CHAPTER 4

ANALYSIS OF DATA

In chapter 3, research methodology used in this thesis was explained and themes for data collection were set. For this chapter, the data collected are analyzed on the basis of the themes set in the last chapter. This chapter contains three main parts; description, analysis, and discussion. Firstly, the descriptive part encompasses the themes of historical background, actual practices at Mae Gum Pong community, and attitudes to tourism by local and other stakeholders. Secondly, the analytical part incorporates the theme of result covering economic, social, cultural, and learning aspects. Lastly, the discussion part deals with the findings for each research proposition.

4.1 Historical Background

Mae Gum Pong village has a long history with much pride in its fame of peacefulness and harmony of the community members. The village was graciously visited by His Majesty the King on 5 March 1981. After learning that this small village had no electricity, the King had a royal initiative requesting the Office of National Energy under the Office of the Prime Minister to construct a water-operated electricity generating system for the villagers. At the same time, the King also asked the community to look after the forests and natural streams, as they were the origins of generating such power. In 1982, the Office of National Energy started the construction of a water-operated generating plant and a check dam to collect water for use of generating electricity. The village had electricity in one year later.

In 1986, the Cooperative Promotion Department (CPD) under the Ministry of Agriculture and Co-operatives gathered 67 villagers in Mae Gum Pong who used electricity to form a service co-operative and have it officially registered in the name of 'Mae Gum Pong Royal Project Electricity Co-operative, Limited'. The Co-operative Registrar of the Ministry approved the registration on 21 April 1986. The Co-operative has three electricity generators with a total generating capacity of 80 kilowatts. The Co-

operative has generated electricity to its members who live in Moo 2 and Moo 3 of Huay Kaew Sub-district, Mae On District, Chiang Mai Province. Also, it has had responsibilities for collecting fees of electricity use from its members, controlling and maintaining electricity-generating equipment such as electricity lines, adapters, electricity transporting routes, looking after the forests as the origin of water, which is the source of generating the power. As a co-operative, it holds a duty to follow the co-operative principles, regulations, and laws when implementing activities.

Geographically, Mae Gum Pong is one of eight villages (Moo 3) of Huay Kaew Sub-district, in the northeast of Mae On District, Chiang Mai Province. It is 18 kilometers far from the District Office and 50 kilometers from Chiang Mai City (see map in appendix 1). The entire area of Mae Gum Pong is mountainous and lush of forests and perfectly natural resources. The north faces Ban Mae Sai Moo 2 of Huay Kaew Subdistrict. The south meets Ban Mae Ruam Moo 1 of On Nua Sub-district, Sun Gum Paeng District, Chiang Mai Province. The east lies along the border of Muang Pan District, Lam Pang Province. The west faces Ban Tarn Thong Moo 8 Huay Kaew Sub-district, Mae On District. It is a highland with about 600 - 1,500 meters above the sea level, which allows its people and visitors to enjoy exquisite nature with cold weather all year round. In winter, the peak of the area sees zero degrees Celsius. The village possesses a very good condition of natural resources, environment, ecological system, and culture. As a result, winter flora, orchids, and herbs are fertile. Lovely-and-never-dried streams originated from waterfalls can be widely seen in the village. The main career of the villagers is Miang²⁰ (tea) and coffee plantation. The culture of the community still remains traditional of rural northern Thai style.

With the predominant characteristics mentioned above, the Co-operative in association with the villagers of Mae Gum Pong and of the other villages in Huay Kaew Sub-districts has put Mae Gum Pong into a cultural tourism village with the provisions of homestay and local guided tours since 10 December 2000. In 2001, the tourism run by the Co-operative has been recently listed in the ongoing program One Village One Product in the category of co-operative product proposed to the Government by the Cooperative Promotion Department.

²⁰ Miang in the local context refers to tea leaves prepared for chewing.

A number of visitors have come to Mae Gum Pong since the introduction of the tourism village. A Co-operative report as of August 2001 indicates that 52 Thai and 79 foreign tourists who used the homestay services, 166 people who came in form of tourism study groups, and more than 1,000 one-day tour visitors have experienced the beauty of Mae Gum Pong village. The visits have brought the community an income of 265,650 bahts.

Although Mae Gum Pong Royal Project Electricity Co-operative, Limited is a small-scale co-operative clearly in terms of the number of members and business volume, these conditions do not hinder the admirable efforts of the Co-operative toward the community development. Rather, the conditions make it more flexible and energetic than many of those in a larger scale. This Co-operative is viewed as a spirit of the community life. The way they treat to each other really confirms the symbiosis between them. In other words, the Co-operative understands well about the ways of the community life. Almost all villagers in Mae Gum Pong are members of the Co-operative. This is to imply that the movements of the Co-operative have a correlation to the dynamics of the village.

