

Sustainability of Small-Scale Ecotourism: The Case of Niue, South Pacific

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This paper examines whether small-scale ecotourism is sustainable. For the purpose of the paper the term 'ecotourism' has been refined, and evaluation criteria compiled for small-scale community ecotourism comprising of three concepts: environmental sensitivity, socio-cultural appropriateness, and economic viability. The case study of Niue was chosen because it met the initial evaluation criteria, and was used to determine whether small-scale community ecotourism was sustainable. Niue's tourism industry was assessed in the areas of environmental, socio-cultural and economic viability and all three must exist in symbiosis to achieve sustainability. The results of the research show that Niue's tourism industry is sustainable only in environmental and socio-cultural aspects, however, due to insufficient visitor arrivals it is not economically viable. Niue is isolated, reliant on aid and is the most expensive destination in the South Pacific due primarily to the cost and frequency of the air service. Niue can increase its visitor numbers to achieve economic viability, or attract higher spending visitors to the island. Care must be taken not to exceed the island's carrying capacity, which would cause negative environmental and socio-cultural impacts. A balance needs to be made between the three concepts to achieve sustainability, with careful planning and monitoring.

Introduction

The development of ecotourism accompanied a growing interest in the natural environment and a reaction to negative effects resulting from mass tourism. Tourism in natural areas has increased in popularity, particularly with the ever-increasing global focus on environmental awareness. Ecotourism has developed in response to mass tourism, as mass tourism destinations were beginning to show signs of degradation resulting from over-use. Therefore, ecotourism was seen as a sustainable alternative, and also a means of interest to all tourists wishing to see natural areas that were remote and exotic. However, the problem has arisen that these ecotourism operations are not as sustainable as once thought. The purpose of this paper is to assess the sustainability of small-scale community ecotourism using academic literature and the specific case study of Niue, in the South Pacific, drawn from six weeks of social science research in Niue during mid-1998.

The potential impacts, both positive and negative, of tourism reviewed in the literature, have been compiled to create the evaluation criteria used to determine whether an ecotourism site is sustainable. A holistic approach has been incorporated to assess whether small-scale ecotourism was indeed sustainable in terms of environmental, socio-cultural and economic aspects. The tourism industry in Niue will be briefly discussed, then assessed in relation to the evaluation criteria.

Tourism in Developing Countries

Ecotourism reaches the most remote areas of the earth, located 'off the beaten path' (Mandziuk, 1995). As many tourists visit fragile environments, however, it is important that these environments remain unspoilt. Many ecotourism destinations are located in developing countries that have a reasonable number of natural areas still intact. Most tropical islands are found in developing regions of the world and have become increasingly popular since air travel has become available. The attraction of travel to developing countries has been led by the influence of 'palm-fringed islands, adventure, intriguingly different cultures and strong northern currencies' (Wheat, 1994: 16). Developing countries often welcome ecotourism developments as they foresee economic profits from the tourists, and will consciously choose economic benefits over environmental sustainability in their struggle to survive (Cater, 1994). As a result there is more concern with short-term gains than consideration for the possible long-term effects or losses (Cater, 1994; Wall, 1997). Tropical island environments, such as the Pacific Islands, have unique natural environments and unique cultures that are very fragile and sensitive to impacts resulting from increased visitor numbers to the islands. These tropical island environments attract ecotourists and as a result the probability of negative impacts resulting from ecotourism increases (Wilkinson, 1989).

Ecotourism over-development

The number of ecotourism destinations and operations has increased rapidly, to the point where some destinations have a larger number of ecotourism operations, resulting in over-use of the natural resources. Ecotourism started with good intentions: to have small-scale, locally owned operations, but over-development has occurred resulting in a form of tourism that closely resembles mass tourism. The concept of ecotourism was developed in response to the negative effects of mass tourism. As Liew (1990: 86) stated, 'people are the cause of environmental degradation and the beneficiaries of development', leading to a cycle of trade-offs between the environment and economic benefits.

Tourism creates a dilemma for developing nations in respect to economic benefits or environmental or social problems. Lanfant and Graburn (1992: 103) state, 'for a developing nation not to choose tourism amounts to eventual death according to economists, but to choose tourism is also death according to anthropologists'. As ecotourism utilises a natural resource as an attraction, over-use may result in resource degradation thus destroying the resource base for the tourism operation. This is a dilemma that tourism operations must consider carefully. It has been implied that small-scale, locally controlled and ecologically sensitive tourism industries can neither sustain many visitors, nor be a big money maker (Higinio & Munt, 1993).

Evaluation Criteria for Ecotourism

The creation of multiple definitions and the wide use of the term ecotourism has resulted in the increasing difficulty in understanding the meaning of the term. Esau (1996 cited in Burton, 1998: 756) wrote, 'ecotourism is an anomaly used to describe anything from operators who demonstrate an

awareness of environmental issues and manage their operations accordingly, to operators who base their operations in a natural environment'. Lindberg and McKercher (1997: 66), highlight growing concern in their statement, 'the term ecotourism has been hijacked and by the early 1990's had become a positioning statement and a politically correct form of mass tourism'. This has also contributed to the growing lack of clarity and understanding of the term ecotourism.

