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**Langkawi -- From Mahsuri to Mahathir:
Tourism for Whom?**

This book is dedicated to the people of Langkawi.

*Isi lemak dapat kat orang
Tulang bulu yang ketinggalan*

(They enjoy the flesh and fat
leaving us the bones and feathers)

*Kera di hutan disusukan
Anak di buaian menangis kelaparan*

(The monkey in the forest is fed with milk
while the child in the cradle cries in hunger)

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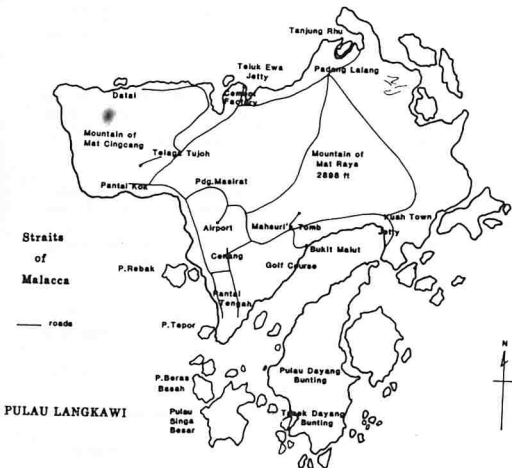
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Bella (DM) Bird.

25 September 1989.

GLOSSARY

CHOGM	-- Commonwealth Heads of Government Meeting
DFP	-- Duty Free Port
ikan bills	-- anchovy
JPM	-- Jabatan Perdana Menteri (Prime Minister's Department)
KEMEX	-- a joint-venture between the Peremba-owned Peremal Sdn. Bhd. and the Kedah State Government.
LIR	-- Langkawi Island Resort
MARA	-- Majlis Amanah Rakyat (Council of the Peoples' Trust), the leading government statutory body for promoting Malay economic interests. Previously known as RIDA (Rural Industrial Development Authority) until 1965.
PBR	-- Pelangi Beach Resort
PERNAS	-- Perbadanan Nasional (National Corporation), the leading government-owned Bumiputera trust agency in the corporate sector in the 1970s.
PROMET	-- Promet Berhad (Ltd.), a public listed company, of which Datuk Brian Chang has been managing director.
SEDC	-- State Economic Development Corporation
TDC	-- Tourist Development Corporation (government agency)
UKM	-- Universiti Kebangsaan Malaysia (National University of Malaysia)
UPEN	-- Unit Perancangan Ekonomi Negeri (State Economic Planning Unit.)
UPM	-- Universiti Pertanian Malaysia (Agricultural University of Malaysia)
USM	-- Universiti Sains Malaysia (Science University of Malaysia)



TOURISM IN MALAYSIA

The Malaysian government claims annual income from tourism in 1988 to be \$1.8 billion (US\$670 million) per year and seems obsessed with finding new ways to "sell" Malaysia to the foreign traveller. Millions are being pumped into the promotion of Malaysia as a tourist destination, with the emphasis on the contribution that tourism can make to economic development. Little thought has been given to the possible negative side effects of tourism on Malaysian society. Concerned individuals have urged the government to look closely at the impact of tourism on the local community, expressing fears of social and cultural degradation, increased inflation, higher land values and increased imports, but to no avail.

Malaysia is situated between Singapore and Thailand, two countries that have achieved remarkable success in attracting tourists. Singapore has its multi-million dollar 'Singapore Girl' and Thailand its unique and colourful culture and its world-famous sex industry. This provides stiff competition for Malaysia. The Tourist Development Corporation (TDC) of Malaysia claims that Malaysia has everything, and hence, is a promotional nightmare. But it is proving to be a very expensive nightmare for the Malaysian people.

As an example, \$100 million was given to the Ministry of Culture and Tourism for initial promotional expenditure when it was established in 1987. Emphasis was to be on the U.S. and Japanese markets, and in 1988, a total of \$12 million was to be spent on promotion in the U.S. alone.¹ And for 'Visit Malaysia Year 1990', 50 million ringgit has been allocated for expenditure on promotion. In addition, the hosting of several international events, such as the Pacific Area Travel Association (PATA) conference in 1986, the South East Asia (SEA) Games and the Commonwealth Heads of Government Meetings (CHOGM) in 1989, have entailed lavish expenditure, which the Malaysian Government hopes will attract tourist dollars and improve her image abroad.

The most recent confirmed figures from the TDC of tourist arrivals to Malaysia are for the year 1985, when it was announced that 2.9 million entered the country with receipts from their expenditure totalling \$1.5 billion.

Tourist arrivals are predicted to reach 4.3 million by 1990 and receipts of \$3 billion are expected.²

Who is benefiting from this expenditure, and what impact is this increasing influx of tourists having on Malaysian society?

On approaching the TDC with these questions, I was handed a bundle of statistics on tourist arrivals, expenditure and the number of hotel rooms available in Malaysia, and sent on my way. Other government departments proved equally unhelpful. It seems that they are so preoccupied with efforts to entice the tourist to Malaysia, that time and finance has not been made available for continual assessment of whether tourism in Malaysia can really develop Malaysian society.

In 1975, upon the advice of foreign consultants, a Tourist Development Plan was formulated to provide a basis for the development of Malaysia's tourist potential within the framework of the national development plans. An integral part of such plans is the New Economic Policy (NEP), introduced with the Second Malaysia Plan (1971-75) and continued through subsequent five year plans, including the current Fifth Malaysia Plan (1986-90). The NEP commits Malaysia to reducing inter-ethnic economic differences by eradicating poverty and advancing Malay economic participation.

In line with this tourism policy, various projects have been undertaken by the TDC, state governments and other government agencies in poor and less-developed areas with tourism potential and primarily Malay populations. Examples are the Tanjung Jara Beach Resort, the Club Mediterranee in Kuantan, and the Pelangi Beach Resort in Pulau Langkawi. All of them are luxury resorts, which have not benefited the poor in the surrounding community (as will be seen in later chapters). The federal government agency for Malay economic advancement, MARA, has also been financing loans for small-time Malay entrepreneurs who have land in suitable areas on the islands of Tioman, Pangkor and Langkawi to build chalets catering to low budget spending travellers. A number of islanders have managed to benefit from this scheme. MARA has also financed Malays setting up businesses linked to the tourist industry, in some cases providing training, premises and working capital as part of its effort to increase Malay participation in commerce. But at least in the case of Langkawi, it is questionable whether these moves are significantly contributing to poverty eradication in these areas. Instead, tourism in less developed areas may have been increasing the wealth of a privileged few, while neglecting the needs of others.

No attempt has been made to calculate how much of the foreign exchange earned from tourism is actually staying in the country. Due to the lack of capital and expertise available locally, Malaysia has been reliant on foreign hotel chains to provide or manage much of the tourist accommoda-

tion. The Holiday Inn, Ramada and Hilton Hotel chains are examples of this. The World Tourism Organisation estimates that between 40% and 75% of gross hotel revenue goes to hotel chains. In Malaysia, the TDC estimates that 44% of tourist expenditure is spent on accommodation (not including food and beverages provided by the hotels). This represents a very large leakage. In addition, much of the necessary paraphernalia that luxury hotel owners provide in the tourists' 'home away from home' have to be imported.

The Malaysian government continues to actively encourage foreign investors. New incentives were introduced under the Promotion of Investment Act 1986, which widened the scope of incentives available to include tourism-related projects other than hotels. Foreign investors are now offered:

- Pioneer Status for projects in certain rural areas.
- investment tax allowance on up to 100% of capital expenditure.
- tax exemptions on machinery and equipment purchased locally or imported.

In addition to these incentives:

- Government Service Tax has been reduced on hotels and restaurants from 10% to 5%.
- income tax exemptions have been given to foreign tour operators bringing at least 500 tourists a year through group tours.
- electricity tariff rates were reduced for hotels in 1985.
- a New Investment Fund was created in 1985 to finance investment in tourism among others.³

The provision of such generous incentives in effect means increased profits to foreign companies operating in Malaysia and less revenue for the government.

The development of tourist resorts in the more remote areas of the country involves immense costs for the government. Infrastructure for access, efficient and adequate supplies of water and electricity, and effective telecommunications systems are all necessary for building luxury tourist resorts. Several state governments have been financially involved in the development of facilities for tourist projects. In Langkawi alone, it was announced by the Prime Minister in 1984 that the Federal and State Governments would be spending \$1 billion to turn the island into a tourist resort.⁴

One wonders about the priorities of the government, when official statistics show that, in 1980, only 68% of homes in Malaysia had piped water and electricity, and over 50% had no proper toilet facilities.⁵ Yet, in the Fourth Malaysia Plan (1981-85), only \$871 million was allocated for rural water supply and electricity projects for the entire period. It was also reported as recently as 1988, that only 10% of Malaysians have private telephones.⁶

It is disturbing to learn of the emphasis given to the development of the tourist industry in Malaysia, since the industry is recognised for bringing, in its wake, adverse social and cultural effects that can have negative impacts on the host society, particularly when social impact studies do not play an important role in planning for tourism, as in Malaysia.

Tourism is acknowledged by anthropologists as having a particularly disruptive influence on vulnerable traditional societies, such as some of those existing in Malaysia. Malaysia is made up of numerous different cultural groups, the dominant one being the Islamic culture of the Malay majority. Islam, the official religion, prohibits a number of activities which are closely associated with tourism. Examples include the consumption of alcohol, prostitution, gambling and other activities such as topless sunbathing and nudism. Such activities in Malaysia have caused concern among the local people in numerous instances. In 1982, a Kuantan State Assemblyman expressed concern about the activities of the foreign tourists undermining the moral values of the local people. Tourists often turn resorts into a paradise for permissiveness, sometimes even making love and bathing without shame or regard for others.⁷ There have been a number of similar reports in recent years complaining about nude bathers, men wearing g-strings, underdressed women, etc. Tourists staying in a village house in Cherating were asked to leave by their landlord, who was shocked at their habit of walking around naked in his house.⁸ This kind of behaviour in a country where Islam is experiencing a resurgence shows a remarkable disregard or ignorance on the part of the tourist, and also reflects an astonishing lack of concern on the part of the authorities.

In 1988, in response to newspaper reports and public complaints about tourist behaviour, it was announced that the TDC would be responsible for informing incoming visitors of the norms of acceptable behaviour in Malaysia.⁹ But to date, there is no evidence of any official action having been taken.

It is possible that the Malaysian authorities are afraid that such warnings would discourage tourists from coming to Malaysia. They are aware that foreign holiday-makers are out to have a good time, free from the drudgery of daily life at home; any restrictions on their behaviour in Malaysia could be enough to make them choose another destination where such rules do not apply.

Islam does not receive a good press in Western countries and is often linked in the Western mind with images of terrorism, extremism and restrictions on women and the drinking of alcohol. Hence, it is not surprising, though certainly deceptive, that the role of Islam is not given prominence in the selling of Malaysia. There are merely passing references to the exotic – 'beautiful mosques with Moorish minarets' and a brief mention of Islamic

festivals. The real significance of Islam in Malaysian society is ignored. (see list below)

PROMOTION OF ISLAM IN TDC BROCHURES AND ADVERTISEMENTS¹⁰

Not Mentioned

1. Significance of Islam (in general terms)
2. History of Islam in Malaysia
3. Islam as the official religion and its significance
4. The Islamic resurgence and its significance
5. Minor Muslim festivals

Mentioned

1. 'Beautiful mosques' with 'Moorish minarets'
(no information on the role of the mosque)
 2. Islamic festivals -- with very brief explanations
-

With the limited information given to tourists by the authorities, local people in several tourist destinations have taken it upon themselves to advise the tourist of what they feel is unacceptable behaviour. In Pulau Tioman, local people have constructed a crude cardboard sign requesting women not to bathe topless. And in Batu Ferringhi Beach in Penang, I have observed tourists being asked politely by residents of the area to put their clothes back on.

Prostitution in Malaysia has not reached the alarmingly high levels found in neighbouring Thailand or the Philippines. However, there is still some concern that tourism is contributing to the growth of the industry within Malaysia. According to one tourist interviewed in a survey by the Consumers Association of Penang (CAP), Penang comes second only to Bangkok in terms of availability of girls.¹¹ A spokeswoman from the Penang Tourist Guides Association says that when they are asked by tourists to provide sex, they may oblige, to ensure that the tourist has a pleasant and memorable trip, i.e. customer satisfaction.

This attitude of bowing and scraping to the whim of the tourist is very prevalent in Malaysia. The tourist is provided with superior facilities and superior treatment. On numerous occasions, as a foreigner, I have experienced favourable treatment over Malaysians in Malaysia, to the obvious frustration of local people around me. Reasons for the favours extended to



Smile – for the tourist

the tourist are very often money-oriented, due to the popular assumption – common in Malaysia – that all tourists are rich. But the special attention is also due to the natural curiosity and friendliness of the Malaysian people, and unfortunately, the two become very difficult to distinguish. The emphasis by the TDC and travel agencies of the tourist as a 'cow for milking' aggravates this situation, and often results in the tourist regarding the local people he meets with suspicion.

Meanwhile, Malaysian citizens are urged to impress upon the tourist that Malaysians are a loving and hospitable people¹² because of the revenue that tourists bring into the country. But Malaysians may not feel inclined to behave in this way, especially when they find themselves being constantly pushed aside for tourists. Whole communities have been dislocated in many parts of the country for the development of tourist projects. Examples are fishing families in Pulau Tioman, farmers near the new Penang airport and numerous villages in Pulau Langkawi. Local people are losing access to the beaches, such as at Batu Ferringhi, in favour of tourist hotels. Furthermore, the sea is too polluted to swim in because these hotels have dumped untreated sewage into the water. Also, Malaysians constantly see money pouring into tourism projects throughout the country while their own needs are neglected.

If this situation continues and increases in intensity with the extra influx of tourists expected during and after 'Visit Malaysia Year 1990', the image of the smiling tourist, and the warm and helpful Malaysian may only be found on posters.