4.2 Actual Practices at Mae Gum Pong Community

Like other co-operatives in Thailand, Mae Gum Pong Royal Project Electricity Co-operative, Limited has the same structure as the generic structure appeared in Figure 4.1 on the next page. As this Co-operative is categorized into the type of service cooperative by which its main function is to generate electricity with hydropower and distribute the electricity to its members across the village, a few details in member groups and the business sections are different from the generic structure.

As having a small number of members (196 members), the nine directors can communicate and look after members living nearby their respective areas or the members can come to the office of the Co-operative directly. The office is located at the chairman' house. Members and other people can come to do their business everyday. For the business sections, they are divided into six sections, including credit, savings, processing and marketing, provision of agricultural equipment, electricity generating, and tourism promotion. The structure of the Co-operative is shown on the next page.

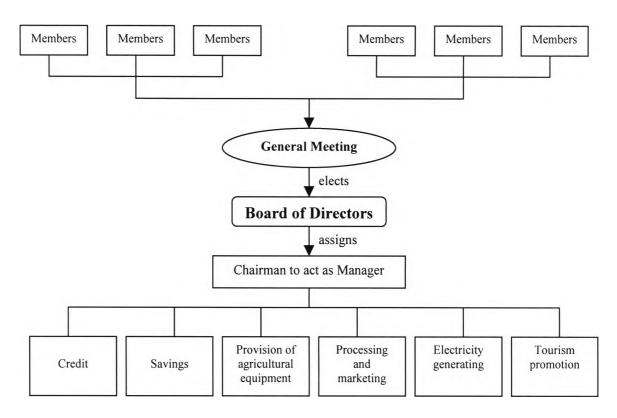


Figure 4.1: Organizational Structure of Mae Gum Pong Royal Project Electricity Co-operative, Limited

Source: Developed from the Co-operative Organization Structure poster exhibited at the Co-operative office.

The board of directors is consisted of nine persons, including chairman, vicechairman, secretary, treasurer, and seven directors. The board is elected by the members through the general meeting every two years. According to the Co-operative Act, 1999 article 50, the board is allowed to be in the office no more than two times consecutively. The general meeting is held annually. The meeting is where members get together to be informed by the board about the performance of the Co-operative headed by the board in the past year. They have their voice to suggest or make comments on the desired operational directions. The members will then use their absolute power to elect the new board, which may get some directors of the last board back to the office again. Dividends and allocated profits are given to the members in the meeting as well. The Co-operative is small in size and still weak in terms of finance and its business operation is not so complex, it has no manager and employees but occasionally employs an accounting student to process the accounting matters. The board of directors has had a consensus to assign the chairman to act as the manager. Also, all directors have worked as employees of the Co-operative. The Co-operative has set up 12 activities for tourism promotions. 12 groups of members have been assigned to be responsible for the each activity. These activities can be considered as the tourism products, which are displayed in Figure 4.2 below.

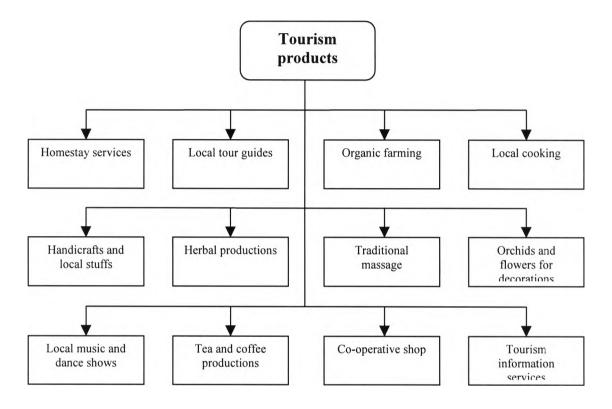


Figure 4.2: Tourism Products Offered by the Co-operative

Source: Based on the Cultural Tourism Promotion Project document of the Co-operative

Group one: Homestay services provided by 15 families with a carrying capacity of 50 guests. This service has been in the process of expanding up to 30 families with a carrying capacity of 100 guests in 2002. The Co-operative does not want to grow quickly in terms of accommodations without quality concerns. The interested families who want to provide the homestay should meet the criteria set by the tourism committee under the Co-operative. The criteria can include safety, cleanness, hospitality, space availability, attentiveness, etc.

Group two: Local tour guides operated by 10 members. These members were male and well trained by Chiang Mai Provincial Cultural Council and the local Forest Conservation Office. The local primary school also taught them how to speak simple English to the foreign visitors. These tour guides have a duty to transfer their knowledge and experience to school students so that the students can help guiding the tourists in some parts of the village, especially during the school breaks.

