



Ko Ko Thett

2012

Responsible Tourism in Myanmar: Current Situation and Challenges

“Foreign tourists frequently visit Monywa. Most guides are not good at language and regional knowledge. We the locals don’t know where the money from tourism goes. We should promote tourism but we should have enough facility and expertise for it.”

A resident of Nyaung Bin Gyi Village in Monywa¹

“Practice safe sex. Prostitution is illegal in Myanmar.”

Do’s and Don’ts for Tourists:
How You Can Visit Myanmar Responsibly²

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Executive Summary

Without legislation, touristification of Myanmar has already begun. The country's tourism infrastructure was strained by half a million arrivals in the first half of 2012, compared to nearly 400,000 in 2011. In September 2012, the *Ministry of Hotels and Tourism* of Myanmar signed the *Cambodia, Laos, Myanmar and Vietnam Tourism Co-operation (CLMV)*, which aims to welcome 25 million visitors to the region, with four million 'exchange visitors' in each country, over the period of 2013-2015. The CLMV contradicts the responsible tourism policy committed by the Ministry in the same month and ignores the 'value over volume' advice given to the Ministry by the UNWTO. Since the ruling *Union Solidarity and Development Party (USDP)* is widely expected to be voted out in the 2015 elections, Myanmar's membership of the CLMV is also seen as the former generals' attempt to 'make hay while the sun shines'.



Tourism came to Myanmar during the time of 'high colonialism' and saw its peak in the 1920s when the famous *Irrawaddy Flotilla Company (IFC)* was carrying up to nine million passengers a year. Since independence in 1948, the country's tourism sector has never been developed due to civil war during the parliamentary era (1948-62) and closed-door policy by the socialist regime (1962-88). In the 1990s, the junta that succeeded the quasi-socialist regime set tourism high on their development agenda, however this agenda was shunned by the international community

due to evidence of human rights violations involved in tourism infrastructure projects until 2011. Mass tourism development in Myanmar is therefore in its infancy, facing an array of challenges, particularly in light of responsible tourism commitments.

For Professor Harold Goodwin, responsible tourism policy is about 'making places better to live and better to visit.'³ It is about 'taking responsibility for achieving sustainable development through tourism (...) it is about identifying economic, social and environmental issues which matter locally and tackling them.' It is understood that responsible tourism benefits the local communities in the countries which have reached a certain standard of human rights governance. Given Myanmar's structural corruption, crony capitalism, widespread poverty, ongoing human rights issues, communal violence and civil war, it is doubtful if responsible tourism will deliver its noble promises, sustainable development and social justice, even if it is set to become a driver for economic growth for Myanmar in the coming decades.

Through a human rights paradigm, responsible tourism affords responsibilities to all the stakeholders in a destination country, with a focus on the social, economic and cultural rights of the destination level communities and their environments.

From toll roads, roadside petrol stations and telecommunication companies to hotels and resorts, crony businesses now dominate every sector of economic life in Myanmar. As the Myanmar government has opened the sluice to mass tourism, crony businesses are competing with foreign companies in tourism investment. Given their interest in tourism infrastructure, it is likely that Myanmar tourism industry will be dominated by crony businesses and foreign investors in the near future. Similarly, independent travellers and adventurers will still find their travels in Myanmar restricted due to the country's security problems.

Responsible tourism in any place is welcome. However, the current *Myanmar Responsible Tourism Policy* may undermine the ultimate goal of responsible tourism, sustainable development, if it continues to favour the current Myanmar economic dynamic dominated by crony capitalism at the expense of political, ecological and cultural sustainability. It is doomed to fail from the start if the related Ministries continue to use responsible tourism as a cash cow to attract investment and tourists into the country. The efficacy of the *Myanmar Tourism Policy* can be determined only when each of its 'action points' is set in a time frame for effective implementation and evaluation by the *Myanmar Tourism Master Plan*.

The current *Myanmar Responsible Tourism Policy* presents no recommendation or makes no commitment on the manageable volume of tourists in light of Myanmar's tourism infrastructure development over the next few years. It is not country-specific, it is generic and can be applied to any country developing a tourist sector. Despite ten workshops held at major tourist enclaves, the policy cannot be classified as location-specific and inclusionary to a bottom-up process. The development of tourism as a national priority sector has yet to be legislated. No timeframe is set to implement 58 action points, the priorities of each one favour the state and businesses, not the wellbeing of destination level communities.

Echoing UNWTO advice, the report argues that the key to responsible tourism is not volume but value. 'Visitor management' is paramount if tourism were to be responsible in Myanmar. Given that China and India are set to become the world's largest mass tourism export countries, tourism infrastructure development must focus on managing and facilitating a cross-border tourism market. Special attention should be given to the assistance and empowerment of small and medium enter-

prises in Myanmar's tourist industry. Other key actions of top priority include area protection, industrial regulations, local sourcing, code of conduct for tourists and businesses, environmental impact assessment and sustainability indicators for each tourism development project.⁴

There is an urgent need for a critical debate on mass tourism in Myanmar, particularly the viability and frailty of the *Myanmar Responsible Tourism Policy* that is soon to be framed by the *Myanmar Tourism Master Plan*. 'One of the most fascinating aspects of travel in Myanmar is the opportunity to experience a corner of Asia that, in many ways, has changed little since British colonial times.' says the *Lonely Planet*. It remains to be seen how this place of authenticity will be reshaped by mass tourism as a force of globalisation in the near future, and how the state of Myanmar will responsibly respond to the challenges brought about by mass tourism.



Introduction

Bane and boon of modern mass tourism (MMT) in the developing and undeveloped countries have been well documented.⁵ Communities do not often participate in and benefit from tourism but bear the cost of it. Tourism consumes a lot of energy and water, causes CO₂ and other emissions and violates land rights of local populations. Working conditions in tourism can be exploitative and women and children are often sexually abused in the context of tourism. It is estimated that the global tourism sector contributes between 5 percent and 12.5 percent to climate change. The UNWTO forecasts that the CO₂ emission caused by tourism will increase by 161 percent between 2005-2035.⁶ 'These emissions are caused by the global consumer class while the poor bears the brunt of the climate change.' says Christina Kamp, the editor of *Tourism Watch*.⁷

Tourism came to Southeast Asia along with the colonisation in the late nineteenth and twentieth century and as such, it is not new to the region. However MMT in the region is a relatively young industry as it caught on only in the 1970s. Its boom has been attributed to the rising level of affluence in the visitor source countries and the increasing availability and affordability of air travel vis-à-vis the more effective organisation of tourism both domestically and internationally. Today the industry has become increasingly vital to the region's economy. Tourism explosion in Southeast Asia coincided with the economic boom of Singapore, Malaysia, and Thailand. The economic transformation of the newly industrialised countries in Southeast Asia has facilitated tourism infrastructure, marketing and management in those countries and in turn the industry has contributed substantially to the economies of the Southeast Asian tigers.

The UNWTO predicts that the Asia-Pacific region will welcome more international tourists than any other region in the world by 2030, receiving 535 million in 2030, more than twice the volume of 2010 (214 million).⁸ An estimated 20 million tourists visited Thailand in 2011, notwithstanding the flood in Bangkok area in November that year, which is a 20 percent rise from 2010. Tourism is the second largest industry for the Philippines and the third most significant foreign exchange for Singapore. Vietnam, with an economy plighted by war and under US embargo from 1975 until 1994, saw an unprecedented growth in tourism in recent decades since the country introduced *doi moi* (open door) economic policy in the mid 1980s.⁹ While Laos and Cambodia had traditionally benefitted from tourists on the visa-run from Thailand, the two countries have recently become destinations in their own right.

In the ten-year period after 1993, Angkor and the nearby town of Siem Reap saw a staggering 8,000 percent increase in tourist volume, threatening the UNESCO site Angkor Wat from the 'explosion' and 'onslaught' of tourist arrivals, many of them from Northeast Asia.¹⁰ In their trails may be Myanmar, which has recently joined the *Cambodia, Laos, Myanmar Vietnam Tourism Cooperation (CLMV)*. As such there is an urgent need for a critical debate on mass tourism in Myanmar, particularly the viability and frailty of *Myanmar Responsible Tourism Policy* that is soon to be framed by the *Myanmar Tourism Master Plan*. This report highlights the general issues that may arise in Myanmar responsible tourism management and presents a set of recommendations, on the basis of a field trip to Myanmar in August 2012 and the views of expert counsels.

1. A Brief Background to Tourism in Burma/Myanmar

Tourism was introduced to Burma in the period of 'high colonialism' of Southeast Asia (1870-1940). In 1865, the British government decommissioned a fleet of four steamers and three cargo boats, which had been in service on the Irrawaddy since the annexation of Lower Burma to British India in the early 1850s. A Glaswegian entrepreneur bought the fleet, refitted the boats and set up an upmarket river transport business called *The Irrawaddy Flotilla Company Limited* (IFC). It was onboard the IFC steamer *Thooriya*, that Burma's dethroned King Thibaw and the royal family were sent off into their exile in India after the fall of Mandalay in 1885. It was the IFC's *Beloo*, onboard which the Prince Edward travelled up the same river to Mandalay in 1889.¹¹ At its peak in the 1920s, when thousands of Dutch tourists were flocking to Bali, the IFC with 600 vessels carrying 9 million passengers a year was the largest riverboat company in the world. During the Second World War, as the Japanese and Burmese nationalist armies advanced into the country, the retreating British scuttled all vessels of the IFC fleet, 200 in Mandalay alone. The company was restored when the British re-occupied the country in 1945. Upon Burma's independence in 1948, the IFC was handed over to the *Government Inland Water Transport Board* of the 'Union of Burma.'

In the nascent Union, the *Tourist Information Service* (TIS), formed under the aegis of *Union of Burma Airways*, was the principle agency for marketing and facilitating tourism. A number of private hotels and tour operators existed. Tourist visas were valid for a month. However the civil war in Burma and the post-war conditions in Europe and the US were not favourable to the tourist industry. In 1958, faced with a myriad of insurgencies and institutional instabilities, the parliamentary government

under Premier Nu handed over the state power to the Caretaker Government, led by General Ne Win. The Caretaker Government lasted fifteen months but the legacy of its creation, the *Defence Service Industry (DSI)*, would endure. The DSI took over many business entities, including *Burma Hotels Limited* which bought the country's iconic *Strand Hotel*. By the time the state power was handed back to Nu, 134 soldiers occupied senior posts previously held by civilians in 19 government departments and the DSI was already the largest commercial institution in the country. The TIS was incorporated into *Tourist Burma* under *Burma Economic Development Corporation (BEDC)*, another Burmese army holding created in 1961.¹²

