

Tourism as a Poverty Eradication Tool for Rural Areas in Selangor, Malaysia

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Abstract

8 This paper presents an understanding of the contribution made by tourism towards poverty
9 eradication in selected rural areas in Selangor, Malaysia. Rural homestay programmes as a
10 viable tourism product in Malaysia is comparatively small in scale and still remains a slow
11 growth market even though various incentives are being offered to the operators by the
12 government to develop this market. Poverty is the root cause of many social ills such as
13 illiteracy, crime, drug abuse and high rate of divorce. Although tourism has been adopted as a
14 strategy for poverty eradication in Selangor, it has not been fully exploited by the rural
15 community and those that have, are finding it difficult to sustain. This research is undertaken
16 with the aim of putting together a model (or identifying variables) that will ensure the
17 economic sustainability of rural homestay programmes in Selangor, Malaysia. Through factor
18 analysis the variables of the communities? involvement in tourism activities were identified.

Index terms— Poverty eradication, homestay programmes, illiteracy, crime, drug abuse.

1 INTRODUCTION

his paper presents an understanding of tourism and rural community relationship in the poverty alleviation process. The Government has crafted a blueprint to move the country towards its next stage of development that is based on four key pillars. The first pillar is embodied in the principles of 1Malaysia, People First, Performance Now meant to unite all Malaysians who collectively represent the key stakeholder of the Government. The second pillar is the Government Transformation Programme (GTP) which will the outcomes defined under the National Key Result Areas (NKRAs). The third critical pillar will be the New Economic Model (NEM) resulting from an ambitious Economic Transformation Programme (ETP) meant to transform Malaysia by 2020 into a developed and competitive economy whose people enjoy a high quality of life and high level of income from growth that is both inclusive and sustainable.

31 The fourth pillar is the 10th Malaysia Plan 2011-2015 (10MP) which will represent the first policy
32 operationalization of both the government and economic transformation programmes (The New Economic Model,
33 National Economic Advisory Council, March 2010). According to the Tenth Malaysia Plan, raising the living
34 standards of low income households is one of six National Key Result Areas. The aim of this research is to
35 contribute towards the achievement of this NKRA. Therefore, this research is of national interest and the findings
36 will contribute to the existing body of knowledge on this subject.

2 II. ELEVATING THE LIVELIHOODS OF THE BOTTOM 40% HOUSEHOLDS

39 According to the Tenth Malaysia Plan, since the 1970's, the government focus has been on eradicating poverty
40 regardless of ethnicity. There has been great success in reducing the incidence of poverty from 49.3% in 1970 to
41 3.8% in 2009. Therefore, focus will now be reoriented to elevate the income levels of the bottom 40% households.

42 Households within this group, irrespective of ethnicity or location, will be eligible for support and resources, based
43 on their specific needs, such as Bumiputera in Sabah and Sarawak, particularly ethnic minorities and Orang Asli
44 communities in Peninsular Malaysia. Programmes to increase the incomes of rural households will focus on
45 upgrading their skills, linking them to employers in nearby clusters and cities as well as providing support for
46 self employment, microbusinesses and small scale industries. In 2009, the bottom 40% households had a total
47 household income level of less than RM2, 300 per month. There were a total of 2.4 million households in this
48 category, with 1.8% of households within the hardcore poor group, 7.6% within the poor group, and the remaining
49 90.6% within the low income households group. The mean monthly income of the bottom 40% households in
50 2009 was RM1, 440. Programmes will include among others:
51 ? Providing holistic support programmes for microenterprises;
52 ? Providing opportunities for business ownership for capable rural entrepreneurs

53 3 III. HOMESTAY CONCEPTUALIZATION

54 Based on the official definition by the Ministry of Culture, Arts and Tourism of Malaysia (1995), 'homestay' is
55 'where tourists stay with the host's family and experience their way of life in a direct and indirect manner'. There
56 were about 286 households participating officially in this programme throughout Malaysia in 1997. This sector
57 had contributed to five percent of Malaysia's GDP in 2006, ??MOTOUR, 2006). Official records show that 2,606
58 homestay operators from 137 villages had been trained and licensed throughout Malaysia as of July 2008.