LANGKAWI, THE ISLAND

The 99 islands of Langkawi, known historically as 'The Light of the Kingdom', lie where the Straits of Melaka meet the Indian Ocean, between Sumatra and Peninsular Malaysia in the State of Kedah. Langkawi is said to have once been the home of Phoenix (the Bird of Fire) who apparently – in his bid to prevent a marriage between the Empires of Rome and China – was engaged in a battle over the island with Jentayu, the Bird of Water. Phoenix was the victor, but failed to prevent the marriage taking place. As a result, he banished himself from the Earth, while the royal couple lived happily ever after in Langkawi. This is one of the few tales associated with Langkawi that has a happy ending.

Langkawi has a turbulent history, and most historical accounts of the islands are a tantalizing mix of fact and fantasy. There are tales of invasions by the aggressive forces of the King of Siam, and valiant warriors fighting to keep them at bay. Langkawi used to be known as the 'place where devils live' because of its isolation from the Peninsular Malaysian mainland and the fact that it was one of the poorest regions of the country. The residents of Langkawi were mainly migrants from Aceh in Sumatra, Siam and the Malaysian States of Kedah and Perlis. They came to Langkawi to make a living from the soil and the sea, and formed strong communities, bound together by their common poverty.

This poverty is explained by the islanders in the most famous of the legends of Langkawi – The Legend of Mahsuri. Mahsuri was the daughter of a local trader who had become wealthy by exporting sparrows' nests to China. She was famous throughout Langkawi for her beauty and goodness, characteristics that inspired jealousy amongst others in the community. Mahsuri's husband went away to war, and in his absence, she took pity on a destitute young stranger, offering him food and a place to sleep. Those envious of Mahsuri took this opportunity to accuse her of committing adultery, and she was sentenced to death by 'sula'. Thus, Mahsuri was subjected to the most painful of deaths, buried up to her neck in the sand, with her body pierced from shoulder to stomach with a long Malay 'kris'. Mahsuri protested her innocence to no avail, and at the moment of her death, as white blood reputedly gushed from her body, she uttered a curse, that Langkawi would suffer for seven generations for the injustice to her.'

The white blood was apparently a sign to the people that Mahsuri was truly innocent, and the island's lack of prosperity, as well as any calamity that has befallen the people of Langkawi since then, has been attributed to this curse.

Tunku Abdul Rahman, Malaysia's first Prime Minister, was primarily responsible for bringing the legend of Mahsuri to the attention of the rest of Malaysia. According to him, while Langkawi was under the curse, nothing would flourish there. Apparently, several attempts to start businesses on the island were made by Englishmen in colonial times. One attempt to start a sardine factory failed disastrously when 'all the fish swam away', while production of a heat-resistant brick from black sand ground to a halt when all the black sand disappeared!¹³

Despite the curse, Langkawi was a popular trading centre in the colonial era, being situated strategically on the Straits of Melaka trading route. In trading circles, it was known as the 'Pepper Isle'. Interest was shown in the islands by the French and the Germans, but the British managed to retain control through most of the first half of this century.

The Tunku claims that he was banished to Langkawi in 1934 as District Officer, which he says was the last place a government official would have wanted to be posted to at the time. It seems that he fell in love with the island, the people and Mahsuri's legend. His discovery of her tomb, he claims, brought him good fortune. According to the Tunku, himself of the Kedah royal family, somewhere in the legend of Mahsuri it is mentioned that a prince would be responsible for lifting the curse from the island. In any case, with the curse lifted, Langkawi should now be moving into an age of prosperity.

The Islands

The islands of Langkawi are outstandingly rich in natural beauty, from the awesome mountains of Mat Cingcang and Mat Raya to the white sand beaches, the luminous green freshwater lake and the numerous jungle-covered outer islands. In the northeast corner of Langkawi is a peninsula known as Tanjung Rhu (the Cape of Casuarinas), so named because of the numerous casuarina trees on the beach front. The palm fringed beaches of Pantai Cenang, Pantai Kok and Pantai Tengah, with their white sand, have always been popular with the local people for recreation. Many of the distinctive features of Langkawi are surrounded by colourful folk tales. Examples are the waterfall Telaga Tujuh (Seven Wells), where it is said that beautiful maidens can sometimes be seen bathing, disappearing when mortals approach them. The Tasik Dayang Bunting, or 'Lake of the Pregnant Maiden', is a freshwater lake of unknown depth, situated on the second



largest island in the Langkawi archipelago. After drinking water from the lake, it is said that a barren woman can conceive. The main town Kuah, which means 'gravy', gains its name from the tale of a family quarrel during which a large pot of gravy was broken and spilt.

The islands belong to the State of Kedah, one of the poorest states in Malaysia. Until recently, the islands had very few infrastructural facilities and one of the lowest incomes per capita in the country. The Tunku, as the first prime minister after Malaysia gained independence in 1957, initiated several infrastructural developments and granted a Chinese businessman, Low Yat, the licence to build a casino on the island. A small hotel called the Langkawi Country Club was built, but the casino plan never materialized. The Tunku, having a soft spot for Langkawi, syphoned off funds from money allocated to build Kuala Lumpur's Subang International airport, to build a golf course on the island.

Subsequent governments continued with small scale projects on the island, but Langkawi remained the most neglected district in the whole country in terms of access to services offered by government statutory agencies.

Statistics

Langkawi is fairly isolated geographically, being situated 30km. from the mainland port of Kuala Perlis. The climate is tropical, with an average temperature of between 26 and 29 degrees Celsius. There are two seasons, the wet season from June to October and the dry from November to April. The



population of Langkawi at the time of the 1980 Census was 29,084, and is estimated to be 35,400 by the year 1990.

The islanders are predominantly Muslim Malay. Of the population, 94% are Malays, 3% Chinese and 3% Indians and Others, including Thais. Currently, the majority of voters in Langkawi support Malaysia's ruling party, the United Malays National Organisation (UMNO). Langkawi's State Assemblyman, Ismail Yaacob, claims that 80% of the residents support UMNO, though there is strong opposition from the Islamic Party, PAS, which is quite strong in Langkawi due to the importance given to Islam in the local communities.

The vast majority of the islanders (over 80%) are involved in agricultural activities, such as rubber tapping, rice farming, fishing and gardening. The average income recorded in agriculture in 1982 was approximately \$180 monthly per household (\$2,165 per annum).¹⁴ This figure is well below the poverty line recently announced as \$350 monthly per household in 1987.

The Lifestyle and Cultural Activities

Any observer will notice the decidedly relaxed pace of life on the islands, particularly in the villages, where over 80% of the people live. The men carry out 'kerja kampung' (village work), which consists of the agricultural activities mentioned above, and the women usually work at home, cooking, sewing and carrying out general chores. It is rare for a woman to have

employment for which she receives her own salary. The coconut tree is very important to the villagers, as coconuts provide oil and coconut milk for cooking; young coconut water can be drunk and the flesh eaten. The fruit husk is used for cleaning and plant protection. Also, the leaves of the trees are often woven into makeshift baskets or used for shade, while leaf stems are made into brooms.

A distinctive feature of village life is the practice of 'gotong royong', whereby the village people will group together to perform services for each other or for the community as a whole. On the occasion of a wedding or a funeral, for example, all village members will participate in the preparations. Harvesting padi (rice) is often performed on a gotong royong basis, as well as community projects such as cleaning up the village.

Another cultural activity that characterises village life is the 'dikir berendui' held after the birth of a baby, when neighbours and friends come to pray, sing and bring gifts. The 'arak pengantin' is the bridal procession when the groom makes his way to the bride's house. Formerly, he would have been carried in a specially made bamboo chair, which has been replaced more recently by the car. The flying of the large traditional Malay kite is a long established activity that takes place during harvest time in December each year.

By the end of the 1970s, major developments were being planned for the island, though not by the local people or even local leaders, but by the federal government. Big changes were going to occur, but would they be appropriate?



LANGKAWI IN THE 1980s

The most striking aspect of tourist development in Langkawi over the past decade is the extent of direct government involvement and the lack of initiative and entrepreneurial activity from the private sector. The development of the tourist industry has been actively initiated and pushed by the federal and state governments, rather than due to responses by local and foreign investors to the demands of increasing numbers of tourists, as has been the case in most island resorts in the region.

The 1975 Malaysian Tourist Development Plan recommended limited and low density hotel and resort development for Langkawi. In 1977, Peat, Marwick and Mitchell in Hawaii were called in by the Malaysian Tourist Development Corporation (TDC) to create a 'Langkawi Destination Plan'. However, the consultants had greater ambitions, recommending that the island be developed into one of the major tourist destinations in South East Asia, with several luxury hotels and high standard recreation facilities.

By 1980, however, none of these plans had been implemented; Langkawi's future in tourism was looking bleak. Private investors showed no interest in the island, it was too isolated, and had poor infrastructural and access facilities.

In 1981, Malaysia gained a new Prime Minister, Kedah-born Datuk Seri Dr Mahathir Mohamad. It was expected by Malaysians that he would give a certain priority to developments in his home state, Kedah. This is believed to be the main reason why Langkawi was taken under his wing and made a concern of the federal government. Large-scale development began with the construction of the Kedah Cement Factory and the Kedah Marble Factory, both joint ventures between the state government and private investors. But this was only the beginning of the new plans for Langkawi. Giving increasing attention to the tourist industry as an option for development, the government was conscious that Malaysia did not have any particular destination or attraction that could serve as a major drawing point for tourists. It was felt that Langkawi had the potential to fulfil this role.

Promet in Langkawi

Promet (short for Progressive Methods) Berhad (Bhd) is a public company. The largest shareholder is a Singaporean, Brian Chang, who is also the managing director. In Malaysia, he teamed up with Tan Sri Ibrahim Mohammed, a man popular with Mahathir in the early 1980s. The Prime Minister requested Promet to come up with something grand for Langkawi. In 1982, it was officially announced that Promet Bhd was going to build a \$3 billion tourist resort in Langkawi, with the personal backing of the Prime Minister.

Even the Hyatt Regency Waikoloa mega-resort in Hawaii, claiming to have the biggest resort construction bill in history, cost only US\$ 360 million (under \$1 billion ringgit).¹⁵ So one can imagine the scale on which the Prime Minister and Promet were planning. Yaco and Associates (USA) Consultants were brought in to draw up the grandiose and extraordinary concept plan.

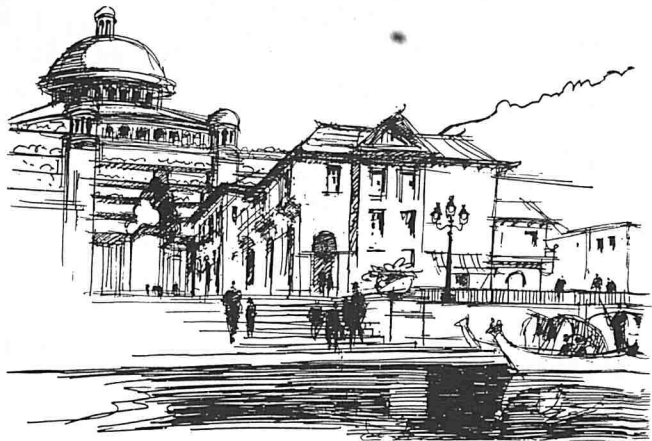
The Langkawi Resort was to be situated on a 3500 acre area of land around Tanjung Rhu in the District of Padang Lalang, one of the most outstandingly beautiful areas of the island. This area was known for its numerous casuarina trees, its beach front 'carpeted with white flowers', its crystal clear lagoon and waterways, and its magnificent limestone hills.

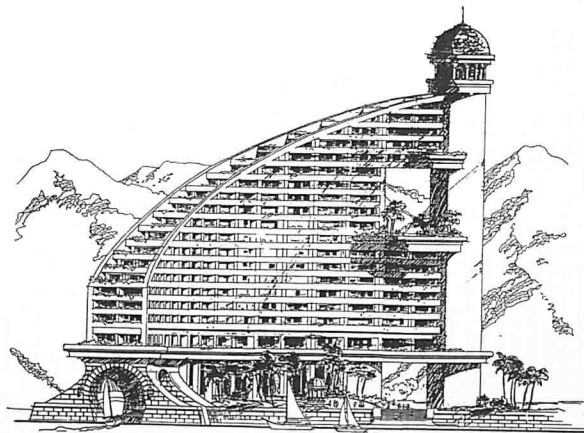
The resort concept plan describes itself as unique -- and unique it certainly was. It was to consist of a number of hotels, the main one being the Bridge Hotel, with a design 'reminiscent of the Arabian Nights'. Gondolas on the waterways would 'evoke images of Venice', and the resort's shopping plaza was to 'impart a sense of Italian Baroque Piazzas'. In fact, according to one of the advertising brochures, 'if Venice had been designed today it would have been called Langkawi Plaza'!

All this would be combined with the most futuristic of architectural designs in the form of North Point Condos, a giant curved condominium block, with a hole in the middle for viewing the scenery, and canal townhouses reminiscent of modern-day suburbia.

For recreation, a championship 18 hole golf course would be provided, along with an artificial wave lagoon, a 4.4 hectare swimming pool, and electric cars for transportation around the resort. The highlight of the resort was to be a 'chambers aquarium', where the visitor would descend in an elevator below sea level to observe exotic marine life in holding tanks and a 'relic city', with temples and ships built underwater, reflecting the area's historical influences from the Arabs, Indians, Dutch, Chinese, Thais and English.

It was predicted that 10,000 jobs would be created and tourist expenditure at the resort would be close to \$1 billion annually by the year 1991. The newspapers reported that the island was to be 'transformed from an histori-





cal and backward island into being an international tourist resort'.¹⁶

But what were the implications of this project for the islanders of Langkawi?

Tan Sri Ibrahim is quoted as saying that: 'Promet's involvement was more of a social obligation than a purely business-orientated venture'.¹⁷ It is not entirely obvious what he meant by this, particularly since a survey carried out by UN agencies into the possible economic effects of the project, concluded that the opportunities available to Langkawi residents would reduce the number living below the poverty line by only 5-10% at most -- and then only if intensive training programmes were carried out for the islanders.

