than in the case of the subjective approach (striped lines), where the emphasis is on a more in-depth analysis of individual choices. In essence, the combined analysis looks at whether micro and macro data provide a consistent picture of the ensued relation. In the view of Becker & Haltwanger (2006), integrating micro and macro data should be an objective of economic measurement. According to Antoniewics et al. (2005: 3), one should view the discrepancies between micro and macro estimates ‘as a source of valuable information on possible measurement issues in both sets of data...’ Assessing both objective and subjective approaches is made possible by considering the individual as the unit of analysis.

The transmission mechanism of the influence of TD on QoL consists of impacts of economic, social, cultural, and environmental nature, all of which are frequently found in the literature on the relation between TD and QoL. The impact of QoL on future TD is represented by three mechanisms, i.e., the support of residents, amenities provided at the destination and the education level of the residents. SoD influences TD through both demand and supply factors, and TD impacts SoD through, e.g., climate change. Air pollution due to rapid economic growth can explain the influence of QoL on SoD, and the influence of SoD on QoL can flow through either human suffering or alleviation. The circling arrow indicates the influence of endogenous factors on TD.

The benefit of the presented analytical framework is that it provides structure to several types of relations that have been presented in a scattered manner in the tourism literature. Moreover, it allows for the linkage of both micro and macro data by assessing the relations through both an objective and a subjective approach.
2.6 Conclusions

The impacts of TD on QoL have been studied extensively in the literature, but the possible effects of QoL on TD have only been implicitly considered in some studies. Moreover, the influence of SoD on both TD and QoL has rarely been discussed in the literature, and consequently, the overall relation between these three constructs has remained unstructured, and incompletely formulated. This unfinished specification has left a gap in understanding the behavior of TD and a failure to fully recognize the potentials of QoL and SoD as active factors contributing to the trends and patterns of TD. The consequences of omitting an active role for QoL can be detrimental to tourism (in terms of numbers of visitors and the amount of money left behind). This is particularly the case in a globally competitive environment where more destinations are competing to increase both tourism flows and market shares, while the originating markets have experienced little change (Croes, 2011a). Moreover, only passively recognizing SoD can have negative consequences by losing opportunities for improving both TD and QoL in the case of expected events. The situation can get even worse with unexpected events, expanding the depth and increasing the duration of these events by being unprepared or unable to respond adequately, or by having to wait too long for the proper recovery to take place, infusing unnecessary social pains.

The analytical framework proposed in this paper facilitates an integrated approach to conceptualizing and interpreting the relation between TD, QoL, and SoD. This integrated approach enhances the understanding of the tourism phenomenon in its dynamic constellation. The framework also presents new opportunities for further research. Besides assessing the linkages that exist between the three constructs, and incorporating micro and macro analysis, this framework enables the study of specific aspects of the trinity relationship. For example, one can investigate how the impact of SoD (e.g., a hurricane) translates itself to the sectoral level of the economy, or how the weather as a seasonal element does influence, through applying business models (e.g., human resource management), both TD (e.g., available service) and QoL (e.g., available jobs). In addition, one can analyze how SoD (e.g. an oil spill) affects the sustainability of both TD and QoL. All in all, the suggested TD-QoL-SoD model enriches the knowledge concerning meaning, measurement and implications of the reinforcing effects of tourism and QoL.

The concept of QoL has surged as an important component of government policy formulation. While governments have been wrestling with the meaning and measurement of QoL and the potential effects of these on the political fabric, little attention has been paid thus far to QoL as a
potential source of furthering the development of tourism. TD seems to be infected with a slow growth disease in later stages of its development. On the other hand, tourism seems only able to foster growth through improved trade effects, which implies higher demand elasticities. The latter are related to an increased valuing of the tourism destination. As tourism demand becomes more sophisticated and complex, it requires an increasing input of talented and creative people to satisfy the need for better quality products. Therefore, the ability to compete on prices suffers greatly from high wages and production costs. Only higher demand elasticities could compensate for higher production costs inherent in tourism production. Acquiring this condition on a sustainable basis means a continued enriching experience to tourists, thereby enhancing the value of the destination. This enhanced value manifests itself in higher revenues, positively impacting the terms of trade.

If the premise holds that a symbiotic relationship exists between TD and QoL, then governments may be confronted by a challenging task: designing or strengthening policies and institutions that mirror and monitor this relationship. Seizing effectively the opportunities derived from this relationship requires strategic coordination and collaboration by governments. Coordination and collaboration are needed to reign in market failures—a hallmark of TD—and externalities that affect QoL. Nevertheless, some adverse impacts may be inevitable, pointing to a need for a careful balance between TD and QoL in managing tourist projects. For example, land use issues could be related to resolving conflicting objectives between economic gains and natural and cultural preservation. The delivery of economic wealth may hinge on managing this type of conflict.
References


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