Due to the present problems with defining ecotourism, criteria have been created with the understanding that the criteria are flexible to other ideas and approaches. The evaluation criteria were grouped under four concepts. These were consistent with Wall's (1997) concepts of economic viability, environmental appropriateness and socio-cultural acceptability, with the addition of small-scale development. These criteria reflect a way of thinking, a concept that requires full commitment from all those that use the term ecotourism. Tourism ventures that meet these criteria will be referred to in this chapter as small-scale community ecotourism.

Small-scale community tourism should involve limited tourist numbers, limited infrastructure and superstructure specifically for tourist use (Lindberg & McKercher, 1997), and should instead rely as much as possible on facilities already available for local use (Cater, 1994). Development should also be small-scale and locally owned (Weaver, 1991), as well as being environmentally sensitive. In order to realise this, efficient use of resources for tourism development is necessary. This can be achieved through the existing natural features being utilised as tourist attractions (Chalker, 1994; Orams, 1995). Provisions should be made to protect and conserve the natural features, in particular those located on fragile land and threatened areas (Budowski, 1977; Chalker, 1994; Lindberg *et al.*, 1996; Orams, 1995; Weaver, 1998).

Environmental sensitivity

Development restrictions need to be placed on the environment and natural resources as gradual degradation resulting from ecotourism could result in irreversible damage. According to Hjalager (1997), those within the tourism industry attributed environmental problems with the volume and number of tourists. It is common knowledge that tourism can contribute to environmental degradation and be self-destructive, but if tourism is planned and structured properly it can promote significant enhancement of the environment (Pigram, 1992). Money raised from tourism should be re-circulated back into conserving the attraction, although this is not always possible when the profits are required for other necessities such as living expenses or paying off debt. For less developed countries as de Kadt (1992: 57) states, 'a crucial aspect of sustainability is to maintain the productivity of the resource', therefore, it is mutually beneficial for both the tourist ventures and the local population to maintain the natural environment. Long and Wall (1996: 48) stated that 'environmental impacts often occur in the forms of new facilities, infrastructure, superstructure, architectural styles, carrying capacity issues, wastes and pollution'. The only way to completely remove all forms of tourism impacts is if the natural areas remain untouched by people (Budowski, 1977).

Tourism planning and education could minimise and prevent the majority of

environmental degradation that occurs in ecotourism destinations. Environmental awareness should be fostered through the ecotourism operations, among the ecotourists and the local population (Weaver, 1998). Uncontrolled development should not be allowed to occur, as it can be potentially destructive to the natural environment.

Socio-cultural appropriateness

Small-scale community tourism should be socio-culturally appropriate. In order to achieve this, the local community must be involved in tourism planning, development and decision-making. When the local community is involved in the running and ownership of the tourism ventures the well-being of the local population is more likely to be sustained, as they are less likely to be exploited from within (Chalker, 1994; Orams, 1995; Wall, 1997). The inclusion of the local population in tourism planning and decision-making is deemed very important for successful small-scale community ecotourism. In order for ecotourism to be viable, benefits for local people should be higher than costs (Chalker, 1994). Noting the difference between the tourists and the local populations can allow for the assessment of possible social impacts between tourists and the host population (Butler, 1974).

There are many positive aspects for the local populations in small-scale tourism development. Ecotourism development can empower the local community as it promotes the use of indigenous knowledge, material and labour, and provides the opportunity for the local population to generate economic benefits from tourism (Khan, 1997). Furthermore, ecotourism development can promote local ownership, perpetuate local identity and strengthen economic equity in the community (Khan, 1997). Most of the benefits for the local population accrue once the locally based tourism industry has developed. However, frequently local populations cannot afford to start tourism development without foreign assistance, which results in a loss of control and benefits. In order to minimise this, restrictions and guidelines need to be used to maintain a small-scale community based ecotourism operation. Another positive aspect is that tourism could create an appreciation of cultural relativity and international understanding of different cultures (Smith, 1989).

Utilising the community in tourism planning, decision-making and implementation is more than just maintaining good public relations. As Pigram (1992: 86) states, 'certain individuals in the communities possess specialised knowledge and awareness of attitudes because of their occupational experience and their position in a community'. The use of knowledgeable local people enables tourism planners to obtain views that provide them with insight for that specific area that they would not otherwise have been able to access. However, tourism planners often do not consult the locals for knowledge about the environment, or develop plans to fit with the socio-cultural patterns of the community (Liew, 1990). Grundsten (1994) stated that tourism could not continue to develop unplanned, as through planning it is possible to ensure that ecotourism is sustainable. Without planning there is little hope for the natural environments and the well-being of the local population.