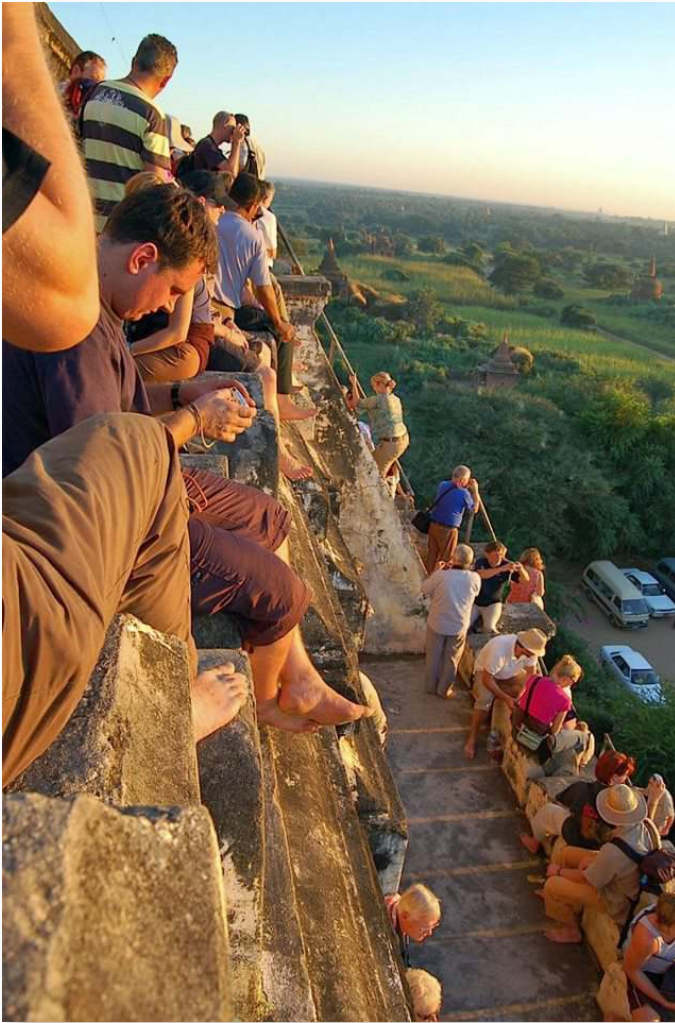
The return to the parliamentary system was short-lived as a 1962 coup brought about a new regime, *Ne Win's Revolutionary Council*. The validity of entry visas was reduced to 24 hours, targeting the journalists who came in touristic guise. The restriction did not apply to visitors of other professions.¹³ In 1964, under the economic guidance of the *Burmese Way to Socialism*, all the private businesses were nationalised. *Tourist Burma* was taken over by Corporation No. 20 under the *Ministry of Trade*, which also nationalised all the hotels. In 1971, the TIS was resurrected in coordination with the *Burma Airways Corporation (BAC)*. The TIS and *Tourist Burma* merged to form the *Hotel and Tourism Corporation* under the *Ministry of Trade* in 1978.¹⁴ Tourism in Burma during the Cold War was underdeveloped just like all other industries in the country, as the state shut itself from the outside world in socialist autarky. Despite this closure, Westerners who managed to visit the country always left with invariably good impressions of the Burmese people and of the country's diverse attractions.¹⁵ Paradoxically the closed-door policy of the socialist era had enhanced the appeal of the country as the last frontier in Southeast Asia.

In 1988, the socialist regime was overthrown by a nationwide uprising and replaced with the junta, the *State Law and Order Restoration Council* (SLORC, renamed the *State Peace and Development Council* (SPDC) in 1998). The following year saw a dramatic drop in tourist numbers - from 22,252 in 1988 to 5,044 in 1989.¹⁶ The SLORC's attempts at marketisation of the economy were hindered by institutionalised incompetence inherited from the previous regime and its own legitimacy crisis. The junta, however, quickly realised that tourism should be a priority on their national development agenda. *Myanmar Tourism Law* was passed in 1990 and the *Ministry of Hotels and Tourism*, set up in 1992, encouraged foreign direct investment (FDI) and joint ventures in the tourism sector. New tourism resources were developed mostly by foreign investment, the two-week tourist visa was extended to one month in the early 1990s and border crossing points were opened up.¹⁷

From 1989 to 1995, the SLORC had forcibly relocated over 200,000 people in new satellite towns all over the country. In Rangoon, people were removed from their residences in colonial buildings which the SLORC wanted to turn into hotels. In *Bagan Archeological Zone*, residents had been forced to move out in short notice without compensation to give way to golf courses and hotels. Many of the local residents were traditional caretakers of Bagan temples, who claimed their roots back to the 'temple slaves' of 11th century Bagan.¹⁸ Their removal from 'their place of work further exacerbated the conditions under which they lived.' The forced removal of the impoverished populace from town centres and tourist enclaves did not only serve security purposes but it also ensured a more pleasant and orderly tourist sight.¹⁹

In 1993, due to visa relaxation and the relative freedom of travel granted to individual tourists, the tourist arrival bounced back to the level of pre-1988 years. 'But perhaps of the greatest importance was the decision in 1995 by the SLORC/SPDC to release Aung San Suu Kyi who was held under house arrest for six years.'²⁰ This decision was well timed with the junta's planning of 'Visit Myanmar Year 1996 (VMY-96)', which was officially launched in November 1996 with an initial target volume of half a million visitors.²¹ Aung San Suu Kyi refused to be an unofficial mascot for VMY-96 and responded that the year be designated as 'Don't Visit Burma Year.'²² Consequently, and also due to the student unrests that broke out in Yangon in December 1996, the VMY-96 was unsuccessful, failing to achieve 20 percent of the initial target.

By the late 1990s, local and global campaigns against the junta's human rights violations resulted in the EU and US economic and diplomatic sanctions against the country. Aung San Suu Kyi showed her unequivocal stance against tourism under tyranny when she said in 1999: 'Burma will be here for a many years, so tell your friends to visit us later. Visiting now is tantamount to condoning the regime.' A myriad of international 'Burma campaign' groups followed suit. A case in point is the disagreement between *Lonely Planet* and *Burma Campaign UK* (BCUK), which had targeted the former for publishing a guidebook on Burma/Myanmar in 2002.²³ In a statement in February 2005, Prime Minister Tony Blair urged through the BCUK that 'anyone who may be thinking of visiting Burma on holiday to consider carefully whether by their actions they are helping to support the regime and prolong such dreadful abuses.'²⁴ In October 2012, Blair himself became a business tourist in the country as he led a delegation to Nay Pyi Taw and met with President Thein Sein.²⁵



The recent international turnaround for tourism in Myanmar reflects the NLD's general policy re-orientation in response to the reforms in Myanmar since the elections in November 2010. Aung San Suu Kyi's earlier position, that 'tourism should not be pushed into a direction where this sector becomes the prime foreign currency earner, as had been done with nearby countries' has not been reviewed in light of the current government policy to make tourism a national priority sector.²⁶

In a statement dated 20 May 2011, the NLD acknowledged that 'It is essential to strike the right balance between commercial and societal consideration although such a balance is often difficult to achieve in a developing country like Burma.' It addresses the issue of whole Burmese communities that have been 'harmed in the interest of tourist industry' by forced relocation and forced labour and argues that the outcome has been 'economic hardship exacerbated by the abrupt breakdown of a traditional way of life and gross violation of basic human rights.' The danger of tourism 'lies not only in conscious misconduct on the part of visitors but also in well meaning but injudicious behaviour.' The statement concludes with a notion very similar to responsible tourism: 'The NLD would welcome visitors who are keen to

promote the welfare of the common people and the conservation of the environment and to acquire an insight into the cultural, political and social life of the country while enjoying a happy and fulfilling holiday in Burma.'²⁷ Myanmar has never experienced MMT since her independence, and the destinations in the country are promoted as 'pristine' in many tourist brochures. In terms of state-level management of mass tourism, industrial regulations, corporate responsibility, destination level participation, and capacity development, numerous challenges await Myanmar especially in light of the country's noble aspirations for responsible tourism.

2. What is Responsible Tourism

To the world's foremost advocate of responsible tourism, Professor Harold Goodwin at the *International Centre for Responsible Tourism*, 'Responsible tourism is about taking responsibility for achieving sustainable development through tourism (...), it is about identifying economic, social and environmental issues which matter locally and tackling them.' In his formulation, the crux of responsible tourism is exactly how far it can help the locals in the host communities towards sustainable development. Responsible tourism thus aims at 'maximising economic, social and environmental benefits and minimising cost to destination.' In short it is about creating 'better places for people to live in and better places to visit.'²⁸

South Africa, the country which had met with international boycott for its apartheid regime until its first democratic election in 1994, was the first to have drawn up and implemented responsible tourism policy with the assistance of international consultants, including Professor Goodwin. With numerous international accolades, such as the 2007 Blue Flag status awarded to eighteen of its beaches for 'excelling in safety, cleanliness, the provision of amenities and setting and maintaining envi-

ronmental standards', responsible tourism in South Africa is widely considered a success story. The country saw a dramatic increase in tourist volume from 5.2 million in 1997 to 9 million in 2007. In 2006 tourism constituted 8.3 percent of the country's GDP by 2006 and accounted for 7 percent of the country's direct and indirect employment.²⁹ South Africa's *Tourism White Paper* which Goodwin helped develop in 1996 highlights the following key elements:

- developing, managing, and marketing tourism in ways that create comparative advantage
- assessing and monitoring the environmental, social and economical impact of tourism developments and openly disclosing the information
- ensuring the active involvement of communities that benefit from tourism, including their participation in planning and decision-making and the establishment of meaningful economic linkages
- monitoring and encouraging, natural, economic, social and cultural diversity
- avoid waste and over-consumption and promote the sustainable use of local resources³⁰

Not everything in the garden of responsible tourism is rosy. In Kerala on the Southeastern coast of India, locals have been increasingly resentful about the authorities' abuse of responsible tourism. In March 2008, *Kerala Tourism* organised an international event on Responsible Tourism, according to which 'a critical group of local stakeholders will be involved in the discussion, planning and monitoring of all tourism level activities in their locality and all developments in destination are expected to be participatory in nature.' However, when an artificial reef was con-

structed in Kovalam (a fishing village in Kerala) without any consultation with the local level destination committee or any of the local stakeholders, the locals protested that about 500 fishermen would lose their livelihoods, and the artificial reef would have negative impact on neighbouring villages. Kovalam artificial reef is just one of more than 20 tourism project sites in post-Tsunami Kerala.³¹



It is commonly understood that tourism benefits local communities in the countries that have reached a standard of human rights governance and economic infrastructure conducive to the aspirations of responsible tourism. If environmental, social, cultural and economic sustainability are the foci of responsible tourism, it is necessary to come up with location-specific criteria to measure sustainability. For Myanmar, however, a country still mired in human rights governance issues and

crony capitalism, it is debatable whether responsible tourism will be abused as just another 'cash cow' for the authorities and crony businesses. As Goodwin asserts, 'everybody is responsible' in responsible tourism, the responsibilities of the state, of the tourism industry and of the tourists can be reframed in the existing human rights paradigm.

3. Responsible Tourism from a Human Rights Perspective³²

Myanmar may be a transition economy but the political, economic and social rights of her citizens are far from fully realised. None of the three responsibilities of the state with regards to human rights, 'duty to respect (refrain from human rights violations), duty to protect (protect citizens from human rights violations by others), and duty to fulfil (ensure the full realisation of human rights)' have been observed. Let alone duty to protect and duty to fulfil, duty to respect human rights remains an issue. With an ongoing war in Kachin State, communal violence in Rakhine State, widespread land seizures and the persistent breach of social and economic rights it is clear that human rights abuse is endemic throughout the country. Myanmar government rhetoric has portrayed a committed policy adhering to the principles of responsible tourism as has been portrayed through other policy areas such as drug enforcement and the meeting of standards set by foreign direct investments (FDI). Many observers, however, remain sceptical of the government's genuine commitment and implementation capabilities.³³

As for the tourism industry and related businesses (tour operators, hoteliers, and agents), their practices are best measured in terms of social, economic and cultural rights, as well as civil and political rights of the destination level populace. There exist local frameworks, international treaties, ILO conventions and recommendations

which govern labour standards. As for the tourists, freedom to travel within Myanmar remains restricted to a number of tourist enclaves beyond which they have to seek government permission to travel. Mrauk-U, a tourist enclave in Rakhine State, for instance, was declared closed to tourists after communal clashes broke out in June 2012. Soon after tourists were allowed back in the area in October 2012, another communal clash broke out, martial law was imposed, and the area was out of bounds to tourism again.³⁴ The ongoing instability in Myanmar will not guarantee visitor satisfaction as it often deprives tourists' access to the areas sold to them by tour operators. Myanmar's security issues are likely to act as a barrier to many return tourists who seek to venture beyond well-trodden tourist enclaves.