If any comprehensive research was conducted into the possible socio-cultural or environmental impact of the project, it has been shrouded in secrecy.

On 27th November 1983, a luxury cruise boat 'Asean Lady', belonging to Brian Chang, sailed around the Langkawi islands. Aboard were Tan Sri Ibrahim and his Promet colleagues, the Prime Minister, the then Chief Minister of Kedah, Datuk Seri Syed Nahar Shahabuddin, and about 100 local and foreign guests. While being entertained with live music and refreshments aboard the yacht, a signing ceremony was carried out involving Promet and several initial investing groups. They stopped at Tanjung Rhu and were transferred by helicopter to the Merlin Hotel for lunch. With the signing of these agreements, worth \$700 million, all parties involved claimed that they were taking on the sceptics and critics head-on.¹⁸

The investing groups included Swedehospital AB, who planned to invest \$20 million in providing outpatient medical care for resort guests and employees, as well as four Singaporean and two Japanese companies, and four local companies, including the government owned PERNAS.

The Government pledged to provide all the necessary infrastructure for the project, including an international airport, roads, water and electricity supply. The Prime Minister announced that the federal and state governments would be spending \$1 billion in preparing Langkawi for tourism.¹⁹

The promoters, it was reported, were set upon turning the Curse of Mahsuri into a blessing, as the legend was going to be a big selling point for the resort. They viewed any negative impact of such development as a source of 'new challenges' for the local people.

Sure enough, while the VIPs were lunching at the Merlin, over 70 families in nearby villages were grappling with their first new challenge. Although most of the land required for the project was state government owned, a large portion belonged to the local villagers. They had just been informed that the land was to be reclaimed by the state government, and they would

have to move elsewhere.

The land was also officially Malay Reserve Land, which - according to the Federal Constitution -- is land reserved exclusively for ownership by Malaysians of the Malay race. With such powerful interests behind the project, it was easily arranged for Malay reserve status to be revoked and the State Economic Development Corporation (SEDC) to purchase the land for lease to Promet.

The people were not happy about being forcibly moved out of the area. Their displacement resulted in the splitting up of a long established community, damage to the 'ikan bilis' (anchovy) industry and loss of livelihood for many villagers. The compensation granted to displaced villagers was well below the market price at the time, and various steps were taken by the authorities to ensure that they did not raise a public protest (see next chapter).

Opposition to the project was expressed by various individuals, including the local UMNO youth leader, Abu Bakar. Speaking on behalf of the islanders, he said that they were not against development, but they felt that this project was not suitable given the character of the island and its people.²⁰ Local people were asking why foreigners should reap all the benefits from developments on the island, while they -- the native inhabitants -- remained poor. One member of the committee, set up by the Kedah State Government to assist Promet with the implementation of the project, voiced opposition, as he felt that the project was far too grandiose, that it would damage the environment, alienate the islanders and cause harmful social effects. As a result, it is claimed his activities were investigated thoroughly by the Special Branch of the Police Force, and he was sent a personal letter by the Prime Minister, requesting that he keep his objections to himself.

Initial construction work began on the project and various government infrastructural developments in 1984, while the Prime Minister considered Promet's requests for provision of duty free port status for Langkawi, as well as tax exempt status for the companies and individuals investing in the resort and many other perks designed to attract investors.²¹

Rumours began in August 1985 that the financiers were withdrawing. A reliable source claims that the initial investors had lost interest by this stage because Promet totally dominated the implementation of the project; While they wanted to attract investors, they were not offering the level of returns to which the investors felt entitled. By the end of 1985, the 400 construction workers on the project site had either lost their jobs or walked out over pay disputes, and work had ground to a halt. Promet adamantly denied losing interest in the project. Chang tried to shift the blame onto the government by announcing that Promet was waiting for the authorities to grant the re-



Tanjung Rhu since 1985

requested investment incentives, before they could continue.²² The Kedah Mentri Besar (Chief Minister) expressed anger at Promet's apparent abandonment of the project and threatened to take back the land.²³ Talks were finally arranged between Promet and the Kedah state government in June 1987, after which it was announced that the project had been scaled down considerably, from \$3 billion to \$300 million. Promet was apparently experiencing financial problems, and had been put under receivership in 1985 with losses of \$114 million and debts of \$320 million.

The site was abandoned. Tanjung Rhu had been devastated. It was no longer the Cape of Casuarinas, but a wasteland. One tourist on a visit there recently likened the devastation to the aftermath of chemical warfare! Jungle and mangrove swamps had been cleared away and replaced with ugly grey pilings and concrete slabs. Sand had been taken from the beach for construction work and the sea once crystal clear, was now murky. It was a disastrous failure.

Despite the failure, and the fact that by the end of 1988, Promet owed the state government \$4 million in land rent,²⁴ the land was not withdrawn from Promet. Statements made by the Kedah government confirm that they still expect Promet to develop the area for tourism.

Chang came up with another idea for Langkawi -- a Soviet Eye Hospital. This would specialise in a corrective eye surgery technique, that he himself had undergone successfully. The whole venture was commercially orientated; it was planned that the hospital would bring in foreigners, who would stay in Promet hotels, along with their friends and families while undergoing treatment.²⁵ The estimated cost of \$5000 per operation (plus hotel bills) was far too high for most Malaysians to afford.

The idea met with enormous opposition, particularly from the medical profession. Initially, the Malaysian Medical Council (MMC) opposed the registration of the Soviet eye specialists in Malaysia, on the grounds that their degrees were not recognised. The MMC was also concerned about the lack of knowledge of the long term effects of the treatment. In December 1988, when the Ministry of Health approved the registration of 14 Russian doctors without getting the MMC's approval, as required under Malaysian law, several members of the Council resigned.²⁶ According to one newspaper report, the reason for the government's approval was 'goodwill', to pay back the Soviets for the enormous amounts of money they had spent on Malaysian goods over the years, and to reduce their balance of payments deficit.²⁷ As of September 1989, it remains a mystery whether or not the hospital plan will go ahead.

Meanwhile, Promet has taken over the Merlin Hotel (now the Mutiara), increased the number of rooms, built a large block of luxury condominiums and is planning to build 1000 budget priced chalets in the area. The condominiums are an eyesore and the area has been changed beyond recognition to the thorough disappointment of the residents of Padang Lalang district. Tanjung Rhu is no longer a popular picnic spot for the local people; instead, it now has a desolate and deserted air. For Promet to clean up the mess that has been lying around untouched for over four years would involve even more millions, although they have been making an attempt. According to a site construction worker, Promet has been asked to take down the pilings and clean up the area to avoid the embarrassment of having the devastation seen by the international media during the Commonwealth Heads of Government visit to Langkawi in October 1989.

A few remnants of the area's once famous beauty remain, such as the limestone cliffs and the waterways. But Tanjung Rhu is a mere shadow of what it was before the Promet fiasco.

The federal and state governments must have felt some embarrassment, after having spent over \$200 million on supportive infrastructure specifically for the resort. This includes \$87 million on airport expansion, \$40 million on water supply and at least \$36 million on the building of new roads around the island. And still there is no sign that Langkawi's tourism was 'taking off'. So it was decided that a new boost was needed for the islands' tourist industry.

Duty Free Port Status

In December 1986, it was announced by the Federal government that as of the 1st of January 1987, Langkawi would enjoy Duty Free Port (DFP)

status for an indefinite period of time. All excise, import and export duties as well as taxes on sales and services on the island would be lifted. This, it was hoped, would encourage foreign and local investors to the island. According to the Kedah Chief Minister, DFP status in Langkawi would bring development to the people and raise their standard of living, by generating business opportunities on the island and attracting more tourists. He also said that this was a 'golden gift' to Kedah, and that Langkawi could be developed to the level of Penang and Singapore - both which have had duty free port status - in half the time taken by those islands.²⁸

The islanders were given less than one month's notice of the island's changing status. Within this short period of time, it was impossible to create an awareness of its implications and prepare and educate the people of Langkawi so that they could be in a position to benefit. The islanders expressed surprise and bemusement at the announcement; the majority of them did not even know what DFP status meant. When asked why the matter had not been discussed with local leaders before its implementation, the Chief Minister replied that the government did not need to discuss it with the local people. Government leaders themselves had discussed the pros and cons and decided that it would be best for Langkawi, as it would encourage investors.²⁹

The most common response of the islanders recorded - both at the time of declaration and two and a half years later -- is confusion. They do not understand how the changes will affect them, and how they can be involved. Instead, they just sit back to watch developments taking place.

In 1987, the first year of Langkawi's DFP status, only sixteen local shop-owners -- mainly Chinese and Indian, who have long dominated the commercial scene in Langkawi -- were in a position to sell duty free goods. To encourage further local participation in the new business opportunities generated by DFP status, particularly for the local Malays, rural farmers and fishermen would have to be transformed into commercial traders, roles for which they had no skills, experience or inclination. Rural Malays, like peasant societies all over the world, are not naturally inclined towards entrepreneurial activities. They do not generally possess the commercial experience, skills and contacts of the more business-minded Chinese. In Langkawi, as in the rest of the Malaysian peninsula, they were encouraged by colonial and post-colonial authorities to tend their rice fields and fishing boats. The Malaysian government has been attempting to increase Malay participation in commerce in Langkawi, but with little success to date (see next chapter). Thus, the door is wide open for outsiders with the necessary know-how and contacts to walk right in and take over.

Haji Hanafi Ramli, the chairman of the Kedah State Government Tourism Committee and Dr. Mahathir's second man in UMNO's Kubang Pasu divi-

sion, was quick to establish himself in Langkawi with two duty-free shops in prime positions, in the Langkawi Island Resort and the new airport building. Several Indonesian textile traders have also established themselves as importers and distributors of Indonesian batik cloth and clothing.

Many domestic and foreign tourists to the islands are disappointed, as the selection of goods currently on sale in Langkawi is quite unimaginative, the main items being imported cigarettes, alcohol, crockery and Indonesian batik. DFP status tends to be more of an attraction for domestic tourists, who make up 80-90% of all the tourists to the island, rather than for foreigners. None of the foreigners whom I interviewed felt that DFP status was a major reason for their coming to Langkawi, despite the fact that TDC brochures presumptuously declare Langkawi to be a 'duty free paradise'.

Today, in Langkawi, there are over 50 shops dealing in duty free goods. The scene is dominated by several local Chinese businessmen who have become very successful and have managed to diversify their business interests. Practically all the local people in a position to take up business opportunities on the island already have done so. The islanders may soon find that all the opportunities opened up with DFP status have been taken by mainland Malaysians, who are moving into Langkawi in increasing numbers.

The large majority of islanders not involved in commercial activities feel that DFP status has been of little benefit. Cars can be purchased well below the mainland price, but few can afford them. Being Muslim, they are not allowed to buy, sell or drink alcohol, and the other goods for sale in the duty free shops -- such as expensive name brand T-shirts, and Reebok and Adidas sports shoes -- are far too expensive for most islanders. Most local village people to whom I talked about Langkawi's duty free status felt that only a few were benefiting, particularly those in the town, especially the Chinese and those who were wealthy before 1987. Most thought 'duty free' meant cheaper prices, but prices of basic necessities have risen since 1987.

The construction of new shop premises that is taking place currently in the town of Kuah will result in dramatic changes in the next twelve months in Langkawi. The Penang-based multi-millionaire Tan Sri Loh Boon Siew is building a 73 unit shopping complex in Kuah. The units will be sold for between \$180,000 and \$250,000 each, which the District Officer, Haji Mohammad admits is too high a price for the average islander to afford and thus will most probably be bought up mainly by outsiders. MARA (a government agency, committed to advancing the Malay economic position), is currently involved in building a 47 unit complex also in Kuah town, and another by the Kuah jetty, which will be available exclusively to Malay traders. But it is questionable whether local Malays will be able to take up the opportunities, as they will be competing with mainland Malays who have more experience, exposure to commerce and business connections.

Small Scale Developments

During the past 8 years, several chalet motels have been built along the island's beaches, at Pantai Tengah, Pantai Kok and Pantai Cenang. The chalet motels reflect the highest level of local initiative and participation in the tourist industry. They have sprung up gradually in response to demand mostly from domestic, but also from foreign budget travellers. The chalet owners are mostly local people who either own the land or have managed to obtain leases to build on government land. There are currently 13 such chalet motels on the island, and more are being built. In contrast to the larger scale accommodation projects, the small chalet complexes are not regarded as priority developments on the island, and they have not been supplied with adequate sewage treatment or rubbish disposal facilities; some do not even have clean water supply.

Larger Scale Developments

In 1977, the government-owned TDC bought over the Langkawi Country Club, previously owned by Low Yat, and in 1985, spent \$26 million on upgrading and expanding the facilities. In 1986, the name of the hotel was changed to the Langkawi Island Resort (LIR), and it was declared a hotel resort of international standard. But LIR has been a loss-making venture for the TDC, largely due to poor management, a low standard of service and an occupancy rate of around 38%. Only in 1989 did the hotel begin to make money. Although the Resort has been up for sale since 1986, it is still in the hands of the TDC. In July 1989, a new management team from Penang, headed by an Austrian expatriate was called in to run the Resort, possibly in light of the competition they now face from the new Pelangi Beach Resort, opened in March of the same year. The TDC has provided \$1 million so far for further improvements to the hotel, which will probably be expanded to several more million, before the job is completed.

The Pelangi Beach Resort (PBR) is owned by the government-owned company PERNAS in a joint venture with Overseas Union Enterprise (OUE), a Singapore-based company. The construction was undertaken by KEMEX, a joint venture between the government-owned company Peremal and the Kedah state government. The management is in the hands of Mandarin-Singapore, a subsidiary of OUE.