Group three: Organic farming overseen by 20 members. This group activity is advised by the local staff of Chiang Mai Provincial Agricultural Extension Office. Their job is to grow plants with the non-chemical approach, which has long been used since their ancestors' period. The organic vegetables have been sold and consumed across the village for ages as the way they usually eat. Tourists or visitors can have a look at several organic plantation places scattering in the village, in which the members will demonstrate the procedure of the plantations. These members have made a number of study visits to several royal projects and private plantations using the chemical-free method.

Group four: Local cooking carried out by 10 members. These members have been trained by the local staff of the Community Development Department and the Department of Agricultural Extension on food and beverage processing. Their duties also include demonstrating the local cooking to the visitors and maintaining the cooking center. Many students whose major subject concerned with cooking often come to see this activity and some have practiced the local cooking with this group. One of the most popular dishes is 'Yum Rod Duan' (a hot and spicy salad with worms nurtured in bamboo).

Group five: Handicrafts and local stuffs produced and managed by 30 members. They have been divided into five sub-groups where each group contains six members and has its own skills to produce handicrafts and local stuff different from one to one another sub-group. The members are given materials on their request from the Co-operative. They can earn wages on the productivity basis. Examples of the handicrafts and local stuffs include reed woven bags and hats, liana photo frames, dried tea, and coffee.

Group six: Herbal productions run by 10 members. At the outset of the implementation, this group was trained by staff from Chiang Mai Provincial Public Health Office on potential herbs and making medical use of them. Their main duties are to produce herbal drinks and medications as well as demonstrate the production process.



Group seven: Traditional massage operated by 10 members. This group is much popular among the tourists. The members got trained by the elderly masseurs in the village and some professional masseurs in other districts in Chiang Mai. This local wisdom has been being transferred to their children. The masseurs teach the children at the massage place during weekends. This is really a good way of sustainable development and also in line with the educational reform that encourages the local people to get involved in teaching students with their knowledge and skills. This is to bring the real world to the students and cultivate them to love and appreciate their own culture that they have to preserve and sustain it.

Group eight: Orchids and flowers for decoration managed by 15 members. The Community Development Department in collaboration with the Co-operative Promotion Department has arranged study trips for these members to royal projects and private flower gardens to learn how to plant orchids and unique wild flowers as well as how to utilize them wisely with the concern of sustainable plantation.

Group nine: Local music and dance shows organized by 20 members. This group is divided into two sub-groups where each sub-group is consisted of 10 members. The first sub-group is the local music band. Its members practice every evening unless committed to perform to the visitors. The other sub-group is about local dance show. The latter sub-group's dancers are mainly the children of the Co-operative members. They have been trained by the elderly people and the primary school teachers in the village.

Group ten: Tea and coffee productions carried out by 30 members. This group is divided into two sub-groups; dried tea and coffee productions. As tea and coffee are the main agricultural products of the village, the 15 members in each sub-groups also take the marketing role for the village by collecting tea and coffee from the member growers and selling the products to the market. Therefore, the way they collect and market tea and coffee products is the natural demonstration of this activity to the tourists.

Group eleven: Co-operative shop operated by 10 members. Everyday, two members take turn to look after the shop where they sell consumption goods for the tourists and the villagers. The tourists and villagers are also encouraged to propose to the shopkeepers or directly to the Co-operative what they would like to buy at the shop. Group twelve: Tourism information services conducted by 10 members. These members provide information to tourists and make some basic arrangements to the tourists who inquire about tourism services. Leaflets are also available at the tourism information point. The local primary school teachers teach simple English to the members to communicate with the foreign tourists, yet body language and drawing pictures instead of speaking are often used. Some academics from a university in Chiang Mai told them that many foreign tourists would prefer to face barriers when communicating with the local people due to challenges and authentic taste of local hospitality.

Apart from tourism activities mentioned above, the village has many natural tourist attractions. These include Mae Gum Pong Waterfall, Doi Mon Lan (Mon Lan mountain peak), ancient Mae Gum Pong Temple, and Toong Sakura (Chaiyapruek tree field), etc. The most popular tourist attraction is Doi Mon Lan where tourists can do camping and enjoy browsing a wide variety of herbs and floras, especially Uang Din flowers (the scientific name is Dendrobium). In the nighttime, the camping ground is the best spot to see the beautiful city lights glittering from Chiang Mai, Lumphoon, and Lumpang. It is about six kilometers far from the village. Tourists can either use fourwheel-drive cars, which can be rented at the Co-operative, or walk with tour guides to go there.

The cultural tourism promotion managed by the Co-operative has been continuously supported by a number of alliances. These encompass government and private agencies. For the main government agencies, the Co-operative Promotion Department both at the headquarter level in Bangkok and the local level has facilitated the Co-operative in financing, training, coordinating with other agencies, promoting all kinds of related tourism matters. The Community Development Department at the local level.