When discussing human rights abuse as a direct product of tourism it is often local communities that are the most vulnerable with their right to housing, right to food and right to water persistently subject to abuse. The livelihood of communities are determined through land and resource conflicts whose outcome is favourable to the tourist industry, as evidenced through cases of land grabbing for the development of tourism, a key obstacle in transitional Myanmar. The land issue is likely to become a major hurdle in the development of new infrastructure and hotel zones as the ownership of land in Myanmar is a question that the relevant Ministries have persistently failed to address and define. As of September 2012, the *Ministry of Hotels and Tourism* has been in negotiation with the *Ministry of Culture* over the building of hotels on a cultural heritage site in Tuyin hotel zone in Bagan.³⁵ The establishment of national parks for tourism has to ensure that the indigenous peoples do not lose access to their ancestral or agricultural lands, lose access to beaches and access to water.

The right to health may similarly be compromised as a product of tourism through the irresponsible use of chemicals, for instance, in hotels, restaurants and golf courses, and through the spread of HIV/AIDS within the tourist-tailored sex industry and medical-tourist industry which favours tourists' health at the expense of the locals'. According to the ILO (2010), there are 13 to 19 million child labourers in the tourism sector worldwide. Thus the right to education is compromised through the 'exploitation of child labour,' especially in a country like Myanmar where primary school dropouts are employed at the country's ubiquitous restaurants and teashops.³⁶ An estimated 260 million people are employed in tourism worldwide, a high percentage of which occupy 'seasonal jobs' and work in poor conditions in the developing world. Tourism is also a sector in which the right to form trade unions is often compromised and where the right to protection against forced labour is seldom subject to enforcement as evidenced by prevalent forced prostitution in Myanmar. While earlier studies on sex tourism in Southeast Asia focused on Western, Japanese, Chinese or domestic male tourists' encounter with local female prostitutes, bar girls or karaoke hostesses, Heidi Dahles has observed an increasing trend in what she calls 'romance tourism' in the region - Western women seeking the company of Southeast Asian men.³⁷ The right to privacy is routinely compromised when locals and indigenous peoples become tourist attractions. Alexander Trupp concludes that

'Even though the colonial forms of display, where people were exhibited in cages or frankly advertised as 'freaks', have disappeared, the staging and the external representation of the 'other' have continued. Also, certain features of the former human zoo, such as entrance fees,

*clearly defined boundaries, and commercial exploitation, for example through postcards or tourism brochures, have persisted.*³⁸

Similarly the right to information and the right to participation in decision-making processes are not respected as locals are rarely consulted on tourism developments by the state and the industry partners. Other types of discrimination such as travel restrictions for people living with HIV/AIDS also exist.³⁹ The rights of vulnerable groups such as migrant workers, children, women and indigenous peoples have also been largely ignored, with the tourist industry abusing their rights and excluding the rights of others such as the disabled; preventing their participation and employment in the industry.

The report 'Responsible Investment to Myanmar: The Human Rights Dimension' identifies land, labour, capital, business relationships, discrimination and corruption as the key business challenges. Recognising ongoing forced eviction of communities in land acquisition by businesses, the report recommends that foreign and domestic businesses investing in Myanmar 'make additional efforts to guarantee they obtain consent for use of land through a fully consultative process without force. They will have to use their influence with security forces to ensure they refrain from abuses against communities.' Companies are advised to 'undertake enhanced human rights due diligence to ensure the rights of workers they and their suppliers hire are protected, and that no one is forced to work against his or her will.' In terms of capital, the report points to crony capitalism when it suggests companies check 'not just financial soundness and liquidity of banks and financial intermediaries', but 'their business practices, including their current and previous relationships with clients who may be facing sanctions.' Investors are advised to 'scrutinise potential partners, and

avoid forming business relationships with partners against whom there are sanctions, or who face credible allegations of human rights abuses.’ With deep-rooted ethnic divisions and discrimination in Myanmar, companies are also advised ‘to develop a clear understanding of the ethnic dimensions in Myanmar and be sensitive to the potential of exacerbating conflict through their presence.’ Myanmar ranks 180 out of 182 countries in the *Corruption Perception Index*⁴⁰, surpassed only by North Korea and Somalia. Revenue transparency is similarly a practice rarely adhered to, especially



within crony businesses. Thus the report urges Myanmar to ‘adhere to international standards, using as examples the *US Foreign Corrupt Practices Act*, the *UK Bribery Act*, and the *OECD Guidelines*

against Corruption and insist on not contributing to corruption.’⁴¹ Therefore, there are greater challenges to responsible tourism when viewing tourist development through a broader human rights perspective than in the state-centric view.

4. Crony Capitalism and Myanmar Tourism Industry

A crony or oligarch in the Burmese context can be defined as a businessperson, who from modest beginnings acquired enormous wealth through his or hers association with the Myanmar generals. It is believed that many cronies have served as portfolio managers for the Myanmar generals. Myanmar’s economic policy today may be

the reversal or a complete unwinding of the command economy under the *Burmese Way to Socialism*. Yet what Dorothy Woodman noted about the Burmese economy in 1968 is still telling of Myanmar's economic transformation today: 'The most intractable problems Burma faces today are economic (...) This revolutionary policy was carried out too quickly with no adequate preparation and without experienced people to manage the new economy.'⁴²

The US and EU economic sanctions, imposed against the junta from the late 1990s to 2012 led to trade and investment niches which were exploited by some regional and multinational corporations with their own justifications for doing business in Myanmar. The collaboration between such corporations and the regime especially in the extractive industry has enormously enriched the generals and a pocket of businessmen close to them. The influence of the military's associates and the Burmese oligarchs is ever-present today with a minority of individuals possessing great wealth and business interests throughout the country with a portfolio of activities engaged across all sectors of Myanmar's economy, from banking and tourism to construction, manufacturing, transport and telecommunication. Despite a process of transition the power of a wealthy minority will continue to exert influence, however where tourism infrastructure development is concerned the biggest issue in light of limited reform is the uncertainty surrounding land and property rights. This uncertainty over property rights has persisted in Myanmar since the country's independence, where 'a system of law essentially gave power to the state when it came to the control, use and allocation of land', a legal system which 'was used and very often abused by those who were members of the state or closely associated with the state to acquire land for personal benefit.'⁴³

Myanmar cronyism is often nepotistic. The authorities and top industrialists are not just friends but they are consolidated through business and often are blood relatives. *Nawarat Hotel*, one of the first upmarket hotels to be opened in Yangon after 1988, was built in 1994 by Sandar Win, the daughter of Burma's socialist-era dictator Ne Win (1910-2002). It is believed that, in the first few years of the hotel's operation when Ne Win still wielded a substantial influence on the generals who succeeded him, up to 40 percent of businessmen visiting the country stayed at *Nawarat Hotel* to secure business deals with the junta. The hotel ceased its operations after Ne Win's grandsons and Sandar Win's husband were arrested for an attempted coup in 2001. After a decade-long hiatus in neglect, the hotel is being renovated and is set to resume its operation in April 2013.⁴⁴

In the post-junta era, Khin Shwe, member of Upper House of the Parliament, and the owner of *Zaygaba* property group, one of the largest construction companies in the country, is the most prominent case in point. Khin Shwe had climbed up the Myanmar rich list through his long-time association with the former spy chief and one-time prime minister Khin Nyunt under the SLORC/SPDC, and was 'a caterer' to Khin Nyunt. Khin Shwe's daughter Zay Zin Latt is married to Toe Naing Mann, founder of telecoms group *Redlink Co.*, and the son of former general Shwe Mann, the Lower House speaker, who was labelled 'dictator in waiting' by the US officials in Yangon. Shwe Mann's other son, Aung Thett Mann, is the owner of *Mya Yeik Nyo Royal Hotel* in Yangon. Shwe Mann has been reported to be a director of *Htoo Construction Company*, owned by Tay Za, the best known associate of the junta, a one-time 'notorious henchman and arms dealer' to the US Treasury.⁴⁵

Khin Shwe is one of the patrons of *Myanmar Hotelier Association* (MHA) and the former chairperson of *Myanmar Tourism Board* (MTB). In November 2011, Khin Shwe came under criticism when he attempted to turn the historic colonial-era *Ministers' Office* building into a hotel. Khin Shwe argued that he could live a comfortable life abroad as a millionaire but the fact that he is working in Myanmar was proof of his patriotism.⁴⁶

The other three patrons of *Myanmar Hotelier Association* are Dagon Win Aung, U Htay Myint and Dr. Nay Zin Latt.⁴⁷ Dagon Win Aung was close to former Supremo Than Shwe. He has often been spotted at President Thein Sein's side following the November 2010 elections. His firm *Dagon International Ltd.* has managed *Yangon-Mandalay Highway* upgrading and extension project and is also involved in timber extraction, export and import businesses.⁴⁸ The third patron Htay Myint is one of the wealthiest individuals from southern Myanmar. He is the owner of *Yuzana Co Ltd.*, *Yuzana Supermarket*, *Yuzana Hotel* and *Plaza*. Just like Khin Shwe, Htay Myint acquired his riches through his close association with Khin Nyunt, who is believed to own a part of *Yuzana Co. Ltd.* Htay Myint's business empire spans from hotels to housing projects, and from department stores to agriculture and fishery.⁴⁹ A Kachin rights group has recently revealed that *Yuzana Corporation* 'has expropriated more than 200,000 acres of land from small scale farmers to make way for large scale sugar cane and tapioca plantations in the Hukaung valley', the largest Tiger reserve in Northern Myanmar. *Yuzana Corporation's* infringement of the reserve area has left some 600 farming families landless, directly affecting at least 10,000 villagers. The company uses imported labour from other parts of the country and its 'cyanide intensive gold operations contaminate the local soil and the area's water resources.'⁵⁰

The last patron Dr. Nay Zin Latt is one of the advisors to President Thein Sein. The *Myanmar Tourism Board* was renamed *Myanmar Tourism Promotion Board* (MTPB) in 2012 and is chaired by Phyto Wai Yar Zar, the executive director of *All Asia Exclusive Travel and Tours*.

Prior to the election in November 2010 and their exit, the SPDC managed to sell or long-term-lease most public assets to the cronies, and privatisation is still ongoing. Cronies 'hit the jackpot' when about 300 state-owned assets, including *Myanmar Airways International*, were privatised in 2008. The former generals in the new Myanmar government are anxious to shed their image associated with human rights violation. So are the cronies. Reuter (12 April 2012) reports:

Some are promoting charitable work, forging ties with the dissident Burmese Nobel Peace Prize laureate Aung San Suu Kyi, and huddling daily with executives from multinational companies descending upon one of world's last frontier economies. Many are retooling sprawling business empires that relied on favors from the state, anticipating an end to sanctions and new competition from foreign brands.⁵¹

Cronies realise that Myanmar's resources are not infinite and that much of their future lies in service sector as Myanmar's economy is being integrated into the global market. Tay Za was one of the few oligarchs who had been investing in hotels and tourism long before 2011. He bought *Kandawgyi Palace Hotel* in 2010 and had been investing in tourist resorts over the past decade. Tourism-related businesses in

his *Htoo Group of Companies* (HGC) are *Aureum Palace Hotels and Resorts*, *Air Bagan* and *Myanmar Treasure Resorts*.