The land for the project was originally owned by the multi-millionaire Boon Siew, who had reluctantly agreed to sell it to MARA for their planned vocational training school. Apparently, within a couple of days of finalizing the deal, a directive came through from the federal government (sources

claim that it was from the Prime Minister himself) for the land to be transferred from MARA into the hands of PERNAS, for building the PBR. Boon Siew was obviously angered by this move and threatened to sue the government. How he was pacified is uncertain.

PBR was constructed to resemble a Malay village, and was originally estimated to cost \$45 million. But plans were changed; the federal government had its heart set on using Langkawi for the traditional 'retreat' of the Commonwealth Heads of Government, after their meetings in Kuala Lumpur in mid-October 1989. Sources claim that the original location was to be in Teluk Datal, an as yet undeveloped beach on the northern coast of the island. But investors could not be found to provide the huge amount of money necessary for the development of the area, so Pelangi Beach Resort was chosen as the site instead. Thus, phase two of PBR evolved. A reliable source claims that \$10 million was given to PERNAS-OUE by the federal government for the initial construction work. This new phase of construction consists of 47 Commonwealth suites, one for each of the heads of government attending the meetings. This is reported to cost another \$25 million, bringing the total cost of the hotel to \$70 million.

More land was needed for building phase two, and according to a land-owner in the area, several acres belonging to nearby villagers were taken over. The villagers were apparently paid \$30,000 an acre for the land, well below the current market price, said to have been reaching \$800,000 per acre nearby.

Teluk Datal

Teluk Datal is a beach on the northern side of the island, facing Thailand's Teratau Island. The whole area is a forest reserve, with no settlement or residents. It was the last untouched part of Langkawi. The beach is magnificent in its isolation, the forest is inhabited by wild boar and mousedeer. Big plans are being made for the area's 'development'!

This appears to be another of the Prime Minister's personal projects. A 14 km. cement road has been constructed by Keda-Sato, a joint venture between the Japanese company Sato-Kogyo and the Kedah state government, at a cost of \$19 million, to provide access to the area.

Road construction has been rushed for completion before the CHOGM meetings in October 1989. It is possible that this is to ensure that Datal is included in the foreign media coverage that Langkawi will receive at the time, to bring it to the attention of potential foreign investors and tourists.

Many have shown interest in the area, including the Prime Minister of Singapore, who was personally escorted to view the area by Mahathir, and an Arab millionaire, who turned up in Langkawi recently in his private jet,

again escorted by the Prime Minister himself.

What has become apparent is that Datai will be developed into an exclusive resort area for the very wealthy. To date, plans include three hotels, a number of villas, and a golf course. One can only hope that the development is monitored and the environment is not devastated in the same way as the once beautiful Tanjung Rhu.

Other Developments

Millions of ringgit have been poured into Langkawi for tourism, and more specifically, for hosting CHOGM, which it is hoped will bring sufficient media attention to the island to provide the big boost believed necessary to push Langkawi on to the international tourist map.

The Prime Minister's Office (JPM) has directly funded and supervised several projects on the island, including:

- A new jetty for passenger ferries has been constructed in Kuah, for which part of the sea has been reclaimed at a cost of at least \$9 million.
- Several roads on the island have been rapidly completed, widened and repaired.
- The site of Mahsuri's grave has undergone a facelift at a cost of \$500,000, with the addition of an art gallery and a small shopping centre.
- One of the largest outer islands, Pulau Singha Besar, is being converted into a wildlife reserve at a cost of \$3.5 million. One wonders if they are biting off more than they can chew when it is reported that the reserve will host several foreign animals, including a Filipino crocodile.
- The island's golf course has been extended from 9 to 18 holes, at a cost of \$3.6 million.
- Antique-style lamps, costing \$1 million, have been set up along the roadside in Kuah and at the Pelangi Beach Resort.

In addition, beautification projects have been carried out throughout the island to decorate the roadside and clean up unsightly areas. The owners of the fishing boats moored alongside the jetty road in Kuah have been ordered to move them elsewhere, so as not to create an eyesore for tourists.

Infrastructural Developments

Extensive infrastructural developments have been carried out on the island. Initial developments in 1985 and 1986 were intended to service Promet's resort, and when that did not materialize, they were extended to provide access to other areas of the island. 80km. of tar road has been

built, the airport has been expanded to receive airbuses, DC-10s, and Boeing 737s, and the famous Telaga Tujuh (Seven Wells) waterfall has been blasted with dynamite and rebuilt to provide water supply for the new hotel projects. It is very noticeable that servicing new tourist projects has been the priority, not catering to the needs of the islanders. A classic example of this is the road recently constructed to provide access to the Pelangi Beach Resort. The road only provided access to the Resort, while the locally owned chalet motels, that have been running since 1982, and several villages, only 200 metres further down the beach, remain serviced only by the original pot-holed track. It was not until 'CHOGM-fever' hit the island that they were provided with a decent road. With the exception of the small chalet hotels and the activities of local, mainly Chinese entrepreneurs, all the projects have been planned and implemented by the highest levels of government, directly for the benefit of tourists and the tourist industry. Local leaders have not been consulted, nor has much thought been given to the possible involvement of the local people.

Future Developments

The Malaysian government recently approached the government of France for assistance in developing a tourist master plan for Langkawi. The master plan should present a comprehensive policy for the island's development.

Several hotel developments have been planned for the near future in Kuah town and in various areas around the island, including chalet motels on the islands of Pulau Tepor and Pulau Rebak. Investors include both Malaysian and foreign interest groups. In 1987, a group of American investors was considering Langkawi as a site for a new Disneyland, and there are rumours that Club Med may be extending its network to include Langkawi. PERNAS is planning a superstore in Langkawi, and Malaysian Airlines (MAS) is thinking of extending its chain of 'Golden Boutiques' to the island.

The Langkawi district council predicts that 811 commercial premises will be needed by the year 2005. In line with this, plans have recently been revealed to reclaim part of the sea along the coast in Kuah, where over 100 shop units could be built.

The future of tourist development in Langkawi now depends upon the interest of private investors in the island. The government has done all it can in providing an environment suitable for investment, and has promoted Langkawi both at home and overseas. The ultimate test of whether or not Langkawi develops into an international-class tourist resort will be the response of potential investors after CHOGM, and the resulting international media attention that Langkawi will receive.

THE ECONOMIC BALANCE SHEET

According to the government, the main aims of its massive investment in Langkawi for the development of tourism are to:

- bring development to the island,
- bring economic benefits to the people through providing opportunities for employment and business, and
- contribute to the foreign exchange earnings of Malaysia as a whole.

As we have seen in the previous chapter, millions of ringgit have been spent on developing Langkawi for tourism. But the question remains as to how appropriate this development is for the island itself. Are the local people experiencing improvements in their welfare? Equally importantly, have there been any adverse economic side effects from tourism?

Government Expenditure

The total expenditure by the federal and state governments, directly or through government agencies, is impossible to determine because of the many different parties involved and the inavailability of accurate figures. In 1984, the Prime Minister said \$1 billion would be allocated for expenditure in Langkawi. One high-ranking source from the Langkawi District Office claims that this amount has been spent to date. But the Prime Minister's Department (JPM) now claim that the figure is nearer \$300 million, while published official figures cite \$285 million as the total amount of government expenditure. Either way, it is obvious that an enormous amount of Malaysian taxpayers' money has been spent to make Langkawi an international tourist resort. Accurate published figures are unavailable, but Table 5.1, compiled from a variety of sources, serves to indicate government expenditure for various projects, and the year in which these projects were implemented. ±

KNOWN GOVERNMENT EXPENDITURE

PROJECT	COST(\$)	YEAR
Beautification:		
General	4,500,000	1984
Landscaping	1,600,000	1989
Mahsuri's Tomb, art gallery	500,000	1989
Promotional documentary	350,000	1989
Signposts	100,000	1989
Decorative antique lights	1,000,000	1989
Infrastructure:		
Roads:		
80km tar road	36,000,000	1986
Road widening (especially for CHOGM)	6,000,000	1989
Cement Roads	40,000,000	1989
Airport	87,000,000	1986
Kuah jetty (passenger)	9,000,000	1989
Teluk Ewa jetty (cargo)	57,600,000	1986
Water supply	40,000,000	1986
Tourist Attractions:		
Singha Besar (wildlife sanctuary)	36,000,000	1989
Golf course expansion	3,500,000	1989
Hotels:		
Pelangi Beach Resort:		
PERNAS investment	50,000,000	1989
Government grant	10,000,000	1989
Langkawi Island Resort:		
improvements	26,000,000	1986
improvements	5,000,000	1989/90
TOTAL	413,850,000	

Note: Sources of finance include the Tourist Development Corporation (TDC), the Prime Minister's Office (JPM), the Kedah state government and PERNAS.

In addition to the direct government outlay to improve the island for tourism, there is indirect expenditure by government agencies. For example:

- MARA is spending at least \$7.5 million on building shophouses in Kuah town, as well as at the Kuah jetty, which they plan to lease out to Malays as duty free shops.
- Under the Master Plan for Agriculture in Langkawi, the Agriculture Office aims to increase production of agricultural products suitable for consumption by tourists, such as fruits, vegetables, cash crops, honey and fresh flowers, at an estimated cost of \$33.6 million.

It appears that the government must be receiving remarkably little returns on its investments. As Langkawi is a duty free port, no import taxes are collected and no sales tax levied. The usual 5% government tax on hotel services does not apply. In Malaysia, a monthly wage of at least \$500 must be earned before income tax is payable. In Langkawi, the vast majority of those employed by the tourist industry receive wages well below this level.

Special tax incentives given to investors in Langkawi represent a loss of revenue for the government. Tourism-related projects in Langkawi qualify for 'pioneer status', which allows them additional tax relief, along with tax-free imported goods for construction and maintenance, basic equipment (furniture, sports equipment, etc.) and services to hotel guests.

Tourism in a duty free port also results in the leakage of Malaysian currency abroad. Domestic tourists constitute 70% to 80% of all tourists; after their stay, they usually take home duty free goods, such as Camus French brandy, cigarettes, French crockery, and Thai or Indonesian textiles. The foreign tourist can also indulge himself in tax-free Australian or European chocolates, cheap alcohol, or possibly pick up a bargain duty free electrical product from Japan. While contributing to the income of the trader, this expenditure actually enhances demand, income, production and employment in the countries that export goods to Malaysia, rather than in Malaysia itself.

What benefits has government expenditure brought to the islanders?

It is true that infrastructural developments have provided the islands with better road facilities, an improved airport, and a jetty. But it is also true that tourists have been uppermost in the minds of the planners, with the local people considered mainly as afterthoughts. A study conducted by the Kedah State Economic Planning Unit (UPEN) in 1987 collected the following figures:

Water Supply

- only 23.5% of households have their own piped water supply, while the remaining 76.5% either share a general pump, have water transported in by lorry, or use well or river water.

Electricity

- 11% have no supply at all.

Toilets

- 14% have no toilet facilities at all.

The local people were also asked their opinions of basic infrastructural facilities. It was found that:

- just over 50% were happy with the condition of the roads on the island.
- only 31% were satisfied with the drainage facilities.
- only 28% were satisfied with rubbish disposal.
- over 50% expressed dissatisfaction with telephone services.

The lack of a proper sewage system is shockingly obvious, particularly around the chalet motels, where sewage runs straight into the ground, lies around in open ditches, and sometimes runs directly onto the beach.

Employment

Employment opportunities have been created in Langkawi's tourist industry in hotels/motels, shops, restaurants and transportation, as well as in government administration, construction, wholesaling and distribution.

What has emerged in Langkawi is a situation where most local people do not have the necessary experience or skills to take up many of the newly created jobs. Since training is not provided, the people can only fill unskilled positions as cleaners or general workers. Apart from a few, mainly Chinese, most Islanders lack the contacts, credit, entrepreneurial flair, training and motivation to seize business opportunities. There are also cultural and religious reasons that discourage some locals from certain jobs.

Direct Employment

Pelangi Beach Resort (PBR) and Langkawi Island Resort (LIR), the major hotels, both only employ a small percentage of local people. Pelangi employs around 30% locals out of 370 full-time employees, mainly in the lower ranks. They receive either \$10 per day as casual workers or a basic salaries



Planting grass – Employment for island women

of between \$185 and \$205 monthly, (plus one service point worth around \$80.). At LIR, 49% of the 182 employees are local residents employed in similar positions, earning \$15 per day as casual workers, with salaries ranging from \$165 to \$460 monthly, (plus service points).

The chalet motels and smaller town hotels are, in many cases, run by family members; others employ mostly local labour to carry out general chores. Approximately 150 local people are employed in this way throughout the island. The majority tend to be young single girls who would not otherwise find jobs. They earn between \$120 and \$150 monthly doing what they consider to be temporary employment between school and marriage.

Better paying jobs in the hotels are taken by more skilled and experienced migrants from outside Langkawi. A fairly high level of English is often required, particularly in the larger hotels. A certain poise, confidence and sophistication are required for dealing with high class hotel guests, which the local village people generally do not possess. This has resulted in a large influx of mainland Malaysians to Langkawi to take up the new opportunities available.

In the transportation sector, DFP status has allowed more local people to purchase cheap imported vehicles to be used as taxis or hired out to tourists. The number of taxis increased to 110 in 1989. However, taxi drivers cannot rely solely on driving for an income, because tourism in Langkawi is so seasonal, while vehicle loan payments are high. The expansion of the airport and increased ferry services have also provided employment, but again, these jobs are largely for specialized outsiders.

Indirect Employment

The construction boom in Langkawi over the past four years has created openings for unskilled local workers, but not for the local construction companies. According to the Langkawi State Assemblyman, Ismail Yaacob, local construction companies have low technical and financial capacity,

and are only able to take on modest construction projects depending on their level of expertise. Recent construction projects in Langkawi have been multi-million ringgit affairs, and thus, have gone to outside companies, such as Peremal, Hutan Rimba, Bumiras and Keda-Sato (which involves the Japanese company, Sato Kogyo). The large companies bring in their own trusted sub-contractors and many of their own workers, although general workers are mainly recruited locally.