59 C.M. ??all (1994), Hall and Page (2000) confirmed several regional partnerships in Asia -in the Mekong Region
60 and in the South Asian Association for Regional Cooperation Countries (SAARC) having taken place. Evidence
61 of academic research on tourism collaboration in Asia was found in the literature entitled 'Asian Tourism Growth
62 and Change: Advances in Tourism Research Series', by Janet Cochrane (2008). This literature mentions a
63 student exchange programme whereby Japanese students were placed at homestays in Selangor to experience
64 the rural culture and lifestyle and the operators had to assume the role of foster family. This resulted from the
65 collaboration between the Ministry of Education, Malaysia and its counterpart in Japan.

66 The homestay programme in Malaysia has been established for more than 15 years. However, many of these
67 homestay establishments find it difficult to sustain. Only a few successful homestay programmes in Selangor
68 such as Kampung Banghuris, Kampung Sungai Sireh and Kampung Haji Dorani are well managed; however
69 many homestays have lost their ability to sustain. Prospective new entrants are being encouraged to join the
70 bandwagon (Hamzah & Ismail, 2003). The funding for many of these homestay projects has been sought through
71 public and private sources. Several key stakeholders have been involved in these projects but the success rate of
72 these projects has not been monitored and reported. The actual benefit and impact of the homestay programme
73 to the local community are not easily ascertained (Ismail, 2010).

74 Croes (??006) pointed out that one of the factors that has contributed to the loss in sustainability is the
75 homogenous nature of the Malaysian homestay programmes. According to Croes the lack of scale economies is
76 another factor that contributes to the loss of sustainability. According to Cooper, Fletcher, Fyall, Gilbert, &
77 Wanhill (2005) small and medium enterprises are usually at a disadvantage owing to their lack of scale economies
78 in both supply and demand. Some efforts have been made in the past to build collaborative networks to derive
79 scale economies through strategic alliances. However, this collaboration was not pursued as a strategy for
80 sustainability and seems to have lost its vigour prematurely.

81 A more comprehensive research on homestay programmes is needed considering its impact on rural community
82 development. There has been some research done in the past relating to homestay programmes and other factors
83 that illustrate rural community development in these villages but these are limited to selected states in Malaysia.
84 Most of the research done was to measure the satisfaction level of tourists with the services provided by the
85 homestay operators ??Ismail,

86 4 THEORETICAL PERSPECTIVES

87 Among the main theories underpinning tourism development based on community, the ones that are applied
88 by many community-based tourism researchers are Murphy's Ecological Model, Community Attachment Theory
89 and the Social Exchange Theory. a) Murphy's Ecological Model Beeton (2006) has listed several theories related
90 to community-based tourism planning and development. Beeton has emphasized Murphy's Ecological Model,
91 which was introduced in 1983 and this model is often used to explain the relationship between tourism and local
92 community. Murphy has always stressed more on the local community in comparison to the visiting community by
93 taking a geographical approach when discussing community. In the case of small-scale planning for tourism, more
94 community members should be encouraged to participate in the decision-making process. Murphy's model seems
95 to stress the importance of local community participation in tourism planning Greater community involvement
96 in all stages of implementation leads to greater community empowerment.