Economic viability

Economic viability is another requirement of small-scale community tourism. According to Khan (1997), economic viability can be achieved by limiting foreign investment to loans designed to stimulate initial development, after which point the local community assumes ownership and responsibility. Additionally, a proportion of the money derived from the tourism development should go toward the maintenance, protection and enhancement of the natural resources (Lindberg *et al.*, 1996; Weaver, 1998). Local involvement in tourism means that the local population benefits; the money accrues directly to them, and leakages are limited (Boyd & Butler, 1996; Weaver, 1998).

Small islands with limited natural resources often turn to tourism, as it seems an easy means for economic profit. Unfortunately the islands often have no alternatives for producers of economic profit, and governments of these island nations latch onto tourism solely for the economic benefits that it might bring to the country and for the expected flow-on effects of employment (Bowe & Rolle, 1998).

Money spent by tourists does not necessarily remain at the holiday destination and can leak back to the market countries. These leakages occur mostly because the holiday destination imports goods and services that in turn utilise the tourists' money. Foreign owned tourism operations and tourists using their own airlines, all contribute to the money that tourists spend on their holiday which leaches out from the local economy, therefore not benefiting the local community (Khan, 1997). This problem is often exacerbated in developing countries, as these countries do not have the developed resource base that can be utilised for tourism purposes, resulting in high imports of goods and services. Milne (1990) stated that in some small developing countries leakages could be as high as 70%.

Small-scale and its importance

For ecotourism operations to be sustainable it is also important that the operations are defined as small-scale tourism. In theory this means that there are limited tourist numbers, limited infrastructure and specific tourist development or superstructure, and the tourists should adapt to the living standards of the local people (Cater, 1994; Lindberg & McKercher, 1997). Weaver (1991), indicated that tourism development should incorporate small-scale locally owned activities.

Another component of sustainable tourism is the promotion of small-scale family owned enterprises rather than imported foreign investments (de Kadt, 1992; Hjalager, 1997). As Khan (1997: 989–90) states, ideally 'ecotourism development is most likely to be at a smaller scale, locally owned with low import leakage and a higher proportion of profits remaining in the local economy', providing more benefits for the local populations. Many academics (e.g. Murphy, 1985; Sofield, 1993) include community involvement in tourism planning, decision-making and implementation as important aspects of tourism development. Without local involvement, acceptance of tourism operations within the host community is likely to be minimal.

Small-scale tourism has been said to be sustainable by a number of authors

such as de Kadt (1992) and Wilkinson (1989), as it reduces the negative impacts of ecotourism on the host population and the natural environment. Small-scale development is an attempt to contain the impacts of tourism and keep ecotourism sustainable in the long term. Small islands are often ideally suited to small-scale tourism due to their size and location.

Small islands and tourism

Island environments have highly valuable habitats, and most often the islands have highly vulnerable environments, particularly when the islands are small. These islands have few species and a relatively small population, with limited natural resources apart from access to the sea (Hanneberg, 1994). Island environments interest a large number of tourists as they are exotic, interesting and unique destinations (Britton, 1987), and as a direct result there are many ecotourism operations in small islands. Tourism can benefit these small islands with contributions to the economic revenue, through employment, although the operations can be hindered by a remote location and the difficulties in developing and implementing a tourism management plan (Ringer, 1996). However, there must be strict controls placed on the development and planning of tourism operations in order to retain local control of and benefits from tourism.

Summary of Literature Findings

There are a number of aspects involved in small-scale community ecotourism. This term has been developed as a continuation of ecotourism. There are many constraints with the term ecotourism as there is little chance that a workable definition suitable for use will ever be developed. Small-scale community ecotourism involves four evaluation criteria: environmental sensitivity, socio-cultural appropriateness, economic viability and small-scale tourism. This provides a holistic approach to assessing ecotourism operations. Ecotourism in developing countries (particularly small islands) has been reviewed, as it is important to link this with both small-scale tourism and ecotourism, since most ecotourism destinations are in developing countries. Ecotourism does not always live up to the expectations, and often over-development occurs when there is little tourism planning. Environmental degradation and other negative impacts are a direct result of over-development, which leaves the local community with a less than perfect environment and additional associated problems. Due to the problems identified, it is important to test whether small-scale community ecotourism is sustainable.