Zaw Zaw of *Max Myanmar Construction* became extremely wealthy with his contract for Nay Pyi Taw construction project by forging close ties with Than Shwe. He has already repositioned himself out of construction investing in the banking sector, hotels and tourism. Zaw Zaw runs the high-end *Royal Kumudra Hotel* chain⁵² and roadside patrol stations that can be seen everywhere in the country. The government paid Zaw Zaw's *Royal Kumudra Hotel* in Nay Pyi Taw with 10 automobile license permits, each valued at 180,000 USD, Reuter reports.

In February 2010, the state-owned *Myanmar Airways International* sold 80 percent of its stake to *Kambawza Bank*, Myanmar's largest private bank owned by Aung Ko Win who acquired his wealth through jade mining concessions through his association with the SPDC's second most powerful man, General Maung Aye. In April 2011, the *Kambawza Bank* launched *Air KBZ*, becoming the fourth privately owned airline in the country.⁵³ The other airline owned by KBZ is *Air Myanmar*. When the railway is privatised it is most likely to fall into the hands of one of the oligarchs as clean businesses cannot compete with them, in terms of capital and connection. The Burmese say that 'whenever they (the generals or the former generals) spill, they will spill into their own pocket.'

'Report on Tourism in Burma' by *Info Birmanie*, a Paris-based Burma campaign group, released in March 2011, features a non-exhaustive list of crony tourism businesses in Myanmar.⁵⁴ In response, *Network Myanmar* notes that Myanmar tourist industry was running on a loss before 2011 and few cronies were interested to invest in travel and tourism.⁵⁵ This situation, however, is rapidly changing as Myanmar

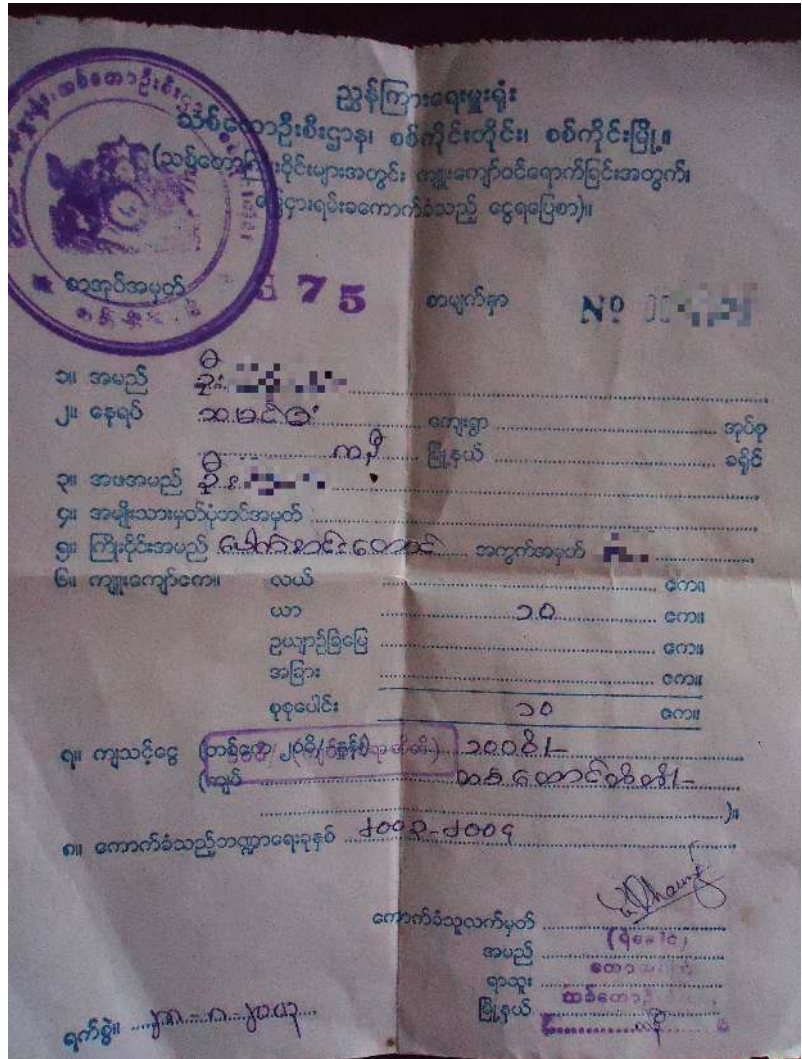
braces itself for mass tourism. Even the lesser-known provincial cronies who operate below the radar of international scrutiny are investing now in the tourist industry. Ahlon U Tin Win, the owner of *Tin Win Tun Company* in Monywa, a trade centre about 100 km north of Mandalay, specialises in wood extraction in Sagaing Division and Kachin State. Since the local authorities provided a thirty year lease of an estimated 3500 acres of farmland in 2008 in Kani, near Monywa, Ahlon U Tin Win has been at loggerheads with local farmers who accuse his company for land grabbing. He is also the owner of *Win Unity Hotel*, the biggest hotel in Monywa, built on a reclaimed land, formerly a lake and a public space. In Kani, a severe drought in the summer of 2012 brought greater strain on the local communities. However given the opportunity locals refused to drink water from crony Tin Win's wells. 'The grassroots



The land being grabbed in Kani, Monywa.

are not satisfied with junta-like cronies and they hate them.’ says a Monywa resident. In Mawlamyaing, Strand Road, another reclaimed land along the Salween bank, newly built crony-owned hotels have emerged recently. The *Mawlamyaing Strand Hotel*, owned by Tay Za, built over the ten years since 2002 is one among them.⁵⁶

The document is a receipt from Forestry Department of Sagaing Division. It says, 'the receipt of the land leased to those who have trespassed the protected area.' The protected area in question had been cleared and deforested by timber extraction by local authorities and cronies. Landless and internally displaced farmers from Ayartaw Township near Mandalay had been encouraged to occupy the deforested protected area since 1998 and the lease had been renewed annually until 2004. This document shows the annual lease for the year 2003-4. In 2008 the farmers in the area were shocked to learn that the 3,500 acre land had been leased to a local crony, and they were supposed to move out of the area. Since then about 100 farmers had been fighting against land grabbing in Kani, Monywa. At least one local farmer was sent to jail over the dispute. This annual lease shows the ridiculously low rent of 1,000 kyat (1 USD at today exchange rate) for 10 acres of land' for a year. It was devised to cover the local authorities' infringement of protected areas in case they faced investigation by higher authorities.



As of February 2012, Myanmar has 22 foreign-invested hotels, 9 government and 678 private hotels, having 11 hotel zones at tourist enclaves. The existing hotel zones are in Nay Pyi Taw, Yangon, Mandalay and Bago, Rakhine, Mawlamyine, Bagan, Taunggyi, Chaungtha, Golden Triangle and Ngwehsaung. New hotel zones are

popping up along the road between *Yangon International Airport* and the planned *Hanthawaddy International Airport*.⁵⁷ Myanmar now has an estimated 25,000 hotel rooms across the country, mostly in three- to four-star categories. Five-star properties account for only five percent of the total. Singapore has been the biggest investor in Myanmar's hotel sector with 597.75 million USD, followed by Thailand with 263.25 million USD, Japan with 183.01 million USD, China's Hong Kong with 77 million USD, Malaysia with 20 million USD and Britain with 3.4 million USD. Yangon's *Sedona Hotel*, *Strand Hotel*, *Traders Hotel*, *Park Royal Hotel* and *Dusit Inya Lake Hotel*, Mandalay's *Sedona Hotel*, *Mandalay Hill Resort Hotel*, *Mandalay Swan Hotel* and *Thiri Pyitsayar Sakura Hotel* are foreign-owned hotels. As Myanmar prepares for the 27th *Southeast Asian Games*, Myanmar tourism authorities are anxious to meet the demand of foreign guests arriving for the games by building over 50 hotels across the country.⁵⁸ The shortage of mid-range and high-end hotels means that, in Yangon alone, an additional 1,670 hotel rooms are being made available by April 2013.⁵⁹ The locals are aware that, just like Zaw Zaw's *Kumudra Hotel* in Nay Pyi Taw, government's new hotels are contracted to the cronies and are likely to be paid in barter system.

This is not to argue that the tourist industry in Myanmar is totally dominated by cronies. *Network Myanmar* in 2011 estimated that state and crony hotels constituted less than 10 percent of all hotels. However, the most striking feature about tourism has been 'how quickly the industry was introduced once the area was pacified.'⁶⁰ Derek Tonkin of *Network Myanmar* notes that the US' *Specially Designated Nationals List* (SDN) targeting the Burmese cronies has been counter-productive and contributed to the astronomical rise of property prices in Myanmar:

*'...crony capitalism in the hotel sector is rather forced on them by US sanctions against SDNs. There are no outlets for their profits except by reinvestment at home. So, willy-nilly, they dump their ill-gotten gains into real estate, including hotels and resorts, not in the expectation of further profits, but as safe havens, for the future. Land and property invariably provide value in the longer-term.'*⁶¹

As such, it is likely that if responsible tourists want to avoid putting their money into crony pockets, their choices will be increasingly limited in the near future. An accurate stock taking of cronies' stake in Myanmar tourism infrastructure projects is for a large part due to responsible tourism.

Since the 2011 tourist season, package tour sales have dropped despite the dramatic rise in the number of arrivals in Myanmar, indicating that Myanmar is set to become a top destination for *Foreign Independent Travellers* (FIT).⁶² The existing number of small-scale hotels, however, cannot keep up with the influx of FITs. There exists a myriad of smaller enterprises and guesthouses in Myanmar but most of them are not certified to lodge foreign tourists. The system continues to give an upper hand to larger hotels in the Myanmar tourist industry. In the long run, it is likely that smaller hoteliers, on failing to keep up with the standards for foreign guests set by the authorities, will perish or be taken over by foreign or crony-owned businesses. To counter this, Nicole Haeusler, one of the experts on Myanmar Responsible Tourism Policy, recommends that 'a specific credit be implemented by the banks for small and medium enterprises in hospitality and tourism.'⁶³ Even if such a scheme is realisable, the booming of low-end hotels should not be encouraged. Locations in Thai-

land and Nepal have been over-run by backpackers. In Laos, formerly exotic Vang Vieng has been turned into a 'hedonistic backpackers' paradise.' In Spain, in the mid-1980s, the authorities had to shut down low-end hotels at tourist resorts on Mallorca to protect the area from becoming a backpacker colony. Thus another paradox of tourism is that affluent tourists who have better spending power are likely to end up at better hotels, their money fuelling crony capitalism or foreign businesses, whereas *Foreign Independent Travellers*, encouraged by Aung San Suu Kyi, tend to be frugal and are likely to stay in smaller hotels, contributing relatively less to local economies.⁶⁴

Analysts who hope that cronies can be shepherded systematically towards a good end may be misguided.⁶⁵ The very nature and practice of cronyism and crony capitalism allows little room for transparency and accountability, let alone Corporate Social Responsibility (CSR). Privatisation of all public services, from electricity and water to roads and transportation systems has made it increasingly impossible to get around Myanmar without putting any money into a crony's purse. From elite highway bus services, upscale roadside stopover restaurant franchises to the virtual toll road monopoly in Myanmar, all of which are the creations of cronies and directly benefit the crony system. Self-help smaller enterprises lack the capacity as well as the means to meet the health and safety standards of responsible tourism. The challenge therefore exists how tourism can address Myanmar's structural poverty and the monopolisation of business by a wealthy minority. If responsible tourism is to address the three aspirations economic growth, environmental sustainability and social justice, the latter two can be seen as somewhat unattainable given the current setting of Myanmar's crony capitalism.