97 5 A pril 2012 b) Community Attachment Theory

98 Tourism activity certainly has an impact on the community. In relating attitude or perception of the community
99 members to the impact of tourism, researchers on community-based tourism commonly use two theories which
100 are Community Attachment Theory and the Social Exchange Theory (Andereck et al. 2005). Community

101 Attachment Theory is used to explain the perception that the community has on the influence or contribution of
102 tourism to the well-being of the local community. Andereck et al. proposed three main categories of impact of
103 tourism on the community which are economic impact, socio-cultural impact and environmental impact. Buttel
104 et al. (1979) defined community attachment as giving rise to the feeling of or show of solidarity for or degree of
105 involvement within the community's social network. McCool and Martin (1994) defined community attachment
106 as a form of involvement or social integration in a community lifestyle which gives rise to the feeling of attachment
107 and acting for the community. The level of attachment placed by a community is measured from the aspect of
108 the duration an individual has spent, or grew up in that particular place (Harrill, 2004 c) The Social Exchange
109 Theory Tourism researchers often refer to this theory when doing research on community perception of the impact
110 of tourism on that community. Early authorities on this theory such as Homans (1958), ??merson (1962Emerson
111 (, 1976)) and ??lau (1964Blau (, 1994)) opined that social exchange takes place voluntarily among certain
112 actors within the community for collective benefits through the exchange. In tourism studies, this theory is used
113 as a theoretical framework to understand community perception of tourism (Andereck et al., 2005;Sirakaya et al.,
114 2001;Jurowski et al., 1998). This theory has been also used in other fields of study such as sociology, economy,
115 and social psychology to analyze aspects of social communication and the changes that take place within society
116 (Wang & Pfister, 2008). The perception of a community member on tourism development and his involvement
117 is influenced by the belief that tourism would lead to certain consequences (Kalsom et al., 2008).

118 V.

119 **6 HOMESTAYS IN SELANGOR**

120 The main objective of this research is to measure community development in selected villages in Selangor, Malaysia
121 that were involved in the homestay programme. Listed below are the more specific objectives of this research :

122 ? To develop indicators for the success rate of homestay programme as well as develop indicators for the
123 attainment of community development in these homestay villages;

124 ? To understand the level of community development attained in these homestay villages; Homestay is a
125 new tourism product in Malaysia, playing an important role in rural development. The Malaysian government
126 encourages the growth of homestays as a means of expanding the tourism industry in the country.

127 There are around 15 homestays in Selangor state, with the concept of a holiday village with a host family.
128 According to the Ministry of Culture (1995), homestays offer an insight into local culture and everyday life of
129 a local ethnic group. For the tourists, homestays are the fastest way to get to know Malaysia's culture. The
130 number of tourists has steadily grown over the last years. These days, many of the villages are finding it difficult
131 to accommodate the arrival of the tourists.

132 The three homestays that were visited in Selangor state were: 1) Dorani Home stay 2) Banghuris Homestay
133 3) Agro tourism Homestay Sungai Sireh a) Dorani Home stay This homestay is situated about one hour's drive
134 away from Kuala Lumpur city. Fishing is one of the main activities in this homestay. The participants can
135 acquire new skills in fishing by the paddy fields. This homestay programme provides an opportunity to stay with
136 the local farmers and provides the experience of paddy planting and batik painting. Dancing Horse shows are
137 one of the attractions in this homestay. The participants also enjoy the trips to the mango orchards, banana
138 chips and cocoa factories.

139 **7 b) Banghuris Home stay**

140 This homestay is located 97 km from Kuala Lumpur city. There are around 80 home stay houses and 100
141 rooms. Banghuris is a name representing three villages -Kampung Bukit Bangkong, Kampung Hulu Chuchuh
142 and Kampung Hulu Teris. Banghuris too offers agro tourism activities, such as offering educational tours to
143 the coffee, rubber and orchard plantations. Visits to factories are also lined up, such as visits to the crackers
144 processing factory, and frozen food, noodle and tofu making factories that are part of the itinerary for the
145 participants. Traditional games are played by the local folks such as congkak (an indoor game), long jump
146 and batu seremban. This allows the participants to experience the hospitality of the Banghuris folks as the
147 participants are invited to play the games with the locals.