Aside from its office at Mae Gum Pong village, the Co-operative has a number of marketing representatives. These include the office of Sun Gum Phaeng Hot Fountain in Sun Gum Phaeng District, the office of Huay Kaew Sub-District Administration Organization, the office of Co-operative Promotion and Development Center 5 in Doi Sa Ket District, Lanna Chiang Mai Rotary Club, Erawan P.U.C. Tour Company, Limited, and the office of Chiang Mai Provincial Co-operative.

Tourists who are interested in using tourism services of the Co-operative are required to contact one of the marketing representatives and be permitted by the Co-operative before entering the village for the tourism purposes. The communication between the representatives and the Co-operative is basically done by telephone. There is only one satellite-operated telephone in the village, which is stationed at the Co-operative office. Out of all the representatives, only does Erawan P.U.C. Tour Company, Limited get 10% commission for the marketing. The commission is calculated on the amount of money received by the Company and shown in the receipt that the tourists have to present to the Co-operative upon their arrival at the village. The receipt will tell the Co-operative what the tourists want to be served during their stays. If the tourists extend the duration of stays or want to buy any product other than what they have bought through the Company, no extra commission will be paid to the Company.

The Co-operative can also earn from other tourism related receipts, such as tent rentals (100 - 150 bahts/tent/day), vehicle rental services (100 - 1,000 bahts) and the transport service from anywhere in the city of Chiang Mai to Mae Gum Pong village or return (500 bahts one way).

It is compulsory that tourists be guided by local tour guides when travelling in the forest. This is to ensure that the tourists will not lose the way nor be in a danger, that the tourist route remains clean, and that environmental and natural resources be well preserved. The local tour guides are well trained and will carefully monitor the undesired behaviors of tourists to make sure that things in the forest will not be removed nor harmed.

A financial performance in the 2001 annual report of the Co-operative disclosed that during 2000-2001 the Co-operative had received an amount of 265,650 bahts for the tourism service section. This meant that an amount of 26,565.00 bahts, 10% of the revenue, went to the village fund for tourism promotion and that an amount of 13,282.50 bahts, 5% of the revenue, went to support the tourism management of the Co-operative. The rest of 225,802.50 bahts went to the homestay providers, tour guides, local dancers, food and goods sellers in the village, etc. In other words, the big amount of tourism revenue had been circulated across the village.

Based on the result of the discussion among the board of directors at the outset of implementing the cultural tourism promotion, four principles of Mae Gum Pong Cultural Tourism Village were set. The principles really reflect the strong ambition of the community to have focused heavily on sustainable development in a holistic view by using the cultural tourism promotion as a fundamental tool integrating all spirits of community people and potential natural and cultural resources.

Figure 4.3: The Principles of Mae Gum Pong Cultural Tourism Village

- 1. We, Mae Gum Pong villagers, will preserve and sustain the good environment, natural resources, and traditional culture.
- 2. We highly appreciate learning, teaching, transferring, and exchanging cultures between the visitors and villagers.
- 3. We want to have the visitors appreciated with our tourism products and our tourism management.
- 4. We strongly encourage the local participation for the development and creativity of the community and environments.

Source: Translated from the four principles of Mae Gum Pong Cultural Tourism Village (Thai Version)

The cultural tourism promotion has been set up with four main objectives; to create employment and supplementary income for the community, to strengthen the Cooperative as the actual community organization to be self reliant and self developed, to get the local people and the tourists realized the value of natural and cultural resources by conserving them in a sustainable way, and to make the cultural tourism business an optional occupation for communities.

However, when considering about the allocations of tourism benefits among stakeholders, it is interesting that major receipts went to the homestay providers and forest tour guides who offered compulsory tourism services. Other people in the community earned minor receipts from optional activities, such as performing local dance shows, local music band shows, and selling souvenirs. For example, a group of four tourists stays at a host family for two days, the basic tourism receipts and benefit allocations should be seen as shown in Figure 4.4 on the next page.