5. Myanmar's Responsible Tourism Policy and its Challenges

The ultimate aim of responsible tourism, the notion of sustainable tourism itself, is contested. In the underdeveloped world, sustainable tourism is often regarded as an ideological tool that the first world countries impose on developing economies. According to the World Bank, 55 percent gross domestic revenues from tourism in the developing countries flows back to the developed countries.⁶⁶ Different indices to gauge economic sustainability, political sustainability, ecological sustainability, and cultural sustainability have generated numerous debates. *Myanmar Responsible Tourism Policy* is likely to undermine the very essence of sustainable development if it continues to favour the current Myanmar economic dynamic dominated by crony capitalism and foreign investment at the expense of political, ecological and cultural sustainability.

Every tourism development must be participatory in nature if it is to be politically sustainable. Destination level communities must be able to control their social and ecological environments and be the foremost beneficiaries of tourism. The major weakness in Myanmar's responsible tourism policy might be exactly the lack of a bottom-up participatory and inclusive process.⁶⁷ The *Ministry of Hotels and Tourism* has not released any information as to which stakeholders were involved in the development of their current tourism policy. Not to mention the destination level participation, development of tourism as a national priority sector has not been discussed and legislated in the parliament.⁶⁸

Whereas the *Ministry of Hotels and Tourism* should plan responsible tourism step by step in a reasonable timeframe in light of tourism infrastructure developments and tourist capacity, it is clear that they have worked to the contrary: opening

the country to mass tourism without a cap on the volume of tourists. The *Ministry of Hotels and Tourism* of Myanmar began its reform efforts in March 2011. In February 2012, the first 'Responsible Tourism Week' workshop was organised in Nay Pyi Taw in collaboration with *Myanmar Tourism Federation* and *Hanns Seidel Foundation* (Germany) with a team of international and local consultants, Goodwin et al, private and public stakeholders and representatives from twenty-two tourism-related ministries. The result of those efforts was *Nay Pyi Taw Responsible Tourism Statement*, which outlines steps towards a policy of responsible tourism. In September, the team organised a series of workshops with some 350 participants in the five tourist enclaves of, Yangon, Bagan, Inlay Lake, Kyaington and Ngwe Saung, the findings of which led to the Ministry's *Responsible Tourism Policy*, 'a living document', or 'a set of national policy principles that provide the foundation for Myanmar's Tourism Development Strategy and Action Plan.'

The nine aims that guide Myanmar Responsible Tourism Policy are not country-specific and are applicable to any underdeveloped country developing responsible tourism. They are not location-specific in that there are no detailed recommendations for certain locations. The action plan views 'tourism as a national priority sector, for broad-based local, social economic development', which seeks to 'maintain cultural diversity and authenticity, conservation and enhancement of the environment, compete on product richness, diversity and quality — not just price, ensure health, safety and security of our visitors, institutional strengthening to manage tourism, a well-trained and rewarded workforce, minimising unethical practices.'

The nine aims are to be realised by 58 action points (the drivers of the policy) which set high, medium and low priorities. The action points also identify stakehold-

ers and responsible partners but do not commit to a timeframe for implementation.⁶⁹ To pick but a few, for the first aim, tourism is a national priority sector, the highest action point is 'integrated tourism planning, land use, zoning, building control and resource planning' and 'legislation and tax concessions to secure improvement of environmental and social standards in existing tourism property' set as 'medium.' For 'broad-based local social-economic development', the promotion of 'local entrepreneurship through micro and small enterprises in building local capacity in partnership with established local, national and international partners' ranks 'medium' on the agenda and *The Ministry of Cooperatives*, one of the remnants of the socialist era economy that has not been known for transparency or accountability, is viewed as a 'focal point.' The agenda affords high priority to establishing 'Cooperate Social Responsibility (CSR) in all tourism-related businesses.' It remains to be seen with an influx of Foreign Direct Investment (FDI) and with a tradition of imbedded cronyism, whether CSR will be established and enforced by the government.⁷⁰

The efforts of concerned organisations and individuals in the development of a responsible tourism policy with the Ministry on the national level are commendable. Yet there exists the risk that their goodwill in establishing a responsible tourism agenda will be used as a marketing ploy by the authorities and cronies who have demonstrated little care about the country in the past.⁷¹ One of the biggest challenges in 'integrated tourism planning' will be 'institutional strengthening' and coordination between the ministries and implementation of policies on local level. The hierarchical nature of Myanmar's ministries with former military officers at their helm is problematic as national security issues maintain at the core of policy decisions. As

such it is questionable whether the Ministry of Hotels and Tourism will have enough leverage to influence the other ministries and authorities on local issues.

Another impending challenge in 'zoning' is 'conservation and enhancement of the environment.' The 2006 *National Environmental Performance Assessment on Myanmar* found that:

*'Myanmar's exceptionally rich biodiversity could not escape the effect of the pressure on habitats during the last two decades, in particular the rapid loss of natural forest in the 1980s (and its continuation to this day), and loss of mangroves. The authorities' response has been to expand the protected area system to about 6.5 per cent of the total land area by 2004.'*⁷²

The assessment concedes that 'the influence of commercial logging is not easy to analyse. Available data does not support the notion that commercial logging operations systematically violated existing annual allowable cut (AAC) regulations. The key to a satisfactory explanation seems to lie in illegal logging taking place in remote and difficult-to-monitor areas.'⁷³

Recently even the protected areas, where signs in Burmese that warn the locals 'Felling a Tree equals to Three Years in Jail.' have fallen pray to illegal logging and poaching. Locals in nearby villages are bitterly aware that wildlife sanctuary *Alaung-taw Kathapa National Park*, a top destination for ecotourism in Myanmar, is being cut down for wood and its inhabitants, bears for bile and peacocks for feather, hunted down by the Chinese traffickers who have paid off the local authorities.⁷⁴

In Kachin State, the renowned *Hukaung Valley Tiger Reserve*, known as the world's largest protected space for tigers, covering an area of 21,890 square kilometres, has turned out to be a sham facade. 'Despite much fanfare little if any actual environmental conservation has been carried out in the ecologically sensitive valley because Burmese government policy has encouraged the Yuzana company, a firm strongly associated with Than Shwe to operate large scale gold mining and plantation projects in the reserve,' says the Kachin Development Networking Group.⁷⁵

The key to responsible tourism in Myanmar, as in all other countries, will be visitor management. In September, just a week before *Myanmar Responsible Tourism Policy* was released, the country had joined 'the CLMV Tourism Co-operation' to develop tourism in four countries, Cambodia, Laos, Myanmar and Vietnam, aiming to attract 25 million international visitors to the region from 2013 to 2015. The CLMV plan aims to receive at least four million 'exchange visitors' over the period, and specifies 'increased information exchange among the four countries as well as the development of joint tourism products that are of high quality.' It is likely that the four countries will also 'consider the issuance of a single tourist visa for five countries in the Mekong sub-region including Thailand, after assessing the effectiveness of one planned by Thailand and Cambodia.'⁷⁶ Unless arrangements to split the revenue from visa fees are made, joining a common Southeast Asia visa zone would deprive Myanmar of millions of US dollars made annually from visa application fees, especially from Western tourists, as Myanmar embassies are few and far between in the West. Since the ruling *Union Solidarity and Development Party* (USDP) is widely expected to be voted out in the 2015 elections, Myanmar's membership of the CLMV is also seen as the former generals' attempt to 'make hay while the sun shines'.

In the first half of 2012, the capacity of Myanmar's tourist industry was overstretched by the arrival of half a million tourists, many of them on business travels occupying Yangon hotels, according to a hotelier in Yangon. The CLMV shows that Myanmar tourism authorities have simply ignored 'the value-based strategy over volume-based strategy', the advice given to them by UNWTO at a meeting in Yangon July 2012. Given the current infrastructure, even a modest projection of three million tourists a year over the next few years will overstretch the country's capacity. The following advice by the UNWTO's Asia-Pacific regional director Mr. Xu Jing was not heeded: 'Sometimes less is more. Yangon, for example, has many beautiful old buildings that could be restored instead of destroyed for new development. Myanmar should focus on its unique strengths and ensure its infrastructure is improved to match future demand.'⁷⁷

In the mean time *Asia Development Bank* has sought to support Myanmar's *Tourism Master Plan*, set up in July 2012, through 'technical assistance.'⁷⁸ On 5 November 2012, Norway, one of the first countries to resume engagement with the Myanmar government, pledged 225,000 USD to help the government draw up the Tourism Master Plan, which is expected to be finalised by March 2013. A team of experts at Bangkok's *Thammasat University* is charged with submitting the draft Master Plan by February 2013.⁷⁹

For Myanmar tourism to be responsible, controlling or restricting the volume of traffic flow to a manageable level (value over volume, again) is paramount. A reasonable target volume to meet the projection of tourism development must be set to ensure both a pleasant experience for tourists and sustainability for the host communities. As of 2011, there were only 25,002 rooms, certified for foreign tour-

ists, in 731 hotels, motels and guesthouses in 48 cities all over Myanmar. An additional 6,560 rooms are said to have been developed by foreign companies. The same year saw nearly 400,000 tourists. Almost 30 percent are cross-border tourists, compared to half a million tourists in the first half of 2012.⁸⁰ It is expected that tourist volume will increase exponentially in Myanmar, as it has in other CLMV countries. Davina Stanford proposes the following three steps to manage responsible behaviours of tourists:

A three-step model was developed to foster responsible tourist behaviour. The first and crucial step is for the destination to set its objectives, then, to market to the most appropriate tourists. The third step is to optimise the responsible behaviour of these tourists once they have arrived, through visitor management which encourages and facilitates responsible behaviour. The New Zealand context provides a good example of this approach.⁸¹

The responsibility for visitor management lies with the *Ministry of Hotels and Tourism*, *Ministry of Home Affairs* and the *Ministry of Immigration and Population*. Since each and every area is unique, destination level communities must be informed and consulted as to the pros and cons of mass tourism and how they can contribute to making their area conducive to responsible tourism. Besides the increased volume of cross-border tourism, the *CLMV Tourism Cooperation Plan* will be the biggest challenge in Myanmar's tourism management.

For tourism in Myanmar to be responsible as well as sustainable, area protection must be enforced immediately and effectively. Illegal logging and poaching in existing national parks must be stopped immediately. New laws that are relevant to the aims of responsible tourism must be legislated to protect historic sites, natural reserves, and religious sites.⁸² Two top tourist enclaves, Inle Lake (Inlay Lake) and Bagan (Pagan) are already feeling the pinch and the greater potential for cultural damage given the impending tourism boom.