Kemex, the largest construction company operating on the island, has experienced many problems with local workers. Sonny Cheah, the managing director, claims it has spent over \$1 million employing local people so that islanders would be involved in the work; at the peak of construction, nearly 50% of the workforce comprised local people. Though initially attracted by the cash wages, often they did not stay. Local attitudes were not compatible with the fast pace of work and long hours required by Kemex. Many chose to return to fishing and farming, work to which they are accustomed, or were gradually phased out by management. Ultimately, these problems resulted in a shortage of labour, forcing Kemex to bring in Indonesian and Thai workers. Also, none of the required skilled labour could be found locally.

Entrepreneurial Opportunities

Kadir Din, a lecturer from the National University of Malaysia (UKM), has completed a study on Malay entrepreneurship in Penang and Langkawi. He notes that government planners in Malaysia seem to be following the policy that with the right environment, in the form of building infrastructure and loan facilities, Malay entrepreneurs will step forward to take advantage of the new opportunities. But, he continues, unless the Malays are already adapted to the demands of the modern market, their expectations may fail to materialize.³⁰

This is precisely what has happened in Langkawi. Local Chinese have been quick to seize business opportunities, with several individuals becoming wealthy through owning ferry companies, dealing in cars and selling electronic equipment. Several other local Chinese traders have been fortunate enough to have already been established before tourism's takeoff in Langkawi. Hence, they have been able to extend their activities with relative ease, to incorporate selling duty free products.

Very few Malays in Langkawi have responded to the new business opportunities. Of those who have, the most notable are several chalet and motel owners on the beaches of Cenang, Kok and Tengah, and a handful of shop-owners in Kuah town. These few individuals have been quite success-

ful in cashing in on tourism, but they are the exception rather than the rule. The government agency MARA is involved in encouraging entrepreneurship amongst the Malays by:

- providing low-interest loans to chalet owners of up to \$25,000 at an interest rate of 4% per annum, with no security needed.
- providing business courses for local people (stopped recently due to lack of funds) as well as business premises and loans for working capital.
- offering loans of up to \$250,000 for Malays wanting to enter business, at an interest rate of 7% per annum, with land as collateral, or a guarantor who is a government servant with an income of more than \$500 per month.

According to the MARA district officer, transforming farmers and fishermen into commercial workers is not easy. The success rate of business courses has been less than 30%, which he considers quite good considering the background of the individuals involved. MARA has also encountered the problem of loan recipients spending money on consumer goods -- such as cars, instead of what the loans were intended for -- and thus being unable to repay.

As of June 1989, \$750,000 had been given in loans for business projects related to tourism in Langkawi. Of this amount, almost a third has been given to an architect from Alor Star to build a tourist shop and restaurants (where he entertains government ministers to sumptuous meals), \$275,000 has been given to chalet developers, and the remainder to several small hotels and businesses.

Of the shop units currently under construction by MARA, the MARA district officer says that preference will be given to local applicants wanting to sell duty free items. But, according to him, locals applying for units do not have original ideas for items to sell, and the calibre to make a success of the business. For Langkawi to succeed as a duty free port, a wider variety of duty-free items must be made available. Malays from the mainland are more exposed to and experienced in commerce, and have the new ideas and motivation to make the business work, rather than the relatively unexposed locals.

More and more outsiders are moving in to take the new business opportunities that arise as tourism in Langkawi grows -- against whom the local people will find it increasingly difficult to compete. Take, for example, the building of Boon Siew's 73 expensive shop lots to be opened in 1990. The local authorities admit that apart from a few local Chinese traders, the units will go to outsiders with fresh ideas, business acumen and the means to make the initial outlay of between \$180,000 and \$250,000 per unit.

The lack of sophistication of the local people in business can be seen in



A Langkawi Islander selling minyak gamat (oil of sea slug)

the small roadside stalls which have been erected in Kuah and around the island. Each stall sells almost identical items, such as Indonesian and Thai textiles easily available from Indonesian distributors, and traditional medicines such as the famous 'minyak gamat' (oil of sea slug). This is not what the authorities want for Langkawi. Such establishments will not assist in making Langkawi the international-class resort island they are aiming for. The chances are that when PERNAS opens its superstore, and Malaysian Airlines its 'Golden Boutique,' these small-time traders will be pushed aside as an 'eyesore.'

The Poverty Trap

Over 70% of Langkawi's working population is involved in agriculture, with an average income of \$2,165 yearly. The majority are basically trapped in poverty, since many barriers prevent them from becoming involved in the opportunities opened up by tourism, and thus raising their standard of living. Employment in a hotel would pay little more than what they already receive in their current employment. They lack the collateral needed to secure a loan from MARA or the central bank, Bank Negara, as well as the

training and knowledge required to successfully enter business.

Land and Economic Dislocation

Since tourist development began in Langkawi, there have been numerous cases of displacement of residents because their land has been requisitioned for tourist-related projects. This has resulted in the breaking up of communities, and loss of livelihood for many residents. Information on the exact numbers of residents affected by land acquisition by the state government is not officially available. However, it is clear that hundreds of local residents have had their land and livelihood taken away from them. A few examples may be cited:

- * 29 shop owners situated on the coastal road between Kuah jetty and the town were forced to move in March 1989. Their shops and homes (many of which they had built themselves) were knocked down because they were considered unsightly. They were told that the whole area was to become a promenade as part of the Tourist Development Committee's beautification project for Langkawi. Hence, they were mystified and resentful when construction of a tourist shop and restaurant began only 50 metres from their old premises, in a prime position on the coast. The new building was owned by the same mainland architect who had received a large loan from MARA. The shop-owners were moved to new premises belonging to the Langkawi District Council, which they complain are poorly built. They are also required to pay \$100 per month for the new premises, while they had been paying \$15 per year previously. They were paid no compensation for the loss of their land and property, and as a result, several have refused to pay rent on the new shop units until they are adequately recompensed for their losses.
- * Over 70 families were moved out of the Tanjung Rhu area for the Promet project in 1984. They had been involved in various activities, particularly the 'ikan bilis' (anchovy) industry. The residents were unhappy about the move for various reasons:
 - the relocation of the ikan bilis industry to Bukit Malut, which is far from their fishing grounds, has resulted in greater expenditure for boat fuel. This contributed to several 'ikan bilis' processors moving out to new premises in Thailand, and the subsequent decline of the industry in Langkawi.
 - when situated in Tanjung Rhu, the 'ikan bilis' industry had provided casual work for village women to supplement their families' incomes. With the move, these work opportunities have been lost.
 - the residents were upset by the differing amounts of compensation



Fishing for ikan bilis

- paid by the government for similar areas of land, without explanation.
- the residents were paid between \$12,000 and \$15,000 per acre, while land nearby and on other beaches on the island had risen to \$45,000 per acre on the open market since the announcement of the project. They also complained that the amount paid did not cover the value of lost coconut trees.
- the residents were relocated to two areas, one of which was Padang Ragut. Here, seven families were supplied with poor quality housing. The area is hot and dry, and they have still not managed to grow trees after four years, due to the nature of the soil. 63 families were relocated to Titi Cawang, where the residents complain of poor facilities, lack of roads, and an ineffective drainage system. According to a report by Friends of the Earth, Malaysia (SAM), the residents were warned by a local UMNO official against raising a protest.³¹ Furthermore, the cost of lodging an appeal against the compensation offered could cost them \$1000, an amount few of them could afford.³²
- According to Din, a chalet owner, in 1988 an area of state land at Pantai Tengah, used for fish and prawn farming by nearby villagers, was taken by Lembaga Letrik Negara (the National Electricity Board)



Tanjung Rhu's last residents

for building recreational chalets, on the pretext that it was for a government project. Since the land was state-owned, the farmers were told to move out without being paid any compensation, thus losing their source of income. The residents have since recruited a lawyer in an attempt to obtain fair treatment.

- Before Promet's involvement in Tanjung Rhu, 15 local families had thriving businesses, selling food and drinks to local tourists, for whom the area was a popular picnic spot. Since the subsequent devastation of the area by Promet's construction plans, locals no longer frequent the beach; only a handful of families remain in the area, and business has slumped dramatically.

Other examples include splitting up the village of Bukit Nau, in Padang Mat Sirat, when land was taken for building the airport. Other land was acquired from local residents in 1988 for the extension of Pelangi Beach Resort to house the Commonwealth heads of government retreat; for this, the owners were paid \$30,000 per acre, well below the market price of \$800,000 on the same stretch of coast.

Despite the extensive dislocation of residents in Langkawi, there has been surprisingly little protest raised by the people. Locals interviewed who had been displaced in various areas around the island expressed a common sentiment of fear. If they refuse to comply with the government's demands, they are afraid that the authorities might simply bulldoze their houses. The locals often refer to the fate of a house in the fishing village of Kuala Teriang. This house, built without planning permission on state land, was knocked down by the authorities when the residents refused to move out.

According to a reliable source, the state and federal governments are

assuring potential foreign investors not to worry about the high price of land in Langkawi, or about any problems they may face in the acquisition of privately-owned land. Presumably, it will be taken from the people in the same heavy-handed manner as in the examples cited above. This poses an enormous threat to local residents, many of whom currently earn their livelihoods from land located in areas of potential tourist development.

Inflation

The rocketing price of land is the most obvious sign of inflation in Langkawi. Land prices rose after the announcement of the Promet project in 1983, and have risen since then in leaps and bounds, especially after Duty Free Port Status was declared and the Pelangi Beach Resort opened. A local homeowner informed me that her house in Kuah, which was worth \$1000 in 1983, is now worth \$40,000. Some beach-side land has reached incredible prices of \$700,000 to \$800,000 an acre.

The vast majority of land is Malay reserve land, and as such, cannot be sold to non-Malays. But this does not appear to be hindering the activities of land brokers and speculators. Brokers have been offering local people more money than they have ever dreamed of possessing. *Utusan Malaysia* reported in 1984 that landowners were often deceived by brokers. They would receive a deposit in exchange for land titles, never being paid the full balance due, and sometimes, they were given cheques that bounced.³³

The State Assemblyman for Langkawi, Ismail Yaacob, has been concerned about the readiness of locals to sell land for quick cash, and has cautioned them to think of the future of their families. It has been suggested that many non-local land buyers are Kedah state government officials.

Rocketing land prices have resulted in profit for some and loss for others. Those individuals who have been forced to sell their land to the state for a price lower than the market price have had difficulty purchasing quality land elsewhere. In fact, many residents throughout the island express the fear that the island is being sold out from under them, and soon, they will have nowhere to live.

A study completed by Universiti Pertanian Malaysia staff in 1988 on the views of Langkawi residents concerning the impact of tourist development found that 82% of those interviewed believed that this development has caused the rising prices of foodstuffs.³⁴ However, it is difficult to actually assess the contribution of tourism towards the increasing cost of living in Langkawi. Local people complain of the rising cost of food at a time of relatively stable prices in the rest of the country. It is likely that some of the local inflation is related to the intense local tourist development activity and resulting local scarcities. The rising rents of shop premises, for example, are

usually borne by the consumer in the form of higher prices.

During public holiday weekends, when the island is a very popular destination for domestic tourists, demand and prices of food products, particularly fruit and vegetables, rises considerably for that short period of time. Due to high production costs on the island (because of additional cargo costs for fertilizers, etc.), the price of locally-produced produce tends to be higher, resulting in higher costs of living for the local people.

The increased cost of ferry prices to the mainland has also been a major concern of the local people. Until June 1988, the companies running the Perlis-Langkawi ferry route were fiercely competing for passengers, and prices were kept low. However, an agreement was made between them not to compete, and the fare has been set at \$10 one way ever since. It is widely known that the ferry operators are making handsome profits. Tourists can easily afford to pay, but it is very expensive for the local people. The reduction of fares has never been raised in the State Assembly. Many in Langkawi believe this is due to the friendship between Haji Hanafi, the Kedah State Executive Council member responsible for tourism, and the owner of the largest passenger ferry company.

Dependence on Tourism

The more reliant Langkawi's economy becomes on the tourist industry, the more subject it is to seasonal fluctuations, changes in tourist tastes and trends, and volatile national and international political and economic conditions, over which the local people have no control. Current plans for increased dependence of Langkawi on foreign tourism will put the island in an even more vulnerable position. This is especially true as an increasing amount of land is being taken out of agricultural production for tourist-related projects, while more and more local people are becoming economically reliant, directly and indirectly, on the foreign tourists.

Conclusion

Tourism in Langkawi cannot be seen as contributing significantly to Malaysia's foreign exchange earnings. It does, in fact, involve considerable leakage. Hotels are importing much of their construction material from abroad, and both foreign and domestic tourists, as well as local residents, are spending their money on foreign imports, with the increasing availability of duty free goods.

Economic investment in Langkawi has resulted in increased employment opportunities for the local people, though not necessarily much higher incomes or improved welfare. The problems experienced by employers of

local workers, and the fact that islanders are usually only involved in the lowest levels of employment, show that most tourist development projects are not improving the local people's economic position. With the exception of the few entrepreneurs who have been enriched by tourist development in Langkawi, the majority of local people will not have much of a chance to benefit from these developments and the new opportunities. The islanders are in great danger of being only marginally involved in tourism by providing cheap labour services for those more profitably involved in tourist promotion and development on the island.

THE ENVIRONMENTAL CONTRADICTION

Langkawi's charm lies in its natural beauty. Foreign and domestic tourists come to Langkawi to escape from polluted cities, breathe fresh air, swim in clean seas, lie on white sandy beaches and revel in the unspoilt natural environment.

But sadly, as is so often the case, where the tourist goes, environmental destruction follows. Lack of proper planning and neglect of the environment are usually the causes of this destruction. This scenario is already beginning in Langkawi despite its relatively recent tourist development.

If any government-sponsored environmental impact studies have been carried out on Langkawi, they have been hidden away from the public eye. To my knowledge, no comprehensive, independent studies have been conducted to date. Until this is done, conclusions can only be based on observation.