Case Study: Niue

The purpose of this section is to assess whether small-scale ecotourism is in fact sustainable, through examination of the case study of Niue. Niue was chosen because it is different to surrounding Pacific Islands, which provide typical beach resort environments. It is also evident that Niue's natural resources are used as tourism attractions and there are a limited number of tourists to the island each year. Niue deals with tourists who are not the typical 'sun, sand, sea tourists', different to those attracted to other Pacific Islands. Tourism promotion in Niue is marketed to a smaller elite group of travellers. As a consequence of

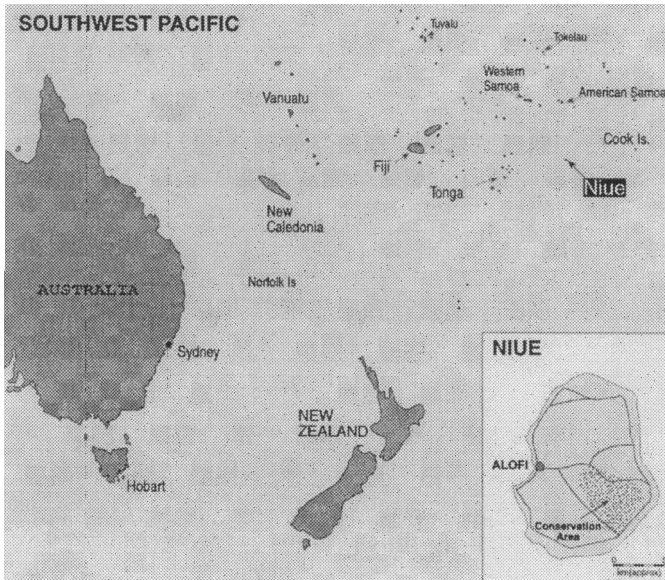


Figure 1 Location of Niue in the South Pacific

Source: Oulton, 1999

marketing strategies and accessibility, numbers of tourists travelling to Niue are relatively small; therefore it is presumed that tourism is more sustainable. The research will attempt to determine whether small-scale tourism is, in fact, sustainable in Niue.

Niue in General

Niue is a small raised coral island in the South Pacific (Lane, 1994): it is situated in a central position in Polynesia, with Tonga to the West as its closest neighbour (see Figure 1). Western Samoa lies to the North, the Cook Islands to the East, while New Zealand lies Southwest of Niue at a distance of 2400 kilometres (Yarwood, 1998). Niue has limited natural resources, with a landmass of 259 square kilometres. As Niue is an island it also has a significant marine environment. Niue's Exclusive Economic Zone (EEZ) covers approximately 390,000 square kilometres of sea (Lane, 1994). Within the EEZ there are three reef systems, the Antiope, the Harran and the Beveridge Reefs (Lane, 1994). The Niue Dive operator identified Beveridge Reef as a potential tourism attraction for diving (and fishing) (Fawcett, pers. comm., 1998; Moore, 1999).

Since the early 1970s, many Niueans have left Niue for New Zealand (with whom Niue has free association) and as a result the population has declined significantly. In 1966, the population of Niue was 5194 (Statistics Immigration Unit, 1991); however, out migration had decreased it to 2300 by 1996 (Dickinson, 1998), and in 1998 it was estimated to be 1900 (Waq, 1998). Many of working age have migrated in search of better opportunities and paid jobs, leaving a high proportion of young and older people in Niue.

Niue's limited resources restrict options for expanding the island's economic base. Taro is Niue's major export consisting of 85% of all exports (Lane, 1994). However, the agricultural products that Niue does export do not provide sufficient income to make Niue self-sufficient. Other money earners include cash crops (such as vanilla), postage stamps and tourism (Yarwood, 1998). In 1993, exports from Niue amounted to less than one-seventh that of imports (Kiste, 1998), while in 1996 total imports reached an all-time high of five million dollars (NZ) (Yarwood, 1998). Niue receives millions of dollars annually as aid from New Zealand to supplement its economy. Tourism has been given the status and priority of solving all of Niue's financial worries; yet, at this stage there has been no indication that it can indeed provide self-sufficiency for the island, as tourism has not been a reliable money earner, although it has become increasingly popular as a possible means for providing an income. Unfortunately, there is the potential that tourism will succumb to the same fate as most of Niue's other economic projects, and fail.

Tourism in Niue

It was not until 1971, with the new airport that Niue had frequent and easy travel to and from neighbouring islands. In 1975 the Niue Hotel was built although other accommodation developments and tours for visitors did not develop until the 1980s when Niue began focusing on tourism. Unlike many other Pacific Islands, Niue has barriers and hindrances that affect the tourism industry such as isolation, lack of their own air carrier (and thus a reliance on other air carriers), and the vulnerability to natural disasters that can damage infrastructure and the natural environment. Niue's economic growth and development is restricted due to its distance from neighbouring islands, and heavy dependence on imports of goods and services (SPC, 1994).

Niue's past has proven its dependence on New Zealand aid to support its economy. Milne (1992: 569) concluded, 'While tourism will continue to be an important source of additional income and employment, Niue will remain dependent on public sector employment and international aid flows for the foreseeable future.' In particular Niue relies on remittances, aid and bureaucracy to supplement or provide income to the already depleted economic revenue. Over the past 10 years, millions of dollars in aid money have been used to develop Niue's tourism industry, either through promotion of the island as a destination or through preparation of Niue for the anticipated 'tourist boom' (Planning and Development Unit, 1998). Tourism became increasingly important for Niue as a source of income. Fortunately, most tourism ventures have been small-scale developments to reduce possible impacts to the environment and local people (Skinner, 1980).

