

## Prospects for the Establishment of a Community-Based Tourism Network in Timor-Leste

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### Overview of Timor-Leste

The Democratic Republic of Timor-Leste is a fledgling nation which became independent only in 2002, and is among the least developed Small Island Developing States. Timor-Leste (also known as East Timor) is located on the east part of Timor Island. The western part of the island forms part of Indonesia's province of Nusa Tenggara Timur. Timor Island is located 640 km northwest of Darwin, Australia, and is a part of the Lesser Sunda Archipelago (CIA 2010). While figures from the CIA World Factbook (2010) record rapid GDP growth, absolute numbers are still low. A United Nations Human Development report ranks Timor-Leste 120<sup>th</sup> out of 169 ranked countries in its Human Development Index, which is based on life expectancy, adult literacy, education enrolment rate and GDP per capita (UNDP 2011).

The economy of Timor-Leste is primarily dependent on offshore resources: oil and natural gas, as well as onshore agriculture (coffee and rice). The national economy has yet to gain substantial benefits from its natural resources. Oil revenues are invested in a Petroleum Fund and withdrawals commenced in 2008. The withdrawals are then included as national revenues in the budget and spent through national budget. Most Timor-Leste residents are employed in agriculture and subsistence farming and the level of urbanisation is low (27%) (CIA 2010). Further diversification of the economy is needed and tourism is mentioned regularly by the government of Timor-Leste and by various international organizations as a development priority (Timor-Leste Government 2002; UNDP 2006).

Tourism in Timor-Leste is still a fledgling industry, which began with the arrival of international development agencies. Timor-Leste received 85,777 visitor arrivals in 2010, of which 28,824 were tourism related (Turismo Timor-Leste 2011). The immigration statistics to date are rather weak, as well as the enforcement of the immigration laws. Some of the persons who arrive to Timor-Leste on tourist visas could possibly arrive for paid work. More accurate numbers was not possible to obtain. Timor-Leste's major tourism attractions are based around nature and culture. As Timor-Leste is situated within the Corral Triangle, snorkeling and diving are the most popular tourism activities. The Turismo Timor-Leste website also features trekking as an activity available for tourists. Historical and cultural assets of Timor-Leste are also advertised for tourists such as *uma lulik*, house of ancestors, and caves with prehistoric drawings. This includes a mixture of various cultures: Portuguese, Indonesian and indigenous Austronesian and Melanesian. The history of Portuguese colonisation and resistance to Indonesian occupation is another attraction specific to Timor-Leste (Lonely Planet 2011, National Directorate of Tourism 2010). Since Australia is one of the largest markets for Timor-Leste, there are opportunities to attract Australians who have an interest in Australian history. Firstly, during World War II Australian troops fought against the Japanese in Timor-Leste and were supported by Timorese. Secondly, the town of Balibo, where in 1975 five Australian journalists were killed by invading Indonesians, is one of the important events in recent Australian history. Future tourism development will need to combine economic viability and environmental and social sustainability. According to Cabasset-Semedo (2009) sustainable and socially responsible tourism has been a priority since independence. The somewhat slow development of tourism to date is largely attributed to political instability (such as events of 2006/07 crisis and assassination attempt on president Ramos-Horta in 2008). Nevertheless, it is widely believed that Timor-Leste residents consider tourism as an industry offering potential community benefits. A proactive approach advances the prospect of empowering communities, rather than relying on aid agencies and foreign investors, to determine the future of the country.

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## Community-Based Tourism

At the First Timor-Leste International Tourism Conference in 2009 Prime-Minister Xanana Gusmao and Minister of Tourism, Trade and Industry Gil Alves acknowledged community-based tourism and ecotourism as preferred approaches that should be developed in order to benefit the community and mitigate the negative impacts of tourism on culture, local people and environment (MTCI 2009). For the purposes of the present paper, community-based tourism (CBT) is viewed as an alternative form of tourism, which aims to maximise benefits to local people and achieve community development objectives through building community capacity and empowerment (Moscardo 2008).

CBT emphasises the central role of local communities in the tourism industry and places a stronger emphasis on community development than is the case with other forms of tourism. Though CBT attempts to create tourism products which bring maximum positive impacts for local communities, CBT has its critics. Blackstock (2005) identified three failings of CBT in addressing the community development agenda:

- Lack of intent to transform the community
- Not acknowledging the heterogeneity of community
- Lack of local control and empowerment, as CBT is constrained by national and global tourism development.