In 'Working Paper for Tourism Development for Inlay Lake (April 2012)', *Institute for International Development* (IID) concludes that 'To arrive at a positive bottom line outcome, both tourism and its related economic sectors (from fishing, forestry and agriculture to education, health and sanitation) have to be seen in total, and steered into a synergetic direction. Tourism cannot perform that task alone. And a strategy of maximising visitor numbers and focus on revenue and impact (Return on Investment, ROI) per visitor, will only exacerbate the problem.' The environmental fragility of the Inle Lake notwithstanding, the Shan State government has approved a 622-acre (2.5 square kilometre) hotel zone near Ingyin village on the eastern side of Inle Lake, about 26 kilometres (16 miles) from Nyaungshwe. *Inle Lake Conservation Department* under the *Shan State Ministry of Forestry* argues that the site was chosen because it would have the least impact on the environment and it was unlikely to create land ownership disputes.⁸³

Yet the manifold increase in tourist volume on Inlay Lake will no doubt exacerbate the devastation of the lake which had been shrinking at an alarming rate over the past decade due to 'soil erosion, sedimentation and deforestation in the watershed area.'⁸⁴ Joern Kristensen, the Myanmar Director of the *Institute for International*

Development cautions that 'It is not only tourism and the increasing number of visitor that place pressure on the lake. The area of floating gardens has increased 6-7 times over the past 20 years. That means much more chemical fertiliser and pesticides in the lake with a negative impact on water quality and peoples health.'⁸⁵ Other environmental groups share the concern that Inle's ecosystem has become very fragile and the lake is suitable only for carefully managed volume-controlled tourism.⁸⁶

On 22 October 2012, the first ever local protest against tourism infrastructure projects in Myanmar was staged in Bagan-Nyaung Oo Township. The locals dis-sented the emergence of hotels and restaurants in the 42 square kilometre Bagan cultural heritage site. There are 11 hotel zones in Myanmar, including Bagan, with more hotel zones mushrooming to meet the market demand. The locals' demand that Bagan cultural heritage site be respected and the expansion of new hotel and restaurant projects on the site be stopped has not been heeded by the authorities. Min Aung Naing, the spokesperson of the protest, at a press conference on 10 November 2012 in Yangon says, 'We are determined to continue the protest until our demands are met,' as he was planning another protest.⁸⁷

Perhaps a lesson can be learned from Cambodia, where the recommendations by the 1994 *Zoning and Environmental Management Plan* (ZEMP), adopted by the *International Coordinating Committee for the Safeguarding and Development of Angkor* (ICC) did not materialise in 12 years:

The ICC unequivocally adopted ZEMP's recommendations and retained the hotel zone as the keystone of their tourism management program

throughout the 90s. Under the guidance of the ICC, the Cambodian-run body for developing the Angkor region—the Authority for the Protection and Safeguarding of the Angkor Region (APSARA)—secured the necessary legal framework for the hotel zone, in the form of a sub-decree in 1995, and set about purchasing the land. However, 12 years after the initial ZEMP recommendations, the project has failed to materialize. In early 2005, rather than being a space of luxury hotels and landscaped gardens, the zone is little more than a grid of roads and kilometers of wire fencing.⁸⁸



A road under construction near Alauktaw Kathapha National Park, near Kani, Monywa. This particular road was built through a formerly protected area and will link India's Infar City and China's Kunming.

Tim Winter attributes the sorry state to 'the evolution of Siem Reap's tourism industry as a series of discordant economic, cultural, and political scapes and flows.' If Myanmar is to avoid the Cambodian pitfall, the authorities have to be serious about their commitment to the *Responsible Tourism Policy*. Area protection, industrial regulation, code of conduct for all stakeholders, environmental impact assessment for each tourism development projects, sustainability indicators must be viewed as high priorities. The *Ethical Tour Operator Group (ETOG)* and *Social Impact Assessment (SIA)* by *Tourism Concern*, is one such guide for assessing the impact of tourist developments.⁸⁹

There is no local civil society group or community-based organisation dedicated solely to responsible tourism or alternative tourism in Myanmar. The concept is rather new even for the tour operators and the government. Over the past few years, the ECPAT international, a global network of organisations against child abuse, has enlisted help from the industry and convinced over 1000 companies from 42 countries to sign their code of conducts.⁹⁰ Such measures should be emulated by Myanmar civil society groups which are concerned with the negative impacts of tourism.

Conclusion and Recommendations

In charge of a transition economy, that has mostly been in the primary economic sector, Myanmar government is more than willing to prioritise tourism in the national development agenda, especially to earn foreign currency, to improve the country's image, and to provide employment to the population. Myanmar has shut itself out to global economic forces since the 1960s and has recently reopened to embrace globalisation.

Myanmar attests to the validity of the notion that 'tourism is part of globalisation, albeit a rather special variant.' When 'the world' wanted to embrace Burma, the country had closed its door to 'the world' during the socialist era. When Myanmar wanted to open the door, 'the world' had shunned the country over the SLORC/SPDC years. Today both 'the world' and Myanmar have decided to embrace one another, whether the latter is prepared or not.

Touristification of the country has already begun. More than the West, China and India, the world's largest mass tourism exporting countries, that are expected to produce a combined figure of 50 millions tourists a year in the coming decade would pose the most formidable challenge to responsible tourism in Myanmar. The whole project of Responsible Tourism is doomed to fail from the start and bound to become another 'tragedy of the common people' if the stakeholders, especially hotel- and tourism-related Ministries, continue in their corrupt practices to use responsible tourism as a window dressing policy to attract investment and tourist dollars.⁹¹

The following set of recommendations, which is not contradictory but complementary to the objectives of the current *Myanmar Responsibility Policy*, is addressed to the state, businesses and concerned third parties:

1. Human rights: Social, cultural and economic rights of the people in host communities, including the rights of the people who are not involved in tourism but are affected by it, must be ensured.
2. Visitor management: In light of a proposed CLMV visa and the explosive potentials of cross-border tourist volume, tourism infrastructure development must focus on managing and facilitating the cross-border tourism

market. The authorities must ensure that Myanmar's tourist infrastructure is not strained by a large number of low-end tourists.

3. Small and medium enterprises: The state must initiate and facilitate financing agreements (specific credit) to encourage small and medium enterprise in the hospitality and tourist industry. At the same time, the authorities must prevent the likely development of backpacker colonies.⁹²
4. Area protection and zoning: Legal implementation and qualification of local stakeholders for environmental protection and preservation of cultural heritage sites must be one of the top priorities.
5. Bottom-up inclusive approach in tourism development projects: Destination level communities should be empowered so they can monitor government and businesses, especially crony businesses in tourism. Their right to information must be guaranteed by the state. The efficacy of Myanmar *Tourism Policy* can be determined only when each of its 'action points' is set in a time frame for effective implementation and evaluation by Myanmar's *Tourism Master Plan*.
6. Local sourcing in tourism-related economic activities: Myanmar's new *Foreign Investment Law* stipulates that, in appointing skilled citizen workers, technicians and staff for skilled business, foreign investors employ 'at least 25 percent local staff from the start of the enterprise to the first two years, at least 50 percent local staff within the next two years, and at least 75 percent in the third two years. However, the time limit for 'knowledge-based enterprises' is amendable.⁹³

Similar law should be promulgated by Myanmar state and division governments to encourage local sourcing of labour in the provinces by domestic firms in tourist industry. It is known that the industry usually brings

in labour to cut the training costs and save time to meet market demands. There is a severe shortage of qualified tour guides in Myanmar as there is only one tour guide training and licensing centre in the country. The outdated, restrictive and costly government tour guide-licensing rule should be discarded.⁹⁴ Tour guide training centres should be opened in all major tourist enclaves. Ideally tour operators should employ local guides who are well versed in local knowledge, instead of using a single guide for all the enclaves. Hospitality industries should source their food from local farms as much as possible, noting that local sourcing for food ingredients would facilitate a broader, horizontal economic impact in surrounding communities.⁹⁵

7. Code of conduct and social sanction: Myanmar tourism-related businesses should come together in drafting a culture-specific code of conduct with accompanying regulations, aimed at individual tourists and businesses alike, conducive to the aspirations of responsible tourism.⁹⁶
8. Myanmar responsible tourism watch: Location-specific responsible tourism policy must incorporate ways to monitor and enforce CSR. The commitments made in the current *Responsible Tourism Policy* must be followed up with environmental impact assessment and sustainability indicators on a regular basis.

On their part, international civil society must empower their counterparts in Myanmar, fostering participation, responding to the shortfall in responsible tourism awareness, qualification, and resources. A mechanism should similarly be developed for greater civil society involvement in responsible tourism policy making. It is particularly important that local and international NGOs are truly independent from the state and business in-

terests, so as to collect reliable and meaningful data for social impact assessment from the host communities that will be affected by mass tourism. There is an additional need for NGO's to cooperate with ECPAT, international partners and the relevant Myanmar authorities to ensure the protection of children.⁹⁷

'One of the most fascinating aspects of travel in Myanmar is the opportunity to experience a corner of Asia that, in many ways, has changed little since British colonial times.' says the *Lonely Planet*. It remains to be seen how this place of authenticity will be reshaped by tourism as a force of globalisation in the near future, and how the state of Myanmar will respond to the challenges of mass tourism. There is an urgent need for a critical debate on mass tourism in Myanmar, particularly the viability and frailty of *Myanmar Responsible Tourism Policy* that is soon to be framed by *Myanmar Tourism Master Plan*. Perhaps the paradox of responsible tourism in Myanmar is most concisely reflected in the statement, 'Practice safe sex. Prostitution is illegal in Myanmar.'⁹⁸

Appendices

Appendix 1: Types of Tourism, their Potentials and Perils in Myanmar

1) Spiritual Journeys/Commodification of Buddhism

Traditionally Burma/Myanmar had been known as a top destination for Theravada Buddhist meditation. This type of tourism, if marketed and managed with care, can be the most sustainable form of tourism, providing both visitor satisfaction and host communities' development. On the other hand, Janette Philip and David Mercer have criticised the *Visit Myanmar Year 1996* as the junta's attempt to commodify Buddhism, 'selling Buddhism and its architectural symbols and ceremonies as the key attractions for overseas tourists to Burma.'

2) Enclave Tourism/Heritage Attractions/Unfreedom of Travel

Most forms of tourism in Myanmar are enclave tourism. The government and crony businesses have been developing a tourist route especially to cater to enclave tourism, where tourists can go with relative ease to must-see places in the country. For return tourists who want to see more of the country and its culture, accessibility remains very limited in the country. To travel beyond tourist enclaves prescribed by the government, 'package tour groups and *Foreign Independent Travellers* (FIT) must apply for a permit through licensed tour operators' and it usually takes 5 to 7 days for approval. The information (only in Burmese probably as directive to tour operators) is available at the homepage of Myanmar's *Ministry of Hotels and Tourism*.

3) Ethnic Tourism/Human Zoos

Myanmar's tourism authorities and businessmen have been staging 'authenticity' in this area of tourism in the past. In promotional materials, ethnic peoples in their villages are seen in festive dress and in festive mood performing for tourists all time of the year. In the case of the 'union village' in Thanlyin near Yangon, catering especially to domestic tourists, the image of a happy 'Union of Myanmar' is squeezed into one enclave and all major ethnic groups are to be found there. It should be noted that the struggle for ethnic rights and autonomy is ongoing for most ethnic groups in the country and it is the cause of the intractable civil war. Tourists are advised to approach ethnic villages with some thoughts on power relations and labour relations between the central government or businesspeople and the ethnic peoples on display. Authenticity will be hard to come by in ethnic villages set as tourist attractions by the government.

4) Ecotourism

The term ecotourism was coined in 1985 by Michael Romeril in his article 'Tourism and the Environment: Towards a Symbiotic Relationship.' Since then there have emerged several definitions of ecotourism. The three key elements of ecotourism are nature-based destination, learning-focused interaction between the tourists and the natural attraction, and environmental, social-cultural sustainability. Since there are no universally agreed-upon indicators for sustainability, there is no way of establishing with certainty that a particular tourism product meets this criterion. Myanmar is a prospective market both for what David Weaver calls 'hard ecotourism' and 'soft ecotourism.' The former are committed to a high level of environmentalism and the



latter to 'steady state', sustainability that maintains the equilibrium of the status quo. Effective zoning and area protection must be implemented and enforced with commitment. Ecologically fragile and vulnerable areas must be marked as off-limits to tourism, even to hard ecotourism. As for now only security-intensive areas are deemed out of bounds to tourists.