Niue's history with tourism has not been stable. The island has not been able to attract visitors in large numbers, and thus its development has been hindered. In Niue's early stages of tourism it was hoped that 20,000 tourists annually would be attained by the year 2000. In 1994 this goal was reduced to 10,000 tourists by the year 2000. This goal, according to the Environment Unit (1995, 43), was 'dependent on the establishment of regular and reliable air links, a development which has proven difficult in recent years'. The Director of Tourism noted that the goal was lowered even further in 1997 to approximately

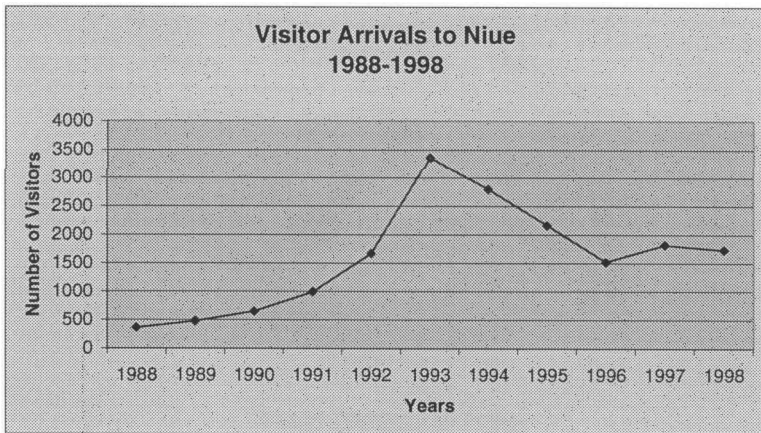


Figure 2 Total Visitor Arrivals to Niue from 1988–1998

Source: Statistics Niue, 1999

5000 tourists by the year 2000 (Rex, pers. comm., 1998). In 1993 Niue's tourism reached a peak with an all time high of 3358 visitors to the island, while in 1998 there were 1729 visitors to the island, making the assumed goal of 5000 seem distant (see Figure 2).

The lack of tourists is specifically related to the poor history Niue has had with the various air carriers that have serviced the isolated island. Its tourism industry has also been affected by factors influencing the market countries, such as New Zealand's economic downturn in 1998. Niue has had many problems with securing an air service that meets their needs. In the past there have been problems with irregular air services, the financial well-being of the air carrier and expensive airfares. Unfortunately the present air carrier charges high airfares, which makes Niue the most expensive tourist destination in the South Pacific, with a cost of \$1185NZ in the low season and \$1385 in the high season (Power, pers. comm., 1998). Additional to the cost of travel to Niue, the present tourism marketing problem that plagues Niue is the lack of availability of information in the source markets such as New Zealand and Australia. The low level of awareness about Niue is in part due to its small size and limited resource base.

Impacts of ecotourism in Niue

The four concepts identified earlier in the paper (environmental sensitivity, socio-cultural appropriateness, economic viability and small-scale development) have been used to determine whether Niue's tourism industry is sustainable. Its tourism industry is identified as small-scale community ecotourism due to its limited landmass, population size, infrastructure, visitor numbers and natural resources. Hess (1990) noted that small-scale tourism development is best for small islands in the long term, as it would provide more benefits to the local people than developing mass tourism. The natural resources that Niue does possess are unique and unsurpassed (see Figure 3). Inskeep provided a summary of what Niue has to offer:

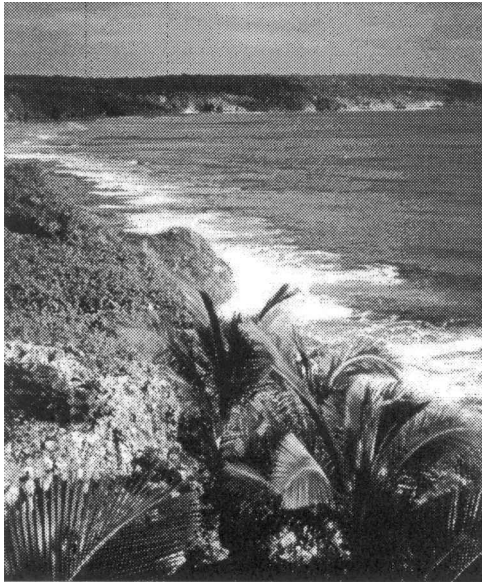


Figure 3 Niue coastline

Niue does not have the beaches and diverse natural landscape beauty of many other Pacific Island countries, but does possess a tranquil, unspoiled and non-commercialized environment and specific natural features of high water clarity, coral formations and colourful fish which are ideal for diving combined with caves and grottos that contain impressive limestone formations, beautiful natural swimming pools and scenic views highly suitable for trekking and exploration, and interesting traditional cultural features of dance and handicrafts. (Inskeep, 1984: 6)

Niue's tourism industry was never expected to be a large one. As a result, the potential negative tourism impacts have not been addressed. In 1969 the Tourist and Publicity Department (1969: 18), stated, 'Niue ... is likely to have a relatively small inflow of travellers in the course of years [and] is unlikely to suffer the problems associated with large inflows of people.'