It has previously been noted that most CBT initiatives do not provide major benefits and have long term dependency on external support (Goodwin and Santilli 2009; Moscardo 2008). Despite the criticisms portrayed from community development and economic perspectives, it is the authors' view that CBT concepts should not be abandoned, since they are relatively new and are constantly being refined. The interest of various stakeholders in CBT and poverty alleviation through alternative tourism is evident through, for example, the increasing number of applicable academic publications (Lu and Nepal 2009) and the UNWTO's ST-EP projects (UNWTO 2010). Interest in CBT extends across disciplines. It has been written about from a community development perspective (Blackstock 2005) and from the perspective of environmental conservation (Kiss 2004). An interdisciplinary approach to CBT, which encourages collaboration and looks at the ways of adapting best practice in community development, environmental conservation and economic sustainability, should advance this concept, and yield community benefits. Whilst individual CBT initiatives have been subject to considerable research, little is known about interorganisational collaboration to promote CBT initiatives. Collaboration can bring substantial benefits for tourism planning and development, especially in environmentally and socially sensitive destinations (Jamal and Getz 1995). Collaboration between several CBT initiatives linked through a network may be a viable strategy to increase the success rate of CBT since networks have provided benefits to both tourism development (Costa et al. 2008, Croes 2006) and community development (Provan and Milward 2001).

## Community-Based Tourism Network

The terms *network*, *networking* and *clusters* are often used to describe linkages and collaboration between different entities. However, the definitional side of these terms is inconsistent. Definitional confusion also applies to other terms used to describe linkages between entities, such as *partnerships*, *alliances*, *cooperation* and *collaboration*. The term *network* is often used to describe socially constructed intangible links between different entities, including businesses. Business networks can be described as 'a structure of relationships between agents' (Lynch and Morrison 2007). This approach differentiates networks from cooperation. Cooperation is a management strategy, while a network forms links between cooperating stakeholders. On the one hand, the variety of approaches taken to research networks in different disciplines makes it difficult to provide a clear definition of networks. However, their interdisciplinary nature, bridging the interpersonal, social and economic domains, constitutes the strength of networks (Todeva 2006).

Though little theoretical research has been undertaken to date about CBT network models, the importance of networking between stakeholders within single locations and across multiple locations has been widely acknowledged (APEC Tourism Working Group and STCRC 2010).

Prospective benefits of a CBT network approach include:

- Creating a common foundation for future CBT developments in the area
- Advancing training and capacity building
- Providing collaborative marketing opportunities
- Encouraging information and knowledge exchange
- Increasing effectiveness of CBT advocacy to government
- Providing access to additional resources (APEC Tourism Working Group and STCRC 2010)

The above CBT-specific benefits are similar to the more general benefits associated with networking evident in the tourism literature. This has recognised the importance of networking for small and medium tourism enterprises (SMEs) (Costa et al. 2008). The various CBT network benefits that have been identified also apply to other community-based initiatives (Bradshaw 1993; Venter and Breen 1998). Aspects of networking which are perceived negatively by business community members, such as resource sharing, reduced autonomy and increased dependence, provide little threat to community development initiatives since the competitive motive is less evident (Provan and Milward 2001). Since CBT combines elements of both community development and business, the respective roles of cooperation and competition should be investigated.

Much has been written about developing individual CBT projects (Moscardo 2008). However, less attention has been given to building relations between multiple CBT projects within a country. What considerations are needed to ensure effective collaboration between multiple projects? The proposed research, which is currently in progress, will address these questions through a discussion of a CBT network model regarded as most beneficial for Timor-Leste.

### **Key Community-Based Tourism Network Attributes**

There are several hotels and destinations in regional Timor-Leste, which are community-based (MTCI, 2009). Meanwhile several attempts are being made to build community-based tourism products across the country (Atauro Island, Tutuala, Viqueque). Timor-Leste offers the potential to provide insights into how CBT can be developed and managed, and what is achievable. One strategy to achieve this goal is to link existing CBT initiatives and progressively create a strong responsible tourism product in Timor-Leste. Such links can be provided through a collaborative network. In order to guide the scoping of an appropriate network model, the researchers will undertake qualitative research with stakeholder representatives who are likely to have a significant influence on tourism planning and development. These will include representatives from: government, international organisations, NGOs, the private sector and the community (Simpson 2008).

One model of tourism networks applicable to CBT has been proposed by Bonetti et al. (2006). Their classification of tourism networks is based on two factors: interdependence and centralisation. In both the tourism and community development literature, interdependence is defined as the strength of linkages between members of the network (Bonetti et al. 2006; Keast et al. 2004). Low interdependence results in independence of decision-making, while high interdependence is characterised by common objectives, trust and a willingness to cooperate. In cases where certain participants possess more resources, the network structure has to ensure an absence of manipulation and the equal representation of all parties (Ansell and Gash 2008). The level of interdependence correlates with the level of integration between network members. While interdependence defines the extent to which members are dependent upon each other, the integration can have policy implications, and therefore may affect network structure in general, but not direct relations between network members. Leutz (1999) provides a classification of levels of integration ranging weak to strong: linkage, cooperation and fully integrated network.