5) Sex Tourism/Romance Tourism

The UNWTO defines sex tourism as 'trips organised from within the tourism sector, or from outside this sector but using its structures and networks, with the primary purpose of effecting a commercial sexual relationship by the tourist with residents at the destination.' Myanmar is a country with enormous sexual and erotic capital. Sexual capital is defined as 'a form of social worthiness granted to an individual, as a result of his or her sexual attractiveness to the majority of his or her social group. As with other forms of capital, sexual capital is convertible, and may be useful in acquiring other forms of capital, including social capital and economic capital.' To Catherine Hakim, 'erotic capital' is a personal asset and it is 'a combination of physical and social attractiveness that goes well beyond sexual attractiveness.' Sex tourism is antithetical to responsible tourism. Additionally, Heidi Dahles has observed an increasing trend in what she calls 'romance tourism' in the region, Western women seeking the company of Southeast Asian men.

6) War Tourism⁹⁹/Morbid Tourism

'What is striking about tourism is how quickly the industry was introduced once the area was pacified.'¹⁰⁰ In Sri Lanka, many domestic tourists are visiting the fallen strongholds of Tamil Tiger rebels. A good many of war tourists are former Tamil refugees who have been resettled in the West. Now they are returning to former war zones and are contributing to local economies. As in Sri Lanka, war tourism has some potentials in Myanmar. One can only hope that the ethnic insurgent movements and the Myanmar government will come to reach a permanent truce and that the former will not face the plight of Tamil tigers. Morbid tourism happens when people go to see unpleasant sights. There is an abundance of poverty and suffering in Myanmar if tourists are to be interested in morbid tourism.

Appendix 2: Myanmar Responsible Tourism Policy

The Myanmar Responsible Tourism Policy by the Ministry of Hotel and Tourism, Myanmar is available at www.myanmar-tourism.org, www.hss.de/southeastasia or at www.burma-center.org/en/publications/documents/item/344-myanmar-responsible-tourism-policy

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About the Project

This report is one of the outputs of a project that seeks to facilitate the transition of Burma/Myanmar towards a genuine and participative democracy. Some of the project's activities aim to empower civil society structures of Burmese migrants living in India, while others react to the recent opening up of the country and seek to bring about the equitable participation of Burma's population in the emerging opportunities and to ensure that the accelerated changes do not entrench practices of discrimination and the deprivation of people's rights.

Find out more about our tourism-related activities at:

EcoBurma - www.ecoburma.com

Myanmar Tourism Watch - www.myanmartourismwatch.org

Endnotes

¹ Personal communication (29 October 2012).

² 'Do's and Don'ts for Tourists: How You Can Visit Myanmar Responsibly', a pamphlet developed by the Myanmar *Ministry of Hotels and Tourism*, the *Myanmar Tourism Federation*, *Tourism Transparency* and the *Hanns Seidel Foundation*, October 2012, p.28. Available at <http://dosanddonsfortourists.com/index.html> (accessed 15 November 2012).

³ Homepage of the *International Centre for Responsible Tourism* at <http://www.icrtourism.org/responsible-tourism/> (accessed 14 November 2012).

⁴ Nicole Haeusler of the *Myanmar Tourism Master Plan* team stated that some of the points raised here, such as legislation in the parliament and the timeframe for implementation are in the process. She also insists on the participatory nature of the policy and points out that about 350 participants took part in 10 workshops held at selected locations, 50 percent of each representing public and private sectors. (Personal communication 12-16 November 2012) The detailed information on the representation and selection process of stakeholders in Myanmar responsible tourism workshops should be made available by the *Ministry of Hotel and Tourism*.

⁵ One of the pioneering studies on social, economic and cultural impacts of tourism in Thailand is by Cohen, Erik (1979) 'The impact of tourism on the hill tribes of Northern Thailand', *Internationales Asienforum*, Vol. 10. No. 1/2. pp. 5-38.

⁶ 'Alles was Recht ist – Menschenrechte und Tourismus. Impulse für eine menschenrechtlich orientierte Tourismusentwicklung at http://www.tourism-watch.de/files/Alles_was_Recht_ist_final.pdf (accessed 15 November 2012).

⁷ Christina Kamp at the *Asia-Europe People's Forum* in Vientiane (18 October 2012), also at: <http://www.tourism-watch.de/> (accessed 15 November 2012).

⁸ The UNWTO Report 'Value not Volume is best Strategy for Myanmar Tourism' at <http://asiapacific.unwto.org/en/news/2012-07-19/value-not-volume-best-strategy-myanmar-tourism> (accessed 13 November 2012).

⁹ 'Vietnam Tourism Industry Forecast to 2012' says that tourism accounted for 44.7 percent of total FDI in January-November 2009 and the tourism revenue is expected to reach USD 8.7 billion by 2013.

¹⁰ Winter, Tim (2007) 'Rethinking Tourism in Asia', *Annals of Tourism Research*, Vol. 34, No. 1, 2007 pp. 27–44.

¹¹ Hitchcock, Michael et al (2009) 'Tourism in Southeast Asia', Copenhagen: NIAS Press. pp. 6-7.

¹² Tucker, Shelby (2001) 'The Curse of Independence', London: Pluto Press. pp. 189-190.

- ¹³ The New Statesman, 3 May 1968.
- ¹⁴ Aung Kyaw Oo (2008). BIMSTEC-Japan Cooperation in Tourism Development: Myanmar Perspective. CSIRD, India.
- ¹⁵ See, for instance, Abbott, Gerry (1998) 'The Traveller's History of Burma', Thailand: Orchid Press.
- ¹⁶ Philip, Janette and Mercer, David (1999) 'Commodification of Buddhism in Contemporary Burma', Annals of Tourism Research, Volume 26, No.1, p.32.
- ¹⁷ Aung Kyaw Oo (2008). BIMSTEC-Japan Cooperation in Tourism Development: Myanmar Perspective. CSIRD, India.
- ¹⁸ In Old Burma, convicted criminals (sentenced to death) and POWs were often pardoned and 'donated' to temples as *paya kyun*, literally 'temple slaves.' The Mon Kin Manuha was one such POW: <http://www.ancientbagan.com/manuha-temple.htm> (accessed 22 November 2012).
- ¹⁹ Philip, Janette and Mercer, David (1999) 'Commodification of Buddhism in Contemporary Burma', Annals of Tourism Research, Volume 26, No.1, pp.32-33.
- ²⁰ Ibid. p.32.
- ²¹ 'Visit Myanmar Year 1996' was inspired by the success of 'Visit Thailand Year 1987' and 'Visit ASEAN Year 1992.'
- ²² It should be noted that one of the first books Aung San Suu Kyi penned was 'Let's Visit Burma' (1985, London: Burke Books).'
- ²³ 'Lonely Planet Targeted over New Burma Guide' (5 November 2002) at <http://www.burmacampaign.org.uk/index.php/news-and-reports/news-stories/Lonely-Planet-Targeted-over-New-Burma-Guide/11> (accessed 13 November 2012).
- ²⁴ 'Prime Minister Tony Blair's statement on tourism to Burma' (1 February 2005) at <http://www.burmacampaign.org.uk/index.php/news-and-reports/news-stories/Prime-Minister-Tony-Blairs-statement-on-tourism-to-Burma/11> (accessed 13 November 2012).
- ²⁵ The New Light of Myanmar, 21 October 2012.
- ²⁶ Daw Aung San Suu Kyi's statement noted in 'Record of a Meeting on 28 August 2002 between Select Members of the Rangoon *Tuesday Club* [International Business Club] and Daw Aung San Suu Kyi held at Traders' Hotel.'
- ²⁷ NLD statement No 10/05/11 released on 20 May 2011 regarding tourism in Burma.
- ²⁸ Homepage of the *International Centre for Responsible Tourism* at <http://www.icrtourism.org/responsible-tourism/> (accessed 14 November 2012).
- ²⁹ <http://www.southafrica.info/business/economy/sectors/tourism-overview.htm> (accessed 2 October 2012).

- ³⁰ 'Tourism White Paper' (South Africa 1996) p.8.
- ³¹ 'Are we heading towards a destination Tsunami?' (Kabani & Mcitra 2009) p.24.
- ³² For this framework, I am grateful to Christina Kamp of *Tourism Watch* for her insights and presentation at the AEPF-9 in Vientiane (18 October 2012).
- ³³ See for instance 'Down on the Farm' by Jason Szep (Reuter Special Report, 9 August 2012).
- ³⁴ Eleven Media online news
http://www.weeklyeleven.com/index.php?option=com_content&view=article&id=16115:2012-10-24-07-08-59&catid=45:2009-11-10-07-45-41&Itemid=113 (accessed 13 November 2012).
- ³⁵ Yu Yu Maw, 'Hotel Zones in Mandalay, Inle, Two More in the Pipeline' at <http://www.mmtimes.com/2012/news/643/news27.html> (accessed 14 November 2012). In the mean time locals protests against building of new hotels in Bagan cultural site.
- ³⁶ The author observed an alarming number of primary school dropouts being employed at restaurants and teashops everywhere in Myanmar during his visit of the country in August 2012. The employers on the other hand argue that the kids would end up on the streets if not for such job opportunity.
- ³⁷ See Hitchcock et al (2009) 'Tourism in Southeast Asia', Copenhagen: NIAS Press.
- ³⁸ Trupp, Alexander (2011). Exhibiting the 'Other' Then and Now: 'Human Zoos' in Southern China and Thailand. *ASEAS - Austrian Journal of South-East Asian Studies*, 4(1), 139-149.
- ³⁹ A number of countries restrict entry to people with HIV. The London-based NAM (National AIDS Manual) advises on travel restrictions for people with HIV can be found at <http://www.aidsmap.com/Travel-restrictions/page/1504507/> (accessed 14 November 2012).
- ⁴⁰ Transparency International, <http://cpi.transparency.org/cpi2011/results/> (accessed 24 November 2012).
- ⁴¹ 'Responsible Investment to Myanmar: The Human Rights Dimension' by Institute for Human Rights and Business: London 2012. Myanmar's new Foreign Investment Law, released in November 2012, has been lauded as 'liberal' as it removed several barriers, such as the caps on foreign ownership of joint ventures.
- ⁴² The New Statesman, 3 May 1968.
- ⁴³ David Stout's interview with Scott Leckie; 'Burma Could Easily Become the Displacement Capital of Asia' at <http://www.dvb.no/interview/scott-leckie-%E2%80%98burma-could-very-easily-become-the-displacement-capital-of-asia%E2%80%99/24607> (accessed 13 November 2012).

⁴⁴ Interview with a former staff member of Nawarat Hotel (Singapore, 24 August 2012). Myanmar Times' report (March 18-24 2001) on the 'illegal equipment seized' at the premises of Nawarat Hotel is at: <http://www.ibiblio.org/obl/docs3/MT107.htm> (accessed 14 November 2012). Also see Yu Yu Maw, 'Yangon to Get 1,670 Hotel Rooms Next Year: Ministry', at <http://www.mmtimes.com/2012/news/643/news28.html> (accessed 14 November 2012).

⁴⁵ <http://wikileaks.org/cable/2007/03/07RANGOON283.html> (accessed 13 November 2012).

⁴⁶ Myo Thein, 'Tourism Chairman Khin Shwe calls Burmese Media Pessimistic' at <http://www.mizzima.com/news/inside-burma/6188-tourism-chairman-khin-shwe-calls-burmese-media-pessimistic.html> (accessed 13 November 2012).

⁴⁷ Organisational chart of *Myanmar Hotelier Association* available at <http://myanmarhotelier.org/about-us/organization-chart.html> (accessed 12 November 2012).

⁴⁸ Wai Moe, 'Dagon Win Aung: The Importance of Being Connected' at http://www2.irrawaddy.org/article.php?art_id=9223 (accessed 12 November 2012).

⁴⁹ 'Burmese Tycoon Part I' at http://www2.irrawaddy.org/article.php?art_id=1923&page=1 (accessed 12 November 2012).