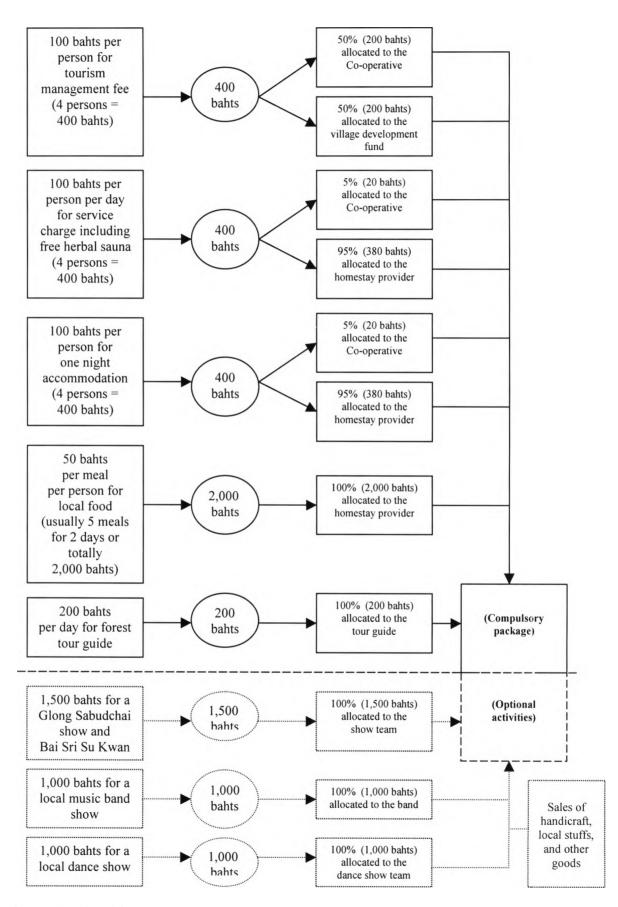


Figure 4.4: An Example of Tourism Receipts and Benefit Allocation Based on 2 Days Stays of 4 Tourists

Source: Developed from the Cultural Tourism Project Document of the Co-operative

Figure 4.4 on the last page shows that tourism benefits were not extensively allocated to the villagers involved. This might lead to a potential conflict of interest in the future when the tourism business becomes more profitable than the present situation. This economic predicament may also bring about social disorders and problems sequentially.

From the researcher's observations, every day life of Mae Gum Pong people was simple. Most people went out to their agricultural premises to collect Miang, the job they were inherited from their ancestors and they had been doing for years. It seemed that whether tourism related to them, the Miang collections still went on as usual. This was true for routine work in their houses. This implied that tourism would not significantly affect their way of life. However, when observing physical things around the village, they seemed to have been resulted from the tourism promotion. People were traveling in one pick-up car on the concrete road newly built to their farmlands. At the community hall, people and children regularly came to read some newspapers and magazines, while some just stopped by to greet their friends.

For the families hosting a group of tourists, many of them had purchased new blankets and clothing to protect themselves and the guests from the cold weather existing all year round. Some families that often received the tourists could earn enough money to buy a gas stove, but they were happy to stay with the traditional stove.

From the people's dialogues, they talked much about their children's growth and potentials. They would like their children get as much educated as possible. Some had sent their children to study in the city of Chiang Mai. This implied that money they earned would go to their children development rather than purchasing unnecessary things for their consumption. At a small shop that seemed to be the main shop of the village was where villagers always came and went. Here, people talked much about groups of tourists coming up and the activities they had been assigned from the Co-operative to welcome the tourists.

In terms of management practices within the Co-operative, the chairman often called the relevant people for brainstorming about implementing activities. Sometimes, the chairman went out to see the relevant people at their houses to coordinate matters. The close coordination without hierarchical system was suitable for the small community in which flexibility and convenience were a common base of working. The coordinating issues involved equally in co-operative management and tourism management. This implied that tourism had a significant influence on the routine work of the Co-operative.

Homestay providers often came to the Co-operative to receive money from their service provisions as well as to get a job assignment for hosting tourists that the Cooperative rotated the turn to them. Also, other members came to the Co-operative to pay interests for their loan while some members were filling up the loan form to borrow money from the Co-operative to invest in their farmland.

Although there were a few activities occurring in the village during the data collections, the activities reflected the potential of the community in social and learning developments. Students from the Primary School were assigned to clean up the village road and the roadsides. They also were asked to do so in front of their houses. These arrangements had been made in order to welcome a 45-tourist group of farmers' housewife club from Ubon Ratchathani Province that would make a one-day trip to the village in the next day. In that occasion, the group would be visiting the ancient temple, Miang plantations, seeing local dance shows and Miang processing, having traditional massage, learning about local herbal ingredients and productions. The local people looked forward to welcoming the group enthusiastically. They appeared very proud of their village as valued by the outsiders.

Sense of places could be touched throughout the data collections in the village. The village seemed to be peaceful, but ambitious at the same time. Surroundings were well kept in order, which reflected that the villagers were disciplined on the one had and aesthetic on the other hand. People always smiled to the guests, manifesting that they were friendly and supportive. Tourism related signs, ranging from the big 'welcome' sign at the entrance of the village to small 'toilet' signs, were widely seen across the village. This showed the warm hospitality and readiness of the community to sincerely welcome the guests. It also demonstrated that the village took the tourism promotion into account seriously with a strong wish that the tourism would bring many good things to the community.