Centralisation implies the existence of an overall governing body for network members. A collaborative network may have both vertical hierarchy and horizontal cooperation of equal participants. In the absence of a governing body, the network structure may be described as flat (Bingham and O'Leary 2006). The efficiency of centralised systems has been the subject of considerable debate. While autonomy and a bottom-up approach to decision-making are desirable for

tackling specific local issues, each community is a part of a larger system and therefore needs a level of regulation to avoid negative impacts on others. A community may not have the necessary capacity to take appropriate action, and will tend to rely on central authority. However, the central governing body also has to be accountable for its actions (Ife 2001). The concept of decentralisation is also linked to local empowerment. In the context of globalisation, this suggests that local communities should be able to assess whether they have to rely on trade or can reach a sufficient standard of living as a result of locally available resources (Murphy and Murphy 2004).

Besides interdependence, level of integration and centralisation, other more specific organisational attributes have to be defined in modelling a collaborative network. These include: timeframe, whether the network is temporary or permanent (Bingham and O'Leary 2006), and allocation of roles between various participants, especially leadership and facilitation of collaboration (Keast et al. 2007). Moreover, previous experiences of cooperation between stakeholders and incentives for participation in new collaborative networks have to be analysed in order to maximise the prospects of success (Ansell and Gash 2008). External recognition is another significant factor for the network. Whilst understanding and valuing the work of the network is important for internal actors, external stakeholders also have to recognise the organisation, its mission and actions (Murphy and Murphy 2004). A CBT network structure can also be affected by pragmatic issues, resource requirements, the necessity to fit within the legal framework and ease of implementation. The necessities of effective communication, appropriate leadership, enthusiasm are among other factors which can affect the success of the network. They are also relevant to individual CBT initiatives (Murphy and Murphy 2004).

Existing CBT networks provide examples and options for the structural organisation, governance and functions of such networks. For example, Asociacion Costarrecense de Turismo Rural Comunitario (2011) operates in Costa Rica as a tour operator organising and selling tours which allow tourists to visit several communities. REDTURS acts as an umbrella organisation to promote community-based tourism in 14 countries across Latin America. It also offers accreditation called "NETCOM" and provides technical assistance through NETCOM publications and training building community capacity to participate in the tourism industry (REDTURS 2011). The Lao Sustainable Tourism Network (2011) operates as a part of the Lao National Tourism Administration and may be described as part of government.

### **Approach to Community-Based Tourism Network research in Timor-Leste**

An iterative, multi-stage, mixed methods qualitative research approach has been adopted and should enable relatively accurate modelling of CBT networks in Timor-Leste. A similar approach has been used previously in community-based tourism research in South America (Stronza 2008) and in northern Canada (Stewart, Jacobson and Draper 2008, Stewart and Draper 2009). For the purposes of exploring opportunities to develop a community-based tourism network in Timor-Leste, the researchers will design and propose two contrasting network models as exemplars for key informants: one will be decentralised and less interdependent and the other will be more centralised and interdependent (Bonetti 2006). The models will be assessed by key informants, who will have an opportunity to substitute elements of the models, including network membership and how the network should be coordinated and/or operated. During the exploratory phase, data collection will involve participation of key informants in a workshop to be held in Timor-Leste, in-depth personal interviews in Timor-Leste and Australia and email communication with relevant stakeholders. Key informants will express their preferences and will assess the models from the perspectives of community development and tourism development. These aspects have been found to be important for the objective assessment of community-based tourism (Goodwin and Santilli 2009; Moscardo 2008).

In the latter stages of the research, the researchers will evaluate the findings and make necessary amendments to the model with a view to capturing the prevailing views of key informants. The reworked model will subsequently be re-evaluated by the same key informants. This stage will be undertaken through email communication and the conduct of semi-structured interviews. After the receipt of all feedback, the model will be subject to final revisions.

## Conclusion

CBT represents an opportunity for emerging tourism destinations to address prevailing socio-economic challenges and ensure maximum benefits for local communities. However, the development of successful CBT is particularly challenging from both the tourism and community development perspectives. The research will explore alternative collaborative network models which maximise local community benefits in emergent destinations, based on the Timor-Leste example. The most favourable model of a national CBT network will be identified from the collective perspectives of tourism industry representatives and community development practitioners. The intended outcome will provide recommendations about how stakeholders can collaborate to ensure that the local population benefits from tourism development. The development of a CBT network should help to build a strong national CBT tourism product in Timor-Leste that offers benefits to the wider population. It should also advance existing knowledge about the benefits of networking and of coordinating community-based tourism initiatives.

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