Environmental sensitivity

An ecotourism destination needs a resource base that is unique, fragile and natural (Pigram, 1992), to which Niue's resources conform. However, there are a number of environmental aspects in Niue that do not conform to the evaluation criteria. Firstly, the Environment and Biodiversity Advisor noted that there is no environmental law in Niue at present (Bereteh, pers. comm., 1998), as the *Niue Constitution Act 1974* has little effect regarding environmental matters (Peteru, n.d.). As there is no environmental law in Niue, there is also no tourism environmental law. However, it seems apparent that environmental law is required to protect the unique natural resources on the island through the promotion of conservation and environmental protection. The Environment Management Bill,

drafted in 1995, is anticipated to be able to assist with the establishment of a solid legal framework for environmental planning and management (Environment Unit, 1995). Beyond the establishment of environmental laws however, is the crucial need to ensure that relevant laws are enforced for the tourism industry (de Haas and Cukier, in press).

Environmentally damaging practices

Secondly, there are some practices of the local population that detract from the pristine state of the natural environment. If the natural environment is damaged, either superficially or detrimentally, it detracts from the tourists' enjoyment of the resource. This could in turn lead to the Niue tourism industry losing what little tourism business it has. Local people can inadvertently cause environmental damage as a result of tourism development. In most cases, damage is caused when natural sites are altered to improve access for tourists. Tracks (generally made from concrete) have been built across the island to allow for easy access to the various tourist sites, including the coastal areas. The appearance of concrete in the natural areas is alien and unexpected; it also detracts from Niue's natural resources.

A priority concern for the present Tourism Office is developing sites in an environmentally friendly manner, in harmony with the environment. As Rex (1998) in personal communication stated, 'old sites are being made more environmentally friendly by using treated wood as it blends into the environment better than concrete'. It is hoped that over time all ecotourism sites in Niue will be aesthetically pleasing.

Another situation of environmentally damaging practices was the alteration of the caves to improve access for a cave tour. Two caves were connected through a gap known as the 'keyhole'. However, the keyhole was not large enough to accommodate some of the tourists and therefore was enlarged with a sledgehammer, thus causing damage to the ecologically sensitive cave. Both land and marine resources are important for Niue's tourism industry, and must be maintained in the best possible condition.

It can be noted that Niue has a significant problem with over-fishing by international fleets in their EEZ, while there is also over-fishing by local people for personal use. As a result of the declining fish stocks, good catches are becoming infrequent and fishing is no longer commercially viable (Fawcett, pers. comm., 1998). Some tourists travel to Niue specifically for fishing and diving, but without fish Niue again detracts from and limits its tourism attractions. Niue could lose one of its major attractions and therefore reduce the pool of tourists that are interested in travelling to Niue.

Huvalu Conservation Area

A positive environmental initiative resulting in part, from tourism, is the Huvalu Conservation Area. It was a community driven project sponsored by South Pacific Regional Environment Programme (SPREP) to promote biodiversity. Biodiversity is very important for Niue and its small land base, the local people, and as a tourism resource to be utilised by ecotourists visiting the island. The Huvalu Conservation Area contains some major tours and prominent natural attractions within its boundaries. A Forest Camp for tourists has



Figure 4 The Huvalu Forest Camp

been developed in the area though it has not been utilised for this purpose yet (seen on Figure 4). The Huvalu Conservation Area is an asset to Niue's tourism industry and is a considerable resource that can be utilised to provide benefits to the local people by the forest being used as a resource that retains biodiversity as well as assisting the local people with benefits gained through tourism in the area.

Socio-cultural appropriateness

Niue is both a traditional and modern society mixed to suit Niueans and their lifestyles. As Inskip (1984) observed, Niue had already been through significant cultural change to the point where a small number of tourists would not negatively impact the community. However, most changes among the Niuean population cannot be directly attributed to tourism in Niue, but rather to the increased interactions with New Zealand and other countries with the opening of the airport allowing for easier travel and television. There are a number of socio-cultural changes that are expected should the tourism carrying capacity of Niue be reached. The changes are overcrowding resulting in local population dissatisfaction, increased cultural awareness, increased foreign control of tourism operations, and a loss of authenticity of tourism products.