148 **8 c) Agro tourism Homestay Sungai Sireh**

149 Agro tourism relates to agriculture and the homestays at Sungai Sireh offer stays with a farmer as host family.
150 Daily activities with the family like working on a farm are part of the home stay. The participants might A
151 pril 2012 find themselves actually planting fruit trees or learning how and when to pick the selected local fruits.
152 There are also live shows of the local traditional musical instruments like the kompong (local drums), cempulu
153 and also martial arts performances. The aim of this agro tourism is to promote sustainable agricultural practices
154 in Malaysia.

155 9 VI.

156 10 ANALYSIS AND FINDINGS a) Factor Analysis

157 To develop the scale for the community's perception on the economic benefits of tourism, factor analysis was
158 used. Questions were rearranged according to the appropriate domains. Exploratory factor analysis was used to
159 explore the interrelationships among the variables ??Pallant, 2007) Extraction Method : Principal Component
160 Analysis.

161 The table above demonstrates that 16 variables are distributed accordingly in 4 domains. In some cases, the
162 items can be loaded in more than one component. In this situation and the highest loading will be selected and
163 loading with the values lesser than 0.4 will not be selected. After the reduction, 16 variables selected to be the
164 items in the 4 domains. All 4 domains were renamed according to the suitability of the items loaded:

165 Component 1 : Job Opportunity at the Rural Homestay Destination (8 items) 1) I agree that tourism activities
166 can provide job opportunities in this village. 2) I believe that tourism activities in this village can provide business
167 opportunities for the local residents. 3) I agree that the local residents can make profit by selling locally-made
168 products. 4) I agree that revenue generated from tourism-related activities can contribute to the development of
169 this village. 5) I agree that tourism development will enhance the living standards of the local residents in this
170 village. 6) I agree that tourism development will promote environmental conservation which will increase the
171 attractiveness of this village. 7) I agree that tourism development will enhance the image of this village which in
172 turn will attract more visitors resulting in more income for this destination. 8) I agree that tourism development
173 will result in better public facilities for the local residents.

174 Component 2 : Tourism as a core business (3 items)

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176 Component 4 : Younger generation development (2 items)

177 1) I agree that employment generated by the tourism industry in this village will prevent the younger generation
178 from migrating to the towns and cities. 2) I agree that tourism-related business opportunities will motivate the
179 younger generation to continue staying in the village.

180 VII.

181 12 CONCLUSION

182 Under the Tenth Malaysia Plan, poverty eradication is the priority for the Government as it is one of six
183 National Key Result Areas. Programmes to increase the incomes of rural households will focus on enhancing
184 their entrepreneurial skills. Entrepreneurship programs will help the rural folks to set up small or medium
185 business and teach them how to access business opportunities by linking them to local producers and suppliers
186 so that their products and services are supplied to these entrepreneurs. Examples of local services that can be
187 outsourced are catering, cultural shows and demonstrations, landscaping, rental of canopy, tables and chairs and
188 local transportation. Examples of some local products that can be produced by these small or medium businesses
189 are handicrafts, batik, woodcarvings and pottery. Entrepreneurship programs could be carried out by RGCs with
190 the support of the state government or central government. This program will help educate rural entrepreneurs,
191 build networks for them and instill a sense of communal attachment and pride for the members of the community
192 besides elevating them from the poverty line.

193 However, in this study it was also found that homestay programs can contribute to some negative impacts.
194 Unhealthy cultures could be introduced to the rural communities which could lead to a loss of identity for the locals
195 and lead to cultural degradation. It is often difficult though not impossible for the local village communities
196 to meet the high tourist expectations of service quality such as clean and comfortable accommodation, tour
197 guides who are conversant in foreign languages, food that is more palatable for Westerners and a pollution free
198 environment. Finally, the rural youngsters when exposed to outsiders could be influenced to migrate to the urban
199 areas in search of better job opportunities as jobs in the villages are centered on agro tourism.

200 VIII.¹

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Figure 1:

201 .1 ACKNOWLEDGEMENT

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