⁵⁰ 'Activists urge Obama to end funding for sham Kachin tiger reserve' at <http://www.kachinnews.com/news/2438-activists-urge-obama-to-end-funding-for-sham-kachin-tiger-reserve.html> (accessed 22 November 2012).

⁵¹ Reuter Special Report by Jason Szep and Andrew R.C. Marshall, 'An Image Makeover for Myanmar Inc' at <http://www.reuters.com/article/2012/04/12/us-myanmar-cronies-image-idUSBRE83B0YU20120412> (accessed 13 November 2012).

⁵² <http://maxhotelsmyanmar.com/royalkumudra/royalkumudra-index.htm> (accessed 25 October 2012).

⁵³ Zaw Win Than, 'Kambawza to Launch Domestic Airlines' at <http://www.mmtimes.com/2011/news/568/news56805.html> (accessed 13 November 2012).

⁵⁴ Report on Tourism in Burma (March 2011), Info Birmanie. pp.10-14.

⁵⁵ <http://www.networkmyanmar.org/travel-and-tourism> (accessed 26 October 2012).

⁵⁶ Notes from the field trip. (The disputed farmland in Kani used to be forests. When the forests were cleared by logging, peasants moved into the area and were granted yearly lease by the authorities. The lease was not regularly renewed. The peasants discovered that in 2008 their farms had been leased to U Tin Win, who is now telling them to grow mango.)

⁵⁷ New More Hotel Zones to be Built in Airport Areas, Xinhua (19 October 2012) at http://news.xinhuanet.com/english/world/2012-10/19/c_131917031.htm (accessed 13 November 2012).

- ⁵⁸ http://www.asean-china-center.org/english/2011-07/27/c_131012295.htm (accessed 26 October 2012).
- ⁵⁹ Yu Yu Maw, 'Yangon to Get 1,670 Hotel Rooms Next Year: Ministry', at <http://www.mmmtimes.com/2012/news/643/news28.html> (accessed 14 November 2012).
- ⁶⁰ Hitchcock et al. (2009) 'Tourism in Southeast Asia. Copenhagen', NIAS Press. p.7.
- ⁶¹ Personal communication with Derek Tonkin (16 November 2012).
- ⁶² Zaw Win Than, 'Package Tour Sales Drop Despite Arrival Growth' at <http://www.mmmtimes.com/2011/news/589/news58905.html> (accessed 14 November 2012). It is high time to undertake an assessment of the economic impact of FITs on the local communities in comparison with that of package tours in Myanmar.
- ⁶³ Personal communication (12 November 2012).
- ⁶⁴ See for instance Douglas Long, 'When Tourists Swindle Locals' at <http://www.mmmtimes.com/index.php/lifestyle/travel/2743-when-tourists-swindle-locals.html> (accessed 11 November 2012).
- ⁶⁵ Presidential Economic Advisor U Myint said 'Cronies are also patriots...they should be shepherded systematically.' Translation by the author. See the BBC Burmese report at: http://www.bbc.co.uk/burmese/burma/2012/05/120518_burmese_crony.shtml (accessed 15.11.2012).
- ⁶⁶ Victor R. Savage and C.P. Pow (2005), 'Sustainable Tourism in Southeast Asia: Challenges and Strategies for the 21st Century' in *The Naga Challenge*, Singapore: Marshall Cavendish Academic.
- ⁶⁷ Nicole Haeusler remarks that more than ten workshops at five selected destinations with more than 350 participants makes the process participatory taking into consideration that different levels of participation exist due to the local context (personal communication 12 November 2012).
- ⁶⁸ Nicole Haeusler argues that legislating tourism as national priority sector is in the making. (Ibid.) It should be noted that the current legislature is dominated by the present government's *Union Solidarity and Development Party* and 25 percent of military officers.
- ⁶⁹ In response to this critique, Nicole Haeusler points out that 'During that period it was not possible to set up a time frame. Now more and more donor organisations are willing to support this idea and a more detailed time frame for some actions points might be available from next year onwards.' (Ibid.)
- ⁷⁰ Responsible Tourism Policy, Ministry of Hotels and Tourism, Government of the Republic of the Union of Myanmar (27 September 2012).
- ⁷¹ The *Ministry of Hotels and Tourism* was one of the 15 ministries which were found guilty of a 70 millions USD graft in November 2012. See Nyein Nyein, '15 Ministries Guilty of \$70m Graft: Govt Report' at <http://www.irrawaddy.org/archives/18941> (accessed 15 November 2012).

⁷² <http://www.ekh.unep.org/files/SEF%20II%20Report%20-%20Myanmar.pdf> (accessed 23 November 2012).

⁷³ While assessing that 92 percent of Myanmar's total wood removal is for fuel wood cutting in the 2000s. The *National Environmental Performance Assessment on Myanmar* (December 2006) by ADB, GEF, UNEP et al, p.13.

⁷⁴ Alaungtaw Kathapa is located in Mingin township, Sagaing Division and it is an area covering 620.35 square miles. It was established as a wildlife sanctuary in 1940 under the British, and was opened as a national park in 1984 under the Burmese socialist regime. (Interview with a villager from Zee Pin Kone village, near Alaungtaw Kathapa National Park, 12 August 2012). In the south, mangrove forests have been vanishing at alarming rate due to agriculture and fisheries. See 'Scientists fear Myanmar's Disappearing Mangroves' at <http://www.mmtimes.com/index.php/national-news/3009-scientists-fear-myanmar-s-disappearing-mangroves.html> (accessed 11 November 2012).

⁷⁵ 'Activists urge Obama to end funding for sham Kachin tiger reserve' at <http://www.kachinnews.com/news/2438-activists-urge-obama-to-end-funding-for-sham-kachin-tiger-reserve.html> (accessed 21 November 2012).

⁷⁶ <http://www.traveldailynews.asia/news/article/50439/cambodia-laos-myanmar-and-vietnam> (accessed 27 October 2012).

⁷⁷ <http://asiapacific.unwto.org/en/news/2012-07-19/value-not-volume-best-strategy-myanmar-tourism> (accessed 27 October 2012).

⁷⁸ <http://www.adb.org/projects/46271-001/main> (accessed 28 October 2012).

⁷⁹ 'Norway-backed tourism master plan edges closer' (9 November 2012) at <http://www.mmtimes.com/index.php/national-news/3012-norway-backed-tourism-master-plan-edges-closer.html> (accessed 11 November 2012). The Thammasat University team comprises Dr Rogers, tourism planner; Daw Kyi Kyi Aye, national tourism specialist; Dr Walter Jamieson, human resource development; Ms Pawinee Sunalai, cultural heritage management; Ms Nicole Haeusler, social environmental safeguards; and Mr John Koldowski, marketing and promotion.

⁸⁰ For tourism statics of Myanmar in 2011 see <http://www.myanmar-tourism.org/tourismstatistics.htm> (accessed 25 November 2012).

⁸¹ More details in Stanford, Davina (2006). What Makes a Responsible Tourist in New Zealand. PhD thesis in Tourism Management, submitted to Victoria University of Wellington.

⁸² Locals have been increasingly displaced in tourist enclave Luang Prabang in Laos to an extent that Buddhist monks doing their morning rounds for alms are now worried about their food security. In Cambodia, Ankor Wat has also become a victim of over-touristification of the area.

⁸³ Hotel zones in Mandalay, Inle to open, two more in the pipeline (10 September 2012) at <http://www.mmtimes.com/index.php/lifestyle/travel/1386-hotel-zones-in-mandalay-inle-to-open-two-more-in-the-pipeline.html> (accessed 12 November 2012).

⁸⁴ A 2010 survey found that Inle Lake was now just 70 square kilometres wide, less than half of the 163 square kilometres it spanned in 2007. See: http://www2.irrawaddy.org/article.php?art_id=19586 (accessed 11 November 2012).

⁸⁵ Interview with IID (11 November 2012).

⁸⁶ See for instance a recommendation on ecotourism on Inle Lake by *Asia-Pacific Forum for Environment and Development* at: <http://www.apfedshowcase.net/node/10> (accessed 12 November 2012).

⁸⁷ 'The Second Protest Planned Against the Expansion of Hotels and Related Infrastructure on Bagan Cultural Heritage Site' (in Burmese) at http://www.weeklyeleven.com/index.php?option=com_content&view=article&id=16336:2012-11-10-06-50-58&catid=42:2009-11-10-07-36-59&Itemid=112 (accessed 11 November 2012).

⁸⁸ Winter, Tim (2007) 'Rethinking Tourism in Asia', *Annals of Tourism Research*, Vol. 34, No. 1, p.33.

⁸⁹ Nicole Haeusler assures me that SIA will be part of the Master Plan. (personal communication, 12 November 2012) When the author was attempting to conduct a SIA survey in Yangon in August 2012, a Burmese friend of his in the development sector, not related to tourism, reminds him: 'Be careful, they know what you want to hear.' Her remark resonates with the author's experience.

⁹⁰ http://news.bbc.co.uk/2/hi/programmes/fast_track/9756280.stm (accessed 30 October 2012).

⁹¹ Nyein Nyein, '15 Ministries Guilty of \$70m Graft: Govt Report' at <http://www.irrawaddy.org/archives/18941> (accessed 15 November 2012). Many analysts believe that 70 million USD is only the tip of the iceberg. 'The action being taken is just moving staff from one place to another.'

⁹² Such as Vang Vieng in Laos. See: Matt Bennett, 'Vang Vieng: Backpacker heaven or hedonistic hell? How a sleepy Lao village has become a booze- and drug-fueled party town' at <http://travel.cnn.com/explorations/life/vang-vieng-backpacker-heaven-or-tourist-hell-994621> (accessed 16 November 2012). The tourist resort of Majorca in Spain had attracted too many backpackers to an extent that officials closed down low-end hotels in the 1980s. See: Victor R. Savage and C.P. Pow, 'Sustainable Tourism in Southeast Asia: Challenges and Strategies for the 21st Century' in *The Naga Challenge*, Singapore: Marshall Cavendish Academic, 2005.

⁹³ Myanmar Foreign Investment Law 11.24.a (in Burmese) at <http://www.president-office.gov.mm/briefing-room/news/2012/11/04/id-1718> (accessed 17 November 2012).

⁹⁴ Bill O' Toole, 'Mandalay Tourism Grows but New Guides Face Hurdle' at <http://www.mmtimes.com/index.php/national-news/mandalay-upper-myanmar/3044-mdy-tourism-grows-but-new-guides-face-hurdles.html> (accessed 15 November 2012).

⁹⁵ Personal communication with Sumesh Mangal, a resident activist from Kerala (16 November 2012).

⁹⁶ See, for instance, the Code of Conduct by *Southern African Tourism Service Association* (SATSA) at http://www.satsa.com/pages/About_Code.asp (accessed 16 November 2012).

⁹⁷ Shwe Shwe Sein Latt of *Phan Tee Eain*, a Yangon-based women NGO, told the author her observation that even the sacred site of Bagan has not been spared by paedophiles (notes from the field trip in 2012).

⁹⁸ 'Do's and Don'ts for Tourists: How You Can Visit Myanmar Responsibly', a pamphlet developed by the Myanmar *Ministry of Hotels and Tourism*, the *Myanmar Tourism Federation*, *Tourism Transparency* and the *Hanns Seidel Foundation*, October 2012, p.28. Available at <http://dosanddentsfortourists.com/index.html> (accessed 15 November 2012).

⁹⁹ See Sri Lanka's Boom in War Tourism on the BBC Fast Track at: http://news.bbc.co.uk/2/hi/programmes/fast_track/9750401.stm (accessed 13. November 2012).

¹⁰⁰ Hitchcock et al (2009). *Tourism in Southeast Asia*. Copenhagen: NIAS Press. p.7.



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