At the herbal production center, it was in a good condition since it was recently built to demonstrate various kind of herbs and herbal productions to the visitors. The guest book placed in the center showed a list of visitors and their workplaces, a number of visitors came from other co-operatives and academic institutions. This means that the village has a potential to attract more visitors, not only those who would like to come for leisure but also for educational purposes as well.

All of the 15 homestay providers were asked by the Co-operative to do a simple income worksheet on their tourism receipts in order that they could learn how much they gained from the tourism. It was clear that they had earned far more money from the homestay service than what they spent on it. One provider, for example, showed a small book recording the revenue from the homestay. She had earned 8,380 bahts from providing the homestay during January – August 2001, especially between March and April 2001 when tourists escaped from the hot weather in big cities and came to Mae Gum Pong to enjoy moderately cool fresh weather and playing the waterfalls, she earned up to 3,500 bahts or almost 50% of the revenue for the whole year. Another provider estimated that in winter, there would be an influx of tourists coming to see Sakura blossom. A small storeowner said that her business was doing so well after the introduction of tourism promotion. This reflects that the village has much potential to attract tourists all year round and that tourism has brought about economic development to the community.

The people in Mae Gum Pong village were dependent on the Co-operative in a large extent. Many came to the Co-operative to ask for the daily price of their agricultural products, others came to pay the electricity fee, while some asked for the loans. Basically, their daily life was committed to the Co-operative.

For the management practice of the Co-operative, it was evident that people from key agencies relevant to tourism promotion directly and indirectly often came to coordinate with the Co-operative in several matters. The Co-operative was never quiet during the daytime. The telephone, which was the only one in the village, rang very often. It seemed like the Co-operative was more or less the governing body of the community.

The Co-operative was really the center for organizing activities in the village. The chairman and one from the board of directors were explaining to the villagers called for an informal meeting about organizing sports competition with another community nearby. The Co-operative supported the sports equipment to young people for practicing.

Some dialogues of the villagers also reflected that the Co-operative was essential for the community development. A storeowner, for example, told a group of visitors that the newly built village road was a gift for the community. The local people made a list of their names to request the new road from the local administration organization but no response. Then, they asked the Co-operative board of directors to resubmit the request again but under the name of the Co-operative, this time was successful since the request was done by a local institution. The Co-operative has become a community institution for Mae Gum Pong village.

By observing around the village, the researcher saw the name of the Co-operative placed on several physical things, ranging from dishes in the temple to the building in the local primary school. This sense of place implied that the Co-operative made significant contribution to the community, thus being respected by the community.

People of Mae Gum Pong village appeared to be collective. They hardly stayed alone even in their house. Getting together to do things was their way of life that reflected a high degree of their harmony. During the data collection, the researcher had an opportunity to observe in a special meeting held at the Co-operative office. The meeting was about making a project proposal of cultural tourism development to be submitted to the Supanimit Foundation for any support in constructing public toilets nearby the sevenlevel Mae Gum Pong waterfall and a concrete stair from level 6 to level 7 at the top of the waterfall. Those attending the meeting included a representative from the Foundation, a local official from the forest conservation office, two local officials from the Provincial Co-operative Office, Director of the local primary school, and a number of villagers. All of them were discussing on the mutual benefits of the community rather than one's sake. Meanwhile, the villagers contributed remarkable ideas to the meeting. Moreover, there were a lot of evidences around the village implying that this community contained a high degree of local participation towards the tourism. Among the evidences were Sala Ruam Jai (a public cottage), community learning center, and herbal production center. These were constructed by the local involvement.

Tourism related documents of the Co-operative pictured that the tourism benefits should be in the form of economic and social developments. The documents contained proposals for the constructions of tourism facilities and for training and education programs, such as tourism security management, hospitality management, cultural dissemination, etc. A monthly meeting report of the board of directors similarly notifying that the board was contemplating to create a community learning center where all people come to share their experiences and views with others. The center was likely to get support from an NGO in the city of Chiang Mai that has the Headquarters in Canada.

The 2000/2001 annual report of the Co-operative unveiled the role of local participation to the cultural tourism management. It stated that the Co-operative was proposing the cultural tourism project as a local product to join the One Tumbon One Product campaign actively being conducted by the Government. It clearly described that this project had been agreed and supported not only by the local people, but also other neighboring communities, which would gain the benefits from the tourism promotion. The Huay Kaew Sub-District Administration Organization also strongly advocated the project. Meeting reports of the board of directors, likewise, exposed that a number of resolutions made by the board were in consultation with others living in the community. This can be confirmed that local participation approaches are the routine manner for the Co-operative management, whether engaged in the tourism matters.