Differences between hosts and guests

Differences between host communities and local populations are the cause of the majority of the socio-cultural impacts resulting from tourism: the greater the differences, the greater the chance of negative impacts occurring amongst the local population (Butler, 1974). Tourism plays a part in influencing host populations, as tourists are visible for all to see with their dress and behaviour being easily imitated. This 'demonstration effect' is significant to Niue particularly with reference to behaviours and style of dress. The demonstration effect is more common among the younger population of Niue. Changes to dress style in Niue and other Pacific Islands have been occurring since first contact with Europeans, and have changed dramatically over the years. Some of the adoptive

behaviours can be positive for the local population, such as acquiring education, while others can alter the behaviour and appearance of local people in a negative way. Negative changes have been the disregard for the Niuean language or customs, particularly through the adoption of English as their preferred language.

Disillusionment

It was not until the late 1980s that tourism in Niue became the focal point for potential economic gain by the Government of Niue. While it was not expected that there would be immediate economic success, it was hoped that after 10 years of focusing on tourism promotion, tourism would be the vital ingredient to provide economic stability for Niue. However, local support has faded over recent years due to a lack of significant results from the marketing strategies and the slow growth of Niue's tourism industry. The promised economic benefits for the local community have not been realised and the social benefits, in terms of local control, are focused on a smaller group than first anticipated.

Local involvement in tourism planning and decision-making

With local participation there is also local control over aspects of tourism that influence or impact upon the environment and the culture of Niue. Simmons (1996) observed that Niueans tend to lack knowledge and awareness about tourism, yet are fairly supportive of tourism if financial benefits are realised. Often the local people are not directly involved in tourism, and not consulted in tourism matters.

There are a number of possible impacts to the local population if 'overcrowding' were to occur on Niue. In 1969 (Tourist and Publicity Department), the perceived socio-cultural impacts from tourism were mostly the disruptive effects of large numbers of people travelling around the island. Therefore, tourism must not dominate Niue, both in terms of exceeding the carrying capacity and with tourism development. Due to the island's small population base (a direct result of depopulation) it is also likely that the Niueans could see themselves marginalised in their own country (Simmons, 1996). The local people may lose their greatest attribute, their friendliness, affecting Niue's tourism industry for years to come.

However, a positive impact of tourism is the focus and interest in cultural tours and activities. Tourism can reintroduce and provide focus for the local people and their culture (Ayala, 1995). Niueans have an interesting culture and by sharing it with tourists the culture becomes stronger. Culture sharing is important to forge an understanding between Niueans and visitors.

Foreign investment in the tourism industry

Niue has easily managed to retain local ownership due to a lack of interest from foreign investors and the small visitor numbers. However, there is a high percentage of expatriate ownership of tourism ventures in Niue. Most have married Niueans and all live in Niue, but in difficult economic times they are still considered to be taking potential money away from Niueans. The lack of foreign investment is a positive aspect of Niue's tourism industry because the locals retain ownership and therefore control the tourism industry.

Economic Viability

Tourism has become a priority for the Niuean Government in an attempt to improve economic conditions and provide revenue. At present the Niuean economy is under considerable pressure to increase their exports due to an ever-increasing deficit. Much of the aid money provided to Niue by New Zealand was given with the understanding that Niue would develop its tourism industry, eventually becoming self-sufficient and thus relying less on outside sources of aid. Milne (1992: 569) stated, 'while tourism will continue to be an important source of additional income and employment, Niue will remain dependent on public sector employment and international aid flows for the foreseeable future'. An impediment to the economic viability of Niue's tourism industry is the air service as it determines the number, cost, and frequency of flights, and in essence the number of tourists to the island. Air access in Niue is the most important aspect affecting economic development, and contributing directly to the low tourist numbers (UNDP/WTO, 1997).

Tourism cannot be considered the solution to all Niue's economic problems; it contributes to the economy but has proven to be unreliable, particularly with seasonal fluctuations of visitors. Niue needs to maintain a diversity of products that earn economic profits to compensate for the difficult years it has had with tourism. Tourism is not heavily relied upon for income at present but the Minister of Tourism believed that tourism is their number one priority in terms of economic development and hopes that it will provide 80% of the Government income in the future (Pavihi, pers. comm., 1998).

Economic benefits from tourism

For tourism to have economic viability it must produce profits that filter back into the local community, with a portion spent on conserving, maintaining, and enhancing the natural environment utilised for tourism (Lindberg *et al.*, 1996; Weaver, 1998). Small-scale community ecotourism allows opportunities for the local population to be employed in tourism and to start entrepreneurial businesses. However, Niue's tourism profits are minimal and therefore only those directly involved in tourism see any benefits, and thus there are not sufficient funds to recirculate back into conserving the natural resources.

Niue does not have the resources or the funds available to develop and maintain a sustainable and successful tourism industry with the number of visitors to the island at present. The only aspect where it has exceeded capacity in its superstructure is in terms of the large number of accommodation units available, effectively swamping the market and resulting in some difficulties in making any profit. Although Niue is fortunate to maintain local control of the tourism industry, there is a need to be wary of a loss of control of the industry since this ultimately leads to the loss of local economic benefits.

