Curtin University
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“The governmentality approach to the business of sustainable tourism: Bhutan’s tourism governance, policy and planning”

Presented by
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Outline

• Introduction to Bhutan & Gross National Happiness Philosophy & Tourism Model
• Research Aim & Question
• Theoretical framework
• Methodology
• Findings
• Conclusion
• Question & Answer
Facts on Bhutan

Location: Asia
Status: UN Member Country
Capital City: Thimphu
Area: 38,394 km²
Currency: Ngultrum/NU (AUD1.00 ≈ NU54.56)
Languages: Dzongkha (English widely spoken)
Religions: Mahayana Buddhist, Hinduism in the South
Bhutan’s Measure of development

Gross National Happiness (GNH) vs. Gross Domestic Product (GDP)
(value of all final goods and services produced in a nation in a given year)

4th King
“Bhutan seeks to establish a happy society, where people are safe, where everyone is guaranteed a decent livelihood, and where people enjoy universal access to good education and health care. It is a society where there is no aggression and war, where inequalities do not exist, and where cultural values get strengthened every day. A happy society is one where people enjoy freedom, where there is no oppression, where art, music, dance and culture flourish.” Bhutan’s 4th King Jigme Singye Wangchuck (2000)
Bhutan

Gross National Happiness

The 4 pillars plans to:

1. Conservation of the Natural Environment
2. Preservation and promotion of Culture
3. Establishment of Good Governance
4. Promotion of equitable and sustainable socio-economic development  (Thinley, 2005)
Gross National Happiness
9 GNH Indicators

1. Living standards
2. Health
3. Education
4. Time use
5. Good governance
6. Ecological diversity and resilience
7. Cultural diversity and resilience
8. Psychological wellbeing
9. Community value
The 9 domains and 33 indicators of the GNH Index

- **Living Standards**
  - Assets
  - Housing
  - Household per capita income

- **Psychological Wellbeing**
  - Life satisfaction
  - Positive emotions
  - Negative emotions
  - Spirituality

- **Health**
  - Mental health
  - Self reported health status
  - Healthy days
  - Disability

- **Ecological Diversity and Resilience**
  - Ecological Issues
  - Responsibility towards environment
  - Wildlife damage (Rural)
  - Urbanization issues

- **Time Use**
  - Work
  - Leisure
  - Sleep

- **Education**
  - Literacy
  - Schooling
  - Knowledge
  - Value

- **Community Vitality**
  - Donations (time & money)
  - Community relationship
  - Family
  - Safety

- **Good Governance**
  - Gov’t performance
  - Fundamental rights
  - Services
  - Political Participation

- **Cultural Diversity and Resilience**
  - Speak native Language
  - Cultural Participation
  - Artistic Skills
  - Driglam Namzha

- **Ecological Diversity and Resilience**
  - Ecological Issues
  - Responsibility towards environment
  - Wildlife damage (Rural)
  - Urbanization issues

- **Health**
  - Mental health
  - Self reported health status
  - Healthy days
  - Disability
GNH Objectives plan to

“Achieve a harmonious balance between material well-being and the spiritual, emotional and cultural needs of an individual and society. GNH is based on the belief that since happiness is the ultimate desire of every citizen, it must be the purpose of development to create the enabling conditions for happiness” (Gross National Happiness Commission, 2011).
GNH Controlled Tourism Model

Tariff policy:
• Minimum $US250* peak season/ $US200* off-peak season
• Pre-paid fixed itinerary
• All inclusive tariff: 3 star hotel accommodation, transfers, tour guide fee, all meals, entrance fee to tourist sites
• $US65* to Government Royalty Fee
• $US10* to Tourism Development Fund

*per person per night

In 2011, tourist arrivals peaked at 64,028, generating revenue of US$47.68m and US$14.89m in Royalty Fee
GNH Controlled Tourism Model

“High value, low volume” defined as:
“maximize foreign exchange earnings while minimizing the adverse cultural and environmental consequences”

“High value, low impact” defined as:
“high yield with low negative impact in terms of social, cultural and environmental impacts”
(Tourism Council of Bhutan, 2010)
McKinsey & Co. Report (Dorji, 2010) recommended:

- 250,000 tourist arrivals by 2012
- Liberalize tourism tariff
- Create 90,000 jobs
- Upgrade to minimum 3 star hotel
- Paid US$9.1 m/NU$420 m
Bhutan’s ‘controlled tourism’ model from ‘high value, low volume’ to ‘high value, low impact’

In 2012: 105,414 tourists: 53,505 international, 51,910 regionals

Total number of Hotels – 123
8 - 5 star (6.5%)
7 - 4 star (5.7%)
35 – 3 star (28.4%)
54 - 2 star (44%)
19- 1 star (15.4%)

Source: Tourism Council of Bhutan, 2013
Research Aims

• To examine Bhutan’s tourism governance in the context of the business of sustainable tourism

• To understand the impacts in the policy of Bhutan’s ‘controlled tourism’ model (changed from ‘high value, low volume’ to ‘high value, low impact’)
Research Question

1. What are your views on the government’s expansionist policy to increase tourist numbers to 100,000 by 2012?

2. How do you view this as compromising the four GNH pillars?
Theoretical framework

• ‘Govermentality’ (Foucault 1987), defined as “the conduct of conduct” of the government (Burchell, Gorden and Miller 1991, p.32)

• Dye suggests that Government Policy is “what ever government choose to do or not to do” (1978,p.3)
Methodology

• **Grounded theory** (Glaser & Strauss, 1973, Strauss & Corbin, 1990)

• **Social constructivism** (Charmaz, 2000)

Method

• **Participant observation** (Babbie, 2005)

• **36 semi-structured interview** (Sarantakos, 2005)

• **Content analysis** (Babbie, 2005)

• **Data analysis using Nvivo 10** (Bazeley, 2007)
Key Findings

1. Existing infrastructure cannot cope with the increase in tourist numbers

2. Economic development took priority over the 4 GNH pillars
Findings Q. 1
(Views on expansionist policy)

.....it will increase our socio-economic development (TCB2)

....we need a strong economy to be self sufficient...we need money, we need to rise (P1)

...I think it is good they raise the number of tourists....it is definitely going to contribute to poverty alleviation (NGO3)
Findings Q. 1
(Views on expansionist policy)

...We have become too ambitious, too greedy, we want a quantum leap...realistically, we are not able to handle even this 60,000 tourists professionally (TG3)

...We should have more infrastructure, not concentrating in Thimphu and Paro but in other areas also (TO1)

...our policy and our practice is not going to match. Any tourism policy based on tourist numbers is the wrong approach (G3)
...I think it will have a negative impact, whether it comes to the environment, culture, way of life of the people, because we are a country with a population of only 700,000 people and when 100,000 people, that’s one-seventh of the population, you know people could get overwhelmed (TO5)

.....I feel gradual growth is healthier and trying to achieve a target when we do not have our infrastructure in place, I am thoroughly confused. I don’t understand why we need to set a target(TO7).
Findings Q. 2  
(Views on compromising the GNH pillars)

...as per the policy, we always talk about promotion, preservation but at the same time, in action it is different thing (TG1)

...I think that’s a compromise on the quality and that’s where we lost our high value and low impact because basically you are paying way too much for something which [is] under par (H1)

...my biggest fear is [our culture] it will be dilute (TO6)
...tourism is not about only numbers. There is a whole lot of chain involved in tourism. There is always supply chain. Bhutan I must tell you we have not reached that capacity to manage the chain... right now in our management, we don’t have a proper system or proper infrastructure to handle that, so the whole supply chain is not ready to handle this number (G3)
...In one way, yes....compromising the GNH pillars and the whole concept of the tourism policy. But I am sure that the government......is looking at it also as one source of making money. And one source of trying to sustain is already developed....infrastructures in places like Thimphu, Paro and Bumthang. I think the government needs to be careful and monitor...especially in the already crowded area (H7).
Conclusion

• Whilst Bhutan’s tourism policy appears to be in harmony with the principles of GNH, in reality, there is discord in the manner of Bhutanese ‘governmentality’

• Expanding tourism without first meeting the infrastructure needs inevitably result in unsustainable tourism business

• Limitation in sample size and urban representation

• Further research on impacts of tourism in rural Bhutan
Reference


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QUESTION & ANSWER

Thank-you!
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