Much literature corroborates that cultural tourism has a promising future. According to the study 'Tourism: 2020 Vision" by the World Tourism Organization, tourism will be one of the hottest travel trends for the 21st century. This corresponds to Canadian arts development consultant Steven Throne's insight describing cultural tourism as the new market of the 21st century. This is in line with Gardeshgar (1999: 65) saying that about 37% of tourists travel with a purpose to better understand culture, the world of tourism is making a shift from simply traveling to 'see' to 'feel' and to 'experience' the culture of a country one visits. Also, UNESCO confirms that cultural tourism is globally recognized and taken into serious account of international concerns. It also implies that many countries have put the value of tourism with a sense of culture into their economic and social development plan at the national level.

Although there is no written work on the successful story of cultural tourism management operated by Mae Gum Pong Royal Project Electricity Co-operative, Limited due to its newness in the tourism business, the literature above implies that use of the co-operative approach in any form of rural tourism, including cultural tourism, is suitable for economic, social, cultural developments for the local community.

4.3 Attitudes to Present Practice of Tourism at Mae Gum Pong by Local People and Other Stakeholders

This section is to describe the attitudes to the present practice of tourism at Mae Gum Pong community expressed by the local people and the other stakeholders; homestay providers, co-operative members, co-operative management, other villagers, local officials, and tourists. Also, the observations made in the real setting, documentation, and literature review are outlined.

4.3.1 Homestay Providers

Five homestay providers were interviewed individually to reveal their perceptions toward the contributions that they gained from the cultural tourism promotion. Obviously, all of them disclosed that they were satisfied with the higher income from the homestay services. Interestingly, they were even more satisfied when they saw their neighbors received benefits from the tourism in any aspect as well. In other words, they would like to see a holistic view of a happy community, not a single happy home in a poor community.

They also said that Mae Gum Pong had become livelier since launching the tourism promotion. They had been involved in a number of social activities set by the Co-operative for the tourism purposes. In the past, they had very few opportunities to get together unless called for meetings by the Co-operative or the government bodies. They believed that the involvement had strengthened the harmony of the Co-operative members and the local people, which was the key factor for the community development. They also noted that they had learned a lot when socializing with others, especially tourists who come from different cultures. The learning had taught them that humans were different in several aspects, such as cultures and languages and that their traditional culture is of great interest for the visiting tourists.

A group of six homestay providers, who had not been interviewed personally, were invited to discuss informally on what contributions they had received from the tourism managed by the Co-operative. All of them were happy to tell that they obviously gained more income from providing the homestay services, mainly including accommodations and meals. The money they received had been circulated around the village at multiple levels. They believed that other people in the community would receive some benefits from the tourism both directly and indirectly. They also said that managing tourism through the Co-operative was suitable for them since it was a comprehensive core that linked to many other aspects of their life, such as agricultural productions, financial assistance, use of electricity, technical support, etc. and tourism could not be separated from the other aspects; hence, tourism should be managed by the co-operative system.

When providing the homestay services, they would often invite neighbors and other villagers to come to join discussions or even have dinner with the tourists. Socialization and learning process occurred at this stage in their house, which they had not ever experienced before. They felt that their communication skills had been developed as well as their imaginations had been widened. An interesting matter learned from these homestay providers was that when hosting foreign tourists, they hosts saw no problems for communicating with the guests since they had a simple Thai-English dictionary and used body language. They said that different languages were not a barrier as far as both sides gave respect and sincerity to one another. Therefore, they had learned how to work with the differences and how to socialize with others.

They were also interviewed on the local participation matter. All of them viewed in the same way that the Co-operative was really keen on the issue of local participation. Like others in the village, they had regular contacts to the Co-operative, where they could suggest the chairman and the board members about what should be done about the tourism development. One of the providers even stated that sometimes the Co-operative paid so much attention in the local participation that it seemed to be going slowly in the decision-making.

4.3.2 Co-operative Members

Six Co-operative members, who did not provide homestay services, were also individually interviewed on the same matter. They said that tourism had brought positive impacts into the community. Tourism became a new source of income for the local people. Managed by the Co-operative, tourism could fairly contribute benefits to all stakeholders involved. One member noted that there used to have an idea to put the tourism into community based management, but people did not seem to accept as they already trusted the Co-operative, the cornerstone of the community life, and did not want to have so many organizations in their community.

In other words, they would like to do things under the rules of the only one umbrella body. Another member added that almost every single person of the community would be assigned a job related to tourism both directly and indirectly. This meant that economic benefits were distributed around the village and a social network occurred due to the people involvement. Also, learning development took place not only among adults but also children whose job was to entertain tourist with local dance shows and other cultural activities.