Leakages

Due to Niue being a small island with restricted natural resources, it imports a large amount of goods and services from New Zealand and other countries. This effectively increases the leakage of economic profit, and the profits that Niue

does earn from tourism are often spent on imports, resulting in only a small proportion of the tourists' expenditure remaining within the island (Talagi, pers. comm., 1998).

The Paradox

There is a paradox between the three concepts – environmental sensitivity, socio-cultural appropriateness and economic viability. These three concepts must exist in symbiosis for small-scale community ecotourism to be sustainable. Therefore, tourism that is not economically viable is not sustainable, as costs are not covered and there are no economic benefits for the local population or for conservation of the natural resources. The economic viability of an ecotourism operation depends on the number of tourists and the money that they spend at the destination. However, care must be taken not to exceed the number of tourists at the destination, thus surpassing the carrying capacity and resulting in negative environmental and socio-cultural impacts. Tourism can be economically viable, and environmentally and socio-culturally sustainable under certain conditions. These conditions may be when a small economy does not require large sums of money to be viable, or a tourism destination can attract 'elite' tourists who are higher spenders thus requiring fewer numbers to ensure economic viability. The paradox is dynamic and factors can influence one aspect and thus affect the sustainability of the tourism destination.

Niue

Despite meeting many of the criteria which would deem Niue 'sustainable' (such as locally owned tourism enterprises, limited tourist numbers, tourist attractions based on existing natural features and a degree of local involvement in decision-making), Niue's tourism industry is currently unsustainable as it has not achieved a balance, and therefore is not economically viable. The Planning and Development Unit (1998: 2) said it best with 'The problem can be simply stated: there are currently insufficient tourist arrivals to ensure the continued existence of a tourism industry in Niue.'

Niue has many impediments in creating an economically viable tourism industry. There are many factors both within Niue and internationally, that affect the numbers of tourists to Niue. Two factors are the isolation of the island, and not being able to support their own airline, resulting in reliance on foreign owned air-carriers. There are economic benefits gained from tourism in the form of job opportunities and earning revenue, as well as indirect economic benefits gained by the local community. There is some foreign investment in Niue's tourism industry but this does not negatively affect the economic benefits. However, the high leakage rate from the purchase of goods and services imported into Niue is of serious concern. There is also some concern with the large amount of funding allocated to tourism promotion, and the lack of results in the form of increased visitor numbers. Niue needs more visitors with more money, spread throughout the year to create a sustainable tourism industry in economic terms. However, in environmental and social terms, the limited tourist numbers has resulted in few negative impacts for the environment and the people.

In summary, Niue's tourism industry is environmentally sensitive yet could sustain more tourists. Ecotourists are generally environmentally conscious, but it can also be noted that at present there are not enough tourists in Niue to cause major negative environmental impacts. However, there are certain aspects that can be addressed to make the tourism industry even more environmentally friendly, such as the level of environmental law and promotion of environmentally friendly practices to ensure Niue's natural environment is preserved. In 1998 there was no environmental law, making it difficult to enforce environmentally friendly practices and to prevent or reduce environmentally damaging practices and behaviours, such as littering, graffiti, altering natural resources for access, and over-fishing. Creating a product in keeping with the environment has in the past been insufficient in preserving the natural character of the environment. As a result there has been damage to Niue's natural resources both in physical appearance and to its aesthetic values. Promoting the Huvalu Conservation Area is a positive aspect for Niue, although the resources are currently under-utilised for tourism purposes.

Niue's tourism industry is currently socially and culturally sustainable. There is some local control and involvement in the tourism industry, although this is more a result of the lack of foreign interest than from restrictions and planning regulations. There is some foreign investment in Niue's tourism industry, particularly from New Zealand expatriates. Socio-cultural impacts stem from the differences between the hosts and the guests that cause concern for the local population. There are few significant differences and thus impacts are minimal, though it is important that the visitors to Niue are taught and prepared to be culturally conscious of their behaviour. The target of 5000 tourists a year could be sustainable, but it is likely that this figure is very near the peak visitation rate of Niue's carrying capacity. Measures should be taken to minimise possible negative impacts that could result from an increase in tourist numbers.

Conclusion

Niue's tourism industry was determined to be unsustainable because it is not economically viable. Future tourism options for Niue are wide ranging, partly due to the fact that the tourism industry is susceptible to factors beyond its control. These factors (such as foreign air carriers servicing Niue and the Asian Economic Crisis) ultimately affect the tourism industry on the island; however, by attracting 'elite' higher spending tourists to Niue, economic benefits will begin to surface. Niue has unique natural resources and a friendly local population that makes it a 'new and different' Pacific Island destination for tourists searching for a distinct holiday. It is likely that Niue's tourism industry will remain environmentally and socio-culturally sustainable with low visitor numbers. It is also likely that while reviving the economic viability of the industry, elite tourists would not detrimentally affect environmental and socio-cultural situations. The island needs to retain the sustainability of its natural resources and the Niuean culture and social characteristics while becoming economically viable, and thus sustainable.

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