Dr Othman Ross of the Faculty of Life Sciences at Universiti Kebangsaan Malaysia, has noted the reduction in water clarity around the islands over the past two years. He believes that the extensive development being carried out on the island and the lack of consideration by developers towards the topography of the islands is contributing to the problem.

Felling of trees and clearing of land for development projects, if not undertaken with care, can cause the destruction of ecosystems and erosion of nutrient-rich topsoil into the sea. This is particularly noticeable in several areas of Langkawi. At Tanjung Rhu, the site of Promet's proposed tourist project was cleared with an evident lack of concern for the immediate environment. The developers created a wasteland out of a landscape once rich with flora and wildlife. According to Dr Zubir Din, an oceanographer at Universiti Sains Malaysia, this neglect has resulted in serious erosion of soil into the water.

Other obvious examples of erosion arising from developments specifically for tourism are to be found:

- along the newly constructed beach road between Pelangi Beach Resort and the airport, where red mud can be seen eroding directly on to the

beach.

- and along the cement road to Datai, constructed to service the planned tourist development, where soil can already be seen to have seeped into the sea, creating large muddy areas.

Langkawi is situated in a geographically sheltered position between the Malaysian mainland and the island of Sumatra -- not exposed to the open ocean. Thus, the sedimentation created by erosion cannot be washed out into the depths of the open sea, as happens in places such as Phuket, which is exposed to the Indian Ocean. Thus, the sediment will settle in the water directly surrounding the islands, lowering water quality.

An increase in the number of recreational boats, used to ferry tourists around the outer islands and for watersports, is increasing the threat of oil and petrol pollution. Such leakages from motorboats can increase levels of toxicity in the water, with detrimental effects on aquatic plants and other marine life. With the heavy emphasis put by developers on such activities, this kind of pollution will soon be even more apparent in the islands waters. The French consultants, preparing a masterplan for tourism in Langkawi, have recognised this threat and are recommending that recreation sports be limited to pollution-free sailing boats.

The growing number of litter-producing tourists visiting the beaches in Langkawi, together with the lack of any rubbish disposal facilities -- even simple litter bins -- at popular tourist areas has aggravated the situation further. Zubir Din notes that the decomposition of litter, such as plastics, bottles and tins, has harmful effects on sea life by increasing the levels of phytoplankton, which in turn deoxygenate the water and adversely affect water clarity. The litter is also unsightly and mars the beauty of the beaches. Tourists frequently complain that they do not come to Langkawi to lie on the beach sunbathing, surrounded by discarded tin cans, or to swim alongside a plastic bag!

Another form of environmental pollution common in a tourist resort is that of sewage being deposited into the sea. Penang is a clear example of what horrors can be wreaked on a coastline by dumping untreated sewage from hotels into the sea. As far as can be ascertained, all three large hotels in Langkawi have proper sewage treatment facilities, but the local authorities do not provide similar facilities for the small chalet motels springing up along Langkawi's beaches.

Three researchers from Universiti Sains Malaysia found the levels of faecal streptococci (human waste) present in the waters of Langkawi to be low between February 1985 and January 1986.³⁵ But many developments have occurred since 1986. In parts of Pantai Cenang, raw sewage lies in open pools and can be seen seeping into the sea at high tide. Unless action is



taken, this type of pollution may become a serious problem in the future, lowering water quality and presenting a health hazard to both the local people and tourists.

Meanwhile, the sewage and rotting rubbish left to fester provides an ideal breeding ground for flies, sand flies and mosquitoes. Many people have sought medical attention for infections, while several tourists have left Langkawi in disgust at the unsanitary conditions.

Coral Reefs

Dr Othman Ross has also expressed concern over the fate of the dying coral reefs around Langkawi's outer islands of Dayang Bunting, Kentut, Beras Basah and Singha Besar. Water quality is essential for the survival of many species of marine life, in particular the sensitive coral reef. He claims that four years ago these coral reefs were as beautiful and abundant in species as those around the famous Pulau Paya (an island situated between Penang and Langkawi). But over the past two years, he has noticed that the coral is dying at a rapid rate. Decreasing water quality, due to the reasons outlined above, and growing sediment in the waters around Langkawi is blocking the sunlight essential for their survival. The picking of coral as tourist souvenirs has added to the problem. He predicts that unless the water becomes clear again and tourists take a more responsible attitude towards the preservation of marine life, there will eventually be no coral around Langkawi.

Other isolated instances of environmental damage have been noted

throughout the island. At Pelangi Beach Resort, the beach was reshaped with bulldozers to make it more attractive to tourists. This disturbance of the natural beach formation, as well as the heavy construction work being carried out close to the shore, has resulted in increased sand erosion. This has resulted in the building of ugly concrete steps on the beach to curb further erosion, which – if left unchecked – could result in the hotel chalets themselves sliding into the sea. Also, in an attempt to keep the beach beautiful, the hotel is transporting white sand from other beaches on outer islands to Pelangi's beach. Besides damaging the beaches from which the sand is taken, the advantages for Pelangi are minimal. The sand is soon washed away by the tides, and when this happens, the whole process must be repeated. Unfortunately, it seems that the Langkawi Island Resort has not learned from Pelangi's experience. As part of its most recent multi-million dollar facelift, it is planning to make similar alterations to enhance the beauty of its own beach.

The Kedah State Government has stated that they have a height restriction for buildings in Langkawi, though they have not stated what that height actually is. Meanwhile, Boon Siew is planning the first high-rise building on the island, a 15-storey hotel to be built in the town of Kuah.

In light of these adverse impacts on the environment, and the uncertainty of what the future holds for Langkawi, local people have expressed fears that Langkawi will become like Penang, an island where much of the natural beauty has been lost because of over-development.



Erosion of the beach at Pelangi



TDC's beautification project

The Positive Contribution of Tourism to the Environment

While developers are clearing land, the TDC and local authorities are planting grass, trees and flowers at various strategic points around the island as part of their beautification projects, to increase the attractiveness of the island for tourism. A promenade has been built alongside the road between the jetty and Kuah town, and efforts have been made to beautify the area around the historical site of Mahsuri's grave. Fortunately for the well-being of its coral reefs, Pulau Paya has been declared a marine park, with no development allowed there, and workers posted on the island to prevent visitors from damaging or collecting corals.

But these small efforts will not stem the tide of damage already destroying the island's environment. Langkawi needs thorough environmental impact assessments on every project undertaken and strict enforcement of their recommendations. Also, awareness of developers and local authorities of the consequences of their actions must increase. The local authorities must also pay more attention to the problems of sewage and rubbish disposal, for the sake of public health as well as tourism.

If action is not taken urgently, while Langkawi is still in the early stages of development as a tourist destination, the very qualities that draw tourists to Langkawi in the first place will soon be lost forever, not only to the tourists, but more importantly, to the people of Langkawi.

CHANGING VALUES AND ATTITUDES

As a direct result of tourist development in Langkawi, many people are entering the island, both as tourists and as settlers, bringing with them, alien attitudes and values. What impact is this influx having on the island society? Does tourism in Langkawi promote healthy cultural exchange?

The influx

The fact that most islanders were themselves originally migrants from surrounding areas has made them very receptive to new settlers in the past. Recently, however, a new generation of generally more sophisticated, better heeled migrants has come to Langkawi to take up business and employment opportunities -- the common bond of poverty no longer exists. Also, over 80% of the temporary visitors to the island are domestic tourists. Most usually stay only the 72 hours necessary for them to purchase duty free bargains.

It cannot be denied that there are new residents and tourists willing to become more involved in Langkawi society, integrate with the local people and enjoy the natural surroundings to the full. Through their friendships with islanders, they contribute considerably to understanding and acceptance between the local and the incomer. But unfortunately, they seem to be the minority. From my observations, the attitude of most of the new incomers often tends to be one of superiority. In the more 'developed' and urbanised parts of Malaysia, such as Kuala Lumpur and Penang, there tends to be a rather disparaging attitude towards the 'orang kampung' (the village dwellers), reflected in attitudes towards the local people in Langkawi. Evidence of this can be seen, for example, when city tourists laugh at the 'primitive' way locals fill up their rented cars with petrol at the village shop. Dressed in their city finery, make-up and latest designer-sunglasses, the domestic tourists complain endlessly that Langkawi is 'so boring'; 'they have nothing here', they exclaim. Many of the new Langkawi residents take on similar attitudes. They constantly bemoan the lack of nightclubs, and

worry that their skin has become too dark since coming to Langkawi. This attitude can only reinforce the inferiority complex among islanders, accentuating the status differences between them and outsiders. This 'boring' place is their home and all they have ever known.

On her return to Langkawi after several years of absence, a Langkawiborn Chinese girl, Tan, drew my attention to an interesting point. A striking characteristic of the Malaysian Chinese in Langkawi is their level of integration into the predominantly Malay community. They speak the Malay language like the Malays themselves. Many eat with their hands, as is Malay tradition, and according to Tan and others interviewed, Langkawi has not seen the extreme racial polarization one finds in other parts of Malaysia. But this is changing. Newcomers are bringing with them their racial prejudices, influencing inter-racial behaviour on the island.

While it is true that the Langkawi Chinese have long dominated commerce, until recently there had not been much of a commercial scene on the island to dominate. Thus, the Chinese had never before posed a threat to the Langkawi Malays. With the boom in business and trade due to tourism in Langkawi, the local Chinese have been in a better position to benefit considerably, being established and experienced businessmen. It has been easier for them to move into selling duty free goods, thus reaping much of the profits from tourism.

This is being observed by the local Malays, who are not in a position to seize the same opportunities, and resentment is growing. This has been aggravated by the expansion of Chinese business activities, previously largely confined to the town, to other areas of the island in 'Ali Baba' type arrangements, e.g. by using the name of a Malay to purchase Malay reserve land for profitable utilization by Chinese partners. There is much discussion of these activities among the Langkawi Malays; how much is rumour and how much is fact are difficult to determine. But it cannot be denied that the Malays in Langkawi are beginning to resent the Chinese as a threat to them and their island.

There are also fears expressed about the political future of the island. The local authorities predict a large influx of residents to take up the opportunities created by the growing tourist industry. They estimate a population increase from the current 34,000 to 140,000 by the year 2001. The local people are wondering who these newcomers will be, and by considering trends so far in Langkawi's development, they expect that the majority will be Malaysians of Chinese origin, who are more likely to be able to afford the new shopping and housing units. Approximately 6000 residential units are currently being built in the town area, that will be sold for between \$58,000 and \$140,000.

The local Malays fear that with an influx of outside Chinese, the political



An expensive housing project in the making

balance of the island may change, and the current domination of Langkawi politics by UMNO (which claims to uphold Malay interests) may be threatened.

The government has assured Langkawi Malays of its constant support, continues to provide contracts for development projects to Malay companies and make modest efforts to encourage Malay entrepreneurship. But despite this, fears persist. Only time will tell how well-founded and realistic these fears may be. Meanwhile, racial polarization is becoming more apparent in Langkawi society.

The Foreign Tourist

The foreign tourists to Langkawi can be broadly divided into two categories:

- * *The luxury-class tourist.* This class of tourist generally comes to Langkawi as part of a package tour, which includes Singapore for shopping, Penang for 'culture', and Langkawi for sun and sea sports. They generally stay for two to three days at either of the island's luxury hotels. Their activities are largely confined to their hotel complex, as the hotels provide food, transport and recreational facilities. Their exposure to islanders is limited. The only Malaysians they are likely to have contact

with are Malaysian hotel guests or higher-grade hotel staff, who also tend not to be islanders. They may also interact with waiters or room cleaners who are more likely to be locals, but the exchanges are likely to be superficial. In any case, such tourists probably do not come to Langkawi to meet the local people. They are there for what the brochures promised them they would find -- sun, sea, a hotel where they can feel at home, and the experience of staying on a beautiful tropical island.

- * *The budget tourist or 'traveller'* (as they prefer to be called). Usually, they are young people, stopping over in Langkawi on their way through Asia. They generally stay in locally-owned accommodation, ride local buses, and eat local food. They may stay a week or more, depending on how much they like the place, or else, they may move on to cleaner waters and cheaper living expenses in Thailand or Indonesia. Communication is more likely to take place between such travellers and Malaysians, but generally, language barriers exist.

Encounters And Perceptions

The majority of local people have never had conversations with foreign tourists or travellers. Their impressions of foreigners come primarily from television, which gives the impression that whites are superior in wealth and sophistication, and fairly loose in terms of moral values in comparison with their own culture. This assumption is generally confirmed on meeting them in the flesh -- sometimes quite literally!

The local people are generally incredibly warm and friendly towards foreign visitors, who often compare the attitudes of the Langkawi people very favourably to those in other tourist resorts in Malaysia and neighbouring Thailand, where tourism is more developed, and the local people correspondingly more cynical and less warm and welcoming.

The luxury tourist is generally high-spending and lives a lifestyle that most locals cannot even dream of affording. This category of tourist is insulated from meeting local people outside the hotel complexes. Even on a tour of the island, tour guides provide all the knowledge they will probably ever obtain about the island. On such occasions, they are more likely to meet mainland Malaysians with higher standards of English who have more Westernised ways of behaviour and thinking, rather than locals more representative of the island.

The 'traveller' spends less, but still more than most locals. Though travellers usually insist that they are not rich, local people will generally laugh at this, asking how else they could afford to come to Malaysia. Some local people have very exaggerated ideas of airfares, imagining flights from London to Kuala Lumpur to be in the range of \$8000 to \$10,000, when the

cheaper ones actually cost around \$1000. This reflects how unattainable they believe the lifestyle of even the budget travellers to be, and their perception of the economic gap between them. Local people tend to see much more of the 'travellers' than the luxury tourists. Their media images of Westerners tend to be confirmed, e.g. by the sight of scantily clad females on the beach or couples publicly showing affection towards each other.

Probably because tourism in Langkawi is still relatively new, there are still a large number of local people genuinely interested in the foreigners. They want to hear about their cultures, ways of life and opinions.

But stereotyped perceptions of tourists, obtained through the media and confirmed by observation, are reflected in the behaviour of many local people. Increasing numbers of locals view the tourists primarily as sources of income to be milked. The tourist stepping off the ferry in Kuah is bombarded with offers of transportation to particular hotels. Foreigners are preferred to domestic tourists or residents as they are considered less likely to try to bargain down prices. Lying on the beach or strolling through the town, a tourist may be approached constantly by curious locals wanting to know where he or she is from. In approaching the tourist in this way, the local people are often just being friendly and curious. But after several rounds of questioning, the tourist becomes irritated and starts to ignore them. After more questions, the chances are that the tourist will be cursing every local on the island, desperately wanting to be left in peace.

Female tourists unaccompanied by males become objects of special interest. It is common to see local men loitering in the bushes close to where the females are lying, their bodies often covered by only the briefest of bikinis. The braver ones will be more direct, asking whether she is alone, her age and marital status, flattering her and otherwise making advances. There have been occasions when a female tourist has been approached by a local man and blatantly asked to have sex with him. This reflects the image of the Western women in the eyes of the local men, as they would never approach a woman of their own culture in the same way (with the exception of prostitutes). The arrival of unaccompanied female tourists in Langkawi has induced younger local men, to seek the type of cultural exchange one does not read about in tourist brochures, with visiting Western women. The Western female tourist is considered a much easier and more exciting catch than the local girls, and the behaviour of many tourists confirms this presumption.

The opinion that foreign visitors to Langkawi form of Malaysian people, or particularly Langkawi Islanders, depends upon the experiences of the particular tourist or traveller in Langkawi. Many tourists find the islanders overwhelmingly friendly. The more cynical travellers are likely to see the local people as after money or sexual favours. Tourists often become an-



The pick-up scene

noyed at the hassles that they experience -- a dirty bathroom, lack of variety in food they are accustomed to or slow service. They will exclaim loudly that this would never happen at home, implying Malaysian inferiority. Very often, the female tourist will feel increasingly annoyed and threatened by the attention and bold approaches she may receive from local men. In her eyes, their behaviour is worthy of contempt and associated with a culture inferior to her own.

The tourist or traveller rarely stays in Langkawi long enough to gain an understanding of Malay cultural values and attitudes. Few are really interested in seeking out such information, as they are on holiday, and do not want to be bothered with such things. The opinions they form of the culture of the Langkawi people are based on superficial observation, such as watching Malay women swimming fully-clothed and exclaiming in astonishment at how strange they look and how uncomfortable they must feel, without considering the cultural reasons why they do so. In their minds, this kind of behaviour confirms the opinions they have already formed in their minds about the 'backwardness' of the local society. The tourist may take a ride around the island through the villages and exclaim at the photogenic qualities of the exotic -- the traditional lifestyle of the villagers, the elegant village house surrounded by palms, and the ragged children playing around broken old houses.

The nature of the encounters between tourists and locals is usually brief and fairly superficial. The tourist will probably return home with no real

lasting impression of Langkawi or any real understanding of Malay culture, while the local people will be faced with new arrivals. Thus, the cycle begins again. During my stay, I noticed a remarkable lack of any meaningful cultural exchange between most foreign visitors and the local people.

The Demonstration Effect

This term is used to refer to imitation and emulation by local people of incoming tourists, e.g. in terms of lifestyle, dress, consumption, attitudes and behaviour. The demonstration effect comes via many different influences, including television, video and magazines, but the influences brought in by tourism contribute strongly. In Langkawi, the spread of new modern lifestyles can be said to come from three sources directly related to tourist development:

- * The domestic tourist and new resident, who is more sophisticated and urban in lifestyle than the islander, bring city attitudes and new consumer tastes to Langkawi. Speaking the same language as the local people, communication is no problem between them. The domestic migrant to Langkawi usually comes from an environment where Islamic norms are not so strictly adhered to. Social interactions, e.g. between men and women, are likely to be greater. These newcomers mix socially with the local people and often share the same workplace. The demonstration effect is strong, as local youths, attracted by what they see, slowly adapt and adopt the new ways, dress sense and join in social gatherings. In associating with foreign tourists, it is usually the more confident newcomers who lead the way, but gradually, the local boys are drawn into the group, improving their English and gaining more confidence to communicate with the tourists, particularly the women. The local sheltered village girls begin to open up, led by the more exposed city girls and begin to get an idea of what a liberated lifestyle is all about. The lifestyle of the domestic tourist or resident is a lot more attainable than that of the foreign tourist.
- * To the locals, the foreign tourist generally represents a higher level of sophistication and wealth than the domestic tourist. Local hotel employees only have to note the cost of the room service meals they transport to the rooms -- which probably cost what they spend on food in a week -- to feel the disparity. Most locals cannot ever hope to achieve their lifestyles.

The traveller presents a different picture, being much more accessible to the locals, and living a less expensive lifestyle. But they still carry the latest in Sony Walkmans and wear the latest fashion in clothes. There have been several incidents of travellers having their property stolen,

such as Reebok shoes and expensive T-shirts. This has probably occurred because of the frustrations of local people not being able to obtain such goods by legal means. The travellers hold drinking parties on the beach, inviting the local youth, who observe the confidence and free and easy attitude of the foreigners with some envy.

The local men who have become involved with Western women are very obvious examples of the demonstration effect taking hold. They obtain intense exposure to the foreign way of life and attitudes. Some even hope to find a Western girl who will take them back home with them to the developed world, where they believe life is so much better. The affairs rarely last long, the girls move on, leaving the men behind. The more affairs the local men have, the more anxious some become, to find themselves permanent Western girlfriends, and the less interested they are in local girls. But the foreign girls are only interested in having a good time on holiday. Few are prepared to take on the responsibility of a long term Asian boyfriend or husband.

- * Duty Free Port Status has dramatically increased the availability of new consumer goods, such as electrical goods, expensive brands of clothing and cheap cars. Some local people cynically comment that the only thing Duty Free Port Status has brought them is the sight of goods they cannot afford to buy. Various individuals, both locals as well as researchers from outside Langkawi, have commented that a trend has been occurring in Langkawi among local people who have received large cash loans from various government bodies for business purposes. The tendency has been to spend this money on these newly available consumer goods, particularly cars, which are fast becoming a status symbol on the island, rather than thinking of their future or that of their investments.

Islam

A wide gulf exists between the moral values of Islam and those of Western society. Thus, tourism and Islam have little in common, as tourism is widely recognised as being a strong channel for Western influences.

Islam is very prominent in Langkawi society, and hence, conflict is bound to arise as tourism expands on the island. The head of the Religious Office in Langkawi has expressed concern over the influences that tourism is bringing to the island, which are particularly affecting young people. Many villagers refuse to allow their children, particularly their daughters, to obtain work in tourist hotels, as they are afraid of the influences that they will be exposed to.

The lack of awareness of many tourists about Islam and Muslim Malay

customs, due to lack of interest and the poor information distributed to tourists by the Malaysian authorities, results in tourists behaving in ways that offend many local people. For example, a topless sunbather becomes a focus of attention on the beach. Some local men may gather at a distance to observe, but the majority of local residents will feel offended at the sight of an underdressed woman. Some tourists are not even aware that Langkawi has a largely Muslim population, and when asked if they were aware that their bathing topless would offend local people, a few even expressed surprise and embarrassment, while others simply did not care. Tourism in Langkawi has also made available cheap alcohol to both tourists and local residents.

A double-standard situation has arisen in Langkawi, where one set of rules exists for tourists and another for the local people. Under a Kedah state enactment in 1988:

- Any Muslim found drinking alcohol will be fined up to \$5000 or sentenced to up to 3 years jail.
- Any Muslim buying, selling, carrying, keeping or displaying alcohol will be fined up to \$3000 or sentenced to not more than 3 years jail.
- Any Muslim found in close proximity with a member of the opposite sex other than his close relative or spouse, is liable to a fine of up to \$2000 or one year's jail or both.

This situation creates further frustration among some local people, particularly youths, who note that the tourists can do anything they like without being subjected to such constraints, making the Western lifestyle seem more attractive.

An English travel writer who arrived in Langkawi recently, was seen leaving the following day, loudly complaining that there was not enough sex, drugs and rock 'n roll to keep her there. It is true that Langkawi has not developed the sex trade or wild nightlife that characterize tourist resorts in nearby areas, but both the District Officer and the manager of the Pelangi Beach Resort do not deny that these kinds of developments may take place in Langkawi in the near future with the increasing numbers of foreign tourists visiting the island.

The influx of tourists and settlers and the alien values and attitudes that they bring are beginning to make an impact of Langkawi society.

Resentment, due to the uneven benefits from tourism on the island and enhanced by the racial prejudices of the new settlers, are strengthening divisions between the races. Behaviour, lifestyles and attitudes insensitive to the values and culture of the largely Muslim Malay population are spreading.

Encounters between islanders and tourists bring together two alien cultures, and yet do not often allow for a level of balanced communication and interaction between them that could benefit both sides. In fact, the reverse appears to be happening. These encounters have strengthened prejudices and preconceptions on both sides, and do not contribute to healthy cultural exchange. The economic and cultural gaps have become more apparent. Western cultural intrusion has generated an image for the local people, that many attempt to imitate unsuccessfully, resulting in frustration.

For the time being, most islanders are still warm and welcoming to tourists, but the situation is already changing as the behaviour of many tourists is creating growing resentment among islanders. Despite the relatively low volume of tourists currently visiting Langkawi, apathy is already setting in among some local people who constantly deal with tourists at the more established tourist haunts on the island. Here, cynicism has set in, and the interest in the tourists' money becomes quite obvious. As tourists arrive in Langkawi in growing numbers such cynicism is likely to spread and before long, tourists may no longer be assured of a warm welcome.

TOURISM FOR WHOM?

It is claimed that with Mahsuri's curse lifted from the island, Langkawi should be entering an age of prosperity. The federal and state governments claim to be bringing 'development' to Langkawi by promoting tourism. But as we can see, the promised development and prosperity are not quite reaching the people. Instead, they are experiencing 'culture shock', as the rapid development takes place, and the majority of islanders are left on the sidelines.

This is fully recognised by local leaders, and they admit to having lost control of the situation, in the face of direct intervention by the federal government and even the Prime Minister. According to the local authorities, after the French consultants' masterplan for tourism in Langkawi is finalized in November 1989, plans will be made for a committee to be set up, possibly at cabinet level. This committee would control all future developments on the island, in order that Langkawi will be developed to fulfil their vision of what they believe an international tourist resort should be.

This presents frightening prospects for the islanders. Already, it is obvious that the needs of the local people are not a prime consideration of the country's decision-makers when it comes to tourism development.

In my discussions with individuals involved in planning and implementing Langkawi's development, it is clear that local people are not expected to be the prime movers. Nevertheless they are to be 'taken care of' so that they do not interfere with their plans for the 'tropical island resort'. Better still, they should provide the exotic 'native colour' and cheap services which foreign tourists are particularly interested in. Their interest in preserving the local 'padi' (rice-farming) culture, for example, is mainly to provide an attractive rural setting for wealthy tourists, both domestic and foreign.

If Langkawi were to be classified according to the 'index of tourist irritation' (see final chapter), the island as a whole could be considered to be at the first stage -- the level of euphoria -- where the stranger is welcomed and the local people enthusiastic. The survey carried out by staff of Universiti



Destined to serve tourists?

Pertanian Malaysia (UPM),³⁶ confirms this, concluding that the attitude of residents towards tourist development is generally positive. However, this positive attitude has conditions attached, notably that the development should involve medium-sized, middle-market projects, offering more opportunities for local involvement, rather than the up-market facilities being given priority, that are too sophisticated and large-scale for local involvement.

The positive attitude is prevalent because tourism is new to the island society, and money is pouring into the island chosen to host the Commonwealth Heads of Government retreat. This is a sign to the local people that Langkawi is no longer neglected, but is now a focus of national and international attention. It is possibly too early for the full implications of what is happening to be realised, but murmurings of discontent have begun to be heard.

Residents of Langkawi increasingly feel that the money spent by the government in Langkawi is not for their benefit. Those residents displaced from their land and experiencing a loss of livelihood express great dissatisfaction. Islanders are concerned that prices of basic necessities are rising, and the islands' environment is being disrupted by the large-scale developments. Racial tensions are growing in a previously more harmonious soci-

ety. The poverty of the islanders is felt more acutely with the growing presence of wealthier tourists and settlers. Foreign and domestic investors have to date seemed reluctant to invest in large-scale tourism projects in Langkawi. It is claimed that the reason for this is that all major developments in Langkawi so far have had Mahathir's personal backing. It is thus feared that should the leadership of the country change hands, the situation may change, and Langkawi may not continue to receive the special attention of the country's leadership. Investors fear for example that the duty free port status may be revoked. In any case, the current Prime Minister seems determined to make Langkawi a major tourist destination in the region and possibly even in the world. The future of tourism in Langkawi will depend on the success of using CHOGM to draw foreign media attention to the island, and the attractiveness of the masterplan – prepared by French consultants and published in late 1989 – to potential foreign investors. If current plans for future tourism projects proceed, Langkawi is likely to see a rapid influx of investors and tourists in the near future.

The future of the local people of Langkawi will inevitably be affected by these developments. The adverse impacts of tourist development that they are already experiencing will be intensified. The pattern of development in Langkawi so far is not appropriate for the majority of the local people. Unless the authorities ensure that local residents benefit and raise their standard of living, most islanders will be increasingly marginalized and frustrated by the development of Langkawi as a tourist destination.

TOURISM IN THE THIRD WORLD: PANACEA OR PROBLEM?

The development of international tourism over the past two decades has been phenomenal. The new affluence of Western and other middle classes, combined with the advent of the jumbo jet and chartered tour services, have contributed to this dramatic growth. Indeed, tourism today is the largest single item of world trade. Tourism has been increasingly seen as an option for less wealthy countries to develop their economies, reduce their balance of payments deficits, create employment and spur on regional development.

Governments of the Third World have increasingly caught on to the idea of tourist development, eager to find new ways to enhance their attractiveness as tourist destinations. Tourist development has been taken up by many who see it as a panacea – a cure for many of their economic ills – with great expectations for a rosy future. But the dream of economic prosperity through tourism has not been realised. Tourism has not provided an effective means to eradicate poverty.

However, it cannot be denied that some benefits have accrued in terms of growth of investments and employment opportunities. Also, the foreign exchange generated has contributed to improving the balance of payments in many countries. But tourist development has also brought adverse economic, social and environmental change.

Some questions need to be asked:

- * Does the choice of tourism as a development option contribute to the country's political, social and cultural development?
- * Does tourist expenditure really benefit the residents of destination areas? Or is it a case of the 'haves' benefiting while the 'have nots' remain on the sidelines, their involvement largely limited to providing cheap goods and services which enhance the attractiveness of a tourist destination?
- * Are governments giving priority to financing expensive tourist facilities with money derived from public taxes, instead of satisfying the

urgent needs of the people?

- * Is tourism contributing to the destruction of the very resources that attract the tourists in the first place?
- * Does tourism contribute to world peace and cross-cultural understanding?

Numerous studies have been conducted in many parts of the developing world by foreign and local academics as well as the World Bank and other institutions concerned with the reality of tourist development. Many conclusions have been reached, but there is almost universal cross-country evidence that the benefits of tourism are generally not accruing to those in greatest need. In fact, the poor are often the most vulnerable to the adverse effects of tourist development.

Who Benefits?

Earning foreign exchange has emerged as one of the most publicised of all economic considerations in tourist promotion. However, many leakages exist, which significantly reduce the actual net foreign exchange that actually stays in the destination country. The main leakages are due to:

- *Imports*: Materials for the construction, decor and maintenance of international standard luxury hotels as well as foodstuffs to meet the requirements of foreign tourists, such as sirloin steaks, french cheeses and alcoholic beverages, are all items that most host countries are not able to provide.
- *Expatriate labour*: This is deemed necessary in developing countries ostensibly due to the inavailability of skilled local labour for management, supervisory and other skilled positions, e.g. chefs.
- *Foreign loans*. These are often sought by developing countries to meet the capital requirements for the development of infrastructure such as roads, airports, hotels and tourist attractions. Repayment and interest on these loans often account for a large percentage of tourism-related leakages.
- *Multinational Corporations (MNCs)*: Usually based in developed countries, they dominate the tourist industry worldwide. With their more developed airlines, hotel chains and tour operators, they provide most of the facilities required for tourism in Third World countries. In 1978, there were 352 hotels associated with 26 leading MNCs in developing countries, involved in various arrangements ranging from direct ownership to franchises, management or technical service contracts. Examples are Holiday Inn and Hilton International which are associated with dozens of hotels in developing countries.³⁷ Their involvement results in dominance of the hotel

DOES TOURISM EARN FOREIGN EXCHANGE?



AN AMERICAN TOUR PARTY (FOR EXAMPLE) PAYS THE OPERATOR IN USA, TRAVELS PAN AM, STAYS IN AN AMERICAN-OWNED HOTEL, EATS ONLY AMERICAN FOOD AND TRAVELS IN AMERICAN PLANES, CARS & SHIPS.

WHO PROFITS MOST?

sector in the Third World by MNCs.

In these ways, and others, many supposed foreign exchange earnings actually leave the recipient country for the developed world.

The developing world is dependent upon the developed world to provide the tourists, the investments and loans to finance their facilities, and very often, the travel agents and airlines to get them to their Third World destinations. As a developing country's economy becomes more reliant on tourism, it becomes more tightly and inextricably tied to the international market dominated by the developed world. In this way, it becomes more vulnerable to fluctuations at an international level beyond its control, such as changes in tastes and fashions in the tourist market, economic cycles, political upheaval and incidents, e.g. hijacking. If such events affect a country's tourist industry adversely, the effects ricochet right throughout the economy. Inevitably, it is those at the bottom of the pile who suffer the most.

The Host Community

It is true that there are locals in a position to benefit financially from tourist development. Very often, local elites with contacts in high places are aware of such opportunities and position themselves accordingly. Inevitably, well-educated middle class children fluent in English and other foreign languages are the best qualified to work in the tourist sector. Land owners with property in tourist destinations also benefit from soaring land prices. And small-time entrepreneurs may gain from business opportunities created by tourist development.

Tourist development creates employment in various ways:

- *Direct employment.* In hotels, restaurants, shops and other services catering to the tourist market.
- *Indirect employment.* In manufacturing industries and wholesale distribution which supply goods and services to the tourism business.
- *Investment-related employment.* In the construction of tourist projects and necessary infrastructural facilities, such as roads, airports, etc.

Positions for skilled workers are taken up by those with the necessary training and expertise, often from outside the destination area, especially when the developments take place in rural areas. But tourism is labour intensive, with a high demand for semi-skilled and unskilled workers, who can be provided by the local population. Thus, the local people tend to make up the lowest layers of workers in the tourist industry. Employment opportunities are created, particularly for women and young people. These tend to be jobs such as waiters, gardeners, kitchen-helpers, etc – employment that offers little opportunity for them to raise their standard of living.

Very often, in an area of tourist development, employment in the tourist

sector takes local people out of agriculture in search of higher paid and more stable employment in tourism. This can and has in many cases resulted in declining agricultural productivity, just when the demand for agricultural products is increasing with the influx of tourists and workers in the industry. This inevitably results in increases in the prices of foodstuffs and the cost of living, most harshly affecting the poorest in the community. For example, in the Seychelles, by taking people out of agriculture, the development of the tourist industry so inflated the cost of living that there has been a significant increase in poverty and malnutrition.³⁸

The distribution of the benefits of tourism depends largely on host government policies, planning strategies and program implementation. If tourism develops gradually, initiatives tend to come from the local people and they have a better chance of being involved. They can secure a proportion of the benefits for themselves, and maintain a level of control over the forms of development, as their awareness of opportunities develops. However, with rapid development, the local community is likely to be bypassed. Opportunities are snatched up by the better connected and more experienced outsiders before the locals are really aware of what is happening. This is exactly what has happened on the island of Phuket in Southern Thailand. By the time the locals had become fully aware of the potential for tourism in their area, it was too late, since strategic opportunities such as choice sites for tourist facilities had been taken by outsiders.³⁹

Appropriate government policies must be vigorously pursued in planning tourist development to ensure equitable distribution of the benefits. But what often happens is that the government of a host country is called upon to make large investments to provide tourist facilities to attract tourists. Thus, financing tourism projects competes with the provision of basic necessities to the people. Foreign investors are unwilling to venture into undeveloped rural areas without roads, airports, water and electricity supplies and international telecommunications link-ups. Large costs are incurred to provide such facilities for tourism, often in previously neglected areas. In theory, such developments should bring benefits to the local population in terms of access to these facilities. But in most cases, it has meant a diversion of scarce government resources from the needs of their own people to the requirements of the tourists.

Destruction Of Resources

The adverse effects of tourist development on the environment is only one of the many ways mankind is spoiling his environment, but its contribution is significant. The beauty of the natural surroundings of a tourist destination is one of the main attractions for many tourists, and inevitably, the

most beautiful parts of a country are chosen for building tourist resorts. As tourism expands worldwide, once popular resorts start losing their appeal because of overdevelopment and environmental pollution. More and more new and increasingly remote areas are thus being drawn into the tourist map with devastating consequences. Clearing jungle and swamplands causes erosion, destroys important natural eco-systems, and causes irreparable damage to marine life. Rows of high-rise hotels built with concrete mar the beauty of once idyllic beaches. The problem is compounded by hotel operators, whose prime motive is quick profits, with little thought given to the long-term effects of their activities.

Mass tourism in the Mediterranean is believed to be converting it into a dead sea where people will soon be unable to bathe without the threat of disease.⁴⁰ While in Penang, one of the most popular tourist destinations in South East Asia, studies have concluded that the water is now a threat to public health due to the excessive amounts of sewage dumped untreated into the sea by the beach hotels.⁴¹ Petrol from recreational vehicles and the dumping of litter cause damage to marine life, particularly to the fragile world of the coral reef.

Such environmental damage is usually caused by a lack of planning or control by the authorities, and a preference for spending financial resources on more immediately visible facilities to attract tourists and investors to the destination areas, rather than the less visible, but vital environmental protection controls.

Social Impacts

The Western tourist embodies a different lifestyle and culture usually quite alien to that of the host community. They often represent the decadence of the rich, developed world, and their behaviour and attitudes are representative of a society that many impressionable young locals regard as superior and worthy of imitation. In many developing countries, the influx of alien values through tourism has resulted in social and cultural upheaval.

In the Pacific Islands, at one time, political leaders were enthusiastic: "Tourism will improve our country's economy and will benefit our people... we are proud to have tourists see our culture and our beautiful islands". However, they now express fearful concern at the increased strains imposed upon traditional customs, evidenced by the following Fijian Minister's statement on the deterioration of social values in Fijian society: "We recognize some erosion of our traditional society is inevitable in the pursuit of economic prosperity and we are prepared to accept a degree of erosion, what we are not prepared to accept is the destruction of our social fabric".⁴²

The following Index of Tourist Irritation gives an example of changes in the attitudes of host populations faced with increasing numbers of tourists.

Index of Tourist Irritation

1. The level of euphoria

People are enthusiastic and thrilled by tourist development. They welcome the stranger and there is a mutual feeling of satisfaction. There are opportunities for locals, and money flows in along with the tourist.

2. The level of apathy

As the industry expands, people begin to take the tourist for granted. He rapidly becomes a target for profit-taking and contact on the personal plane begins to become more formal.

3. The level of irritation

This will begin when the industry is nearing its saturation point, or is allowed to pass a level at which the locals cannot handle the numbers without expansion of facilities.

4. The level of antagonism

The irritations have become overt. People now see the tourist as the harbinger of all that is bad. 'Taxes have gone up because of the tourists', 'they have no respect for our property', 'they have corrupted our youth'. Mutual politeness has now given way to antagonism and the tourist is 'ripped off'.

5. The final level

All this while, people have forgotten that what they cherished in the first place was what drew the tourists. But in the mad scramble to develop, they overlooked this and allowed the environment to change. They must now learn to live with the fact that their ecosystem will never be the same again. They might still be able to draw tourists, but of a very different kind from those they so happily welcomed in the early days. If the destination is large enough to cope with mass tourism, it will continue to thrive.⁴³

Foreign tourists display symbols of their affluence and way of life to the interested host, instilling a desire for these commodities, which remains beyond the reach of most people in developing countries. This is known as the 'demonstration effect' and can result in the growth of discontent among the host community. Resentment and envy are felt towards tourists and

their lavish lifestyles in luxurious hotels. The show of affluence and confidence on the part of the tourist can cause the development of a inferiority complex among local people and may lead to attempts to copy their behaviour. This has been noted particularly among the young people of traditionally closed societies who observe their freedom and material superiority and aspire to achieve similar status. In some cases, this contributes to increased crime due to the frustrations of local residents unable to acquire such wealth by legitimate means.

The growth of prostitution is often associated with tourist development, and not without reason. Sex tours to developing nations are a flourishing industry. Thailand and the Philippines are two ASEAN societies where prostitution has reached horrendous proportions. It has been estimated that over a million tourists visiting Thailand annually are attracted by the availability of cheap sex.⁴⁴ Hundreds of thousands of women are involved in this industry as well as a growing number of children. In 1981, it was reported that child prostitution had become Manila's latest tourist attraction,⁴⁵ while thousands more have been involved in Sri Lanka.⁴⁶ The growth of sex tourism not only involves the economic exploitation of women and children in some developing countries by wealthy foreign tourists, but also profound and irreversible moral and cultural degradation. Now, it not only contributes significantly to the worldwide spread of venereal disease, but also the killer disease, AIDS.

Cross-Cultural Understanding And Peace?

The very nature of the encounter between the tourists and the people of the host country does not encourage extensive communication and meaningful exchanges of ideas. The package tourist has few opportunities to learn about the social, cultural and political conditions of the country visited. He is usually isolated from the local community in his hotel complex, and his encounter with the host community is generally limited to impersonal and superficial contact with hotel staff and tourist guides.

The observation by the host community of the constant stream of high-spending, fast-living vacationers – the majority of whom probably live fairly sedate lives at home but use the holiday to let their hair down and spend some money – leads to the inevitable assumption that this is how life is for them all the time back in their country of origin.

The lower-spending budget travellers, who travel from country to country in search of new experiences and adventure, very often prefer the company of other travellers to that of local people. Their short length of stay in each destination, as well as the barriers of culture and language reinforce this segregation. Those local people that they do come into contact with

are usually those who have been more exposed to travellers, speak English, pride themselves on having adopted Western attitudes and behaviour, and hence are not representative of the host community.

Many tourists have preconceived ideas of the character of the locals in their minds. They are aware that they are in the Third World and differences are easily attributed to different levels of development. With limited opportunities for direct communication, such prejudices are more likely to be strengthened, rather than changed. In many cases, tourists are more interested in themselves, the tourist attractions and shopping bargains than in the local people. A German tourist recently told me his opinion of the Malaysian people: "They have a nice country, but they are backward, lazy and inefficient. What do they have to offer me?".

There are obviously exceptions to this rule, tourists who make a conscious effort to communicate with the locals, and to understand the people and the lifestyle they are observing. But they are the exceptions who prove the rule.

When tourists enter a society where poverty is widespread, local resentment towards their wealth and ostentation should come as no surprise. In many tourist resorts today, the gap between the wealth of the tourist and the welfare of the locals is overwhelming. A writer has commented:

"Tourism injects the behaviour of a wasteful society in the midst of a society of want. What the average tourist consumes in Tunisia in a week in the way of meat, butter, dairy products, fruits, and pastries is equivalent to what two out of three Tunisians eat in an entire year. The rift between rich and poor countries at this point is no longer an academic issue but an everyday reality."⁴⁷

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