They also believed that the Co-operative was the most suitable agency to manage tourism. They viewed that tourism was interrelated to other factors and conditions in the community, in which the Co-operative had been managing. For example, the Co-operative had long managed maintaining streams for generating electricity that related to natural resource management; consequently, it would not be efficient to have a new organization to be responsible for tourism management. They pointed that since the tourism promotion was an issue affecting all walks of life in the village extensively, the chairman and the board members always encouraged not only them but also others, such as housewives, teachers, monks, police, local government staff, and even school students, to have a say when making decisions about the tourism development.

4.3.3 Co-operative Management

The chairman and the treasurer of the Co-operative commonly agreed that since the Co-operative had promoted the cultural tourism activities, including homestay services, natural tour guides, local dance shows, family activities, daily farming practices, community way of life, etc., the people involved in such activities, not only the homestay providers who are the Co-operative members but also villagers, were happy as they gained higher income than before. Many members, who had borrowed money from the Co-operative, were able to repay their loans to the Co-operative. Not every one of these members was the homestay provider. This implied that money gained from the tourism had been circulated among the community members. Furthermore, they noticed that tourism had made the local people become more socialized and interactive with tourists and relevant agencies that were supporting the tourism promotion. As a result of such social exchanges, they learned new dynamics occurring in their house, their neighbors' houses, and their community.

Out of nine persons from the board of directors (BOD), five persons attended a focus group interview excluding the chairman and the treasurer who had been interviewed individually as well as the rest of seven were not available at the time the interview being conducted.

The directors agreed that since the implementation of tourism activities, not only had the Co-operative members got an increased income in form of receipts from the tourism services offered, but they and villagers were given other assistance by local and provincial administration agencies. The assistance included training and education in cultural management, herbal productions, tour guiding, primary health services, etc. as well as infrastructures covering village road, sala choomchon (community hall), community learning center, and other physical things. This assistance really gives a better condition of life quality to the local people.

Furthermore, since the Co-operative would like to have the tourism promotion management in control, systemization of tourism management was so crucial to it; thus well accelerating the social ordering of the community. In effect, tourism management was a tool for social development as other related matters would come to support the tourism management and the supporting matters mainly concerned with social issues, such as training and education and primary health services. Most importantly, tourism was a good way for community learning. Each case of tourist contained a lot of interesting stories to learn for the community.

Concerning the suitability that the Co-operative should be the main institution in the community to operate tourism, the chairman and the treasurer of the Cooperative said that it would be confusing for the local people if the tourism was managed by other agencies. The community of Mae Gum Pong was so small that establishing many organizations in the same area was unlikely. If the tourism was managed by a new form of body, many of the management people in the new body would be most likely to come from the Co-operative, thus overlapping the personnel and policy of tourism. This is in line with the five homestay providers saying that they had never thought to group together among the 15 homestay providers to run the tourism by themselves. They had long relied on the Co-operative because they owned it and grew with it.

They also pointed that due to the long existence in the community, the Cooperative was asked by the Huay Kaew Sub-District Administration Organization to manage the cultural tourism promotion in the village, yet the Organization had far more resources than did the Co-operative to do so. This was because of the trustfulness and the firm settlement of the Co-operative.

Regarding the role of local participation to be involved in tourism development and planning, the chairman of the Co-operative said that since the Cooperative was located in a small community, which allowed the board of directors to communicate with the members conveniently and extensively. When making decisions in the board of directors' meetings, it was common that other people could join and had their voice in the decision-making process. Basically, the meetings were formal, yet run on the set agendas sequentially. Teachers from the local primary school, local staff from the forest conservation office, the Co-operative members, villagers, or even monks were often seen in the meetings. He also emphasized that the board of directors had never used the absolute power given by the Co-operative members in the annual general meeting to make the decisions that might cause affects to the Co-operative members and villagers, though they could do so.

The treasurer of the Co-operative put the same way as the chairman. He revealed that the board of directors acted as the coordinator for the Co-operative, the members, and the community. The participation of the members and the villagers could be done through two ways; direct and indirect. Directly, anyone in the community could come to the Co-operative to share their views and express their needs or comments concerning the community development. Indirectly, they could use the board members as the coordinator to pass on their voice to the Co-operative. The treasurer was much confident that the Co-operative never ignore the significance of local participation. He also mentioned that the chairman had been a beloved one for the community because he appeared to be a servant of the community, not the boss. Anything requested by the community and possible for him to respond the requests, he would react quickly.

The five directors excluding the chairman and the treasurer had a common view that the local participation was so crucial. They believed the tourism management could not succeed without such local involvement. This was because the Co-operative had no any tourism facility at all. The facilities belonged to the community and people. Therefore, when making decisions concerning the tourism management, the Co-operative always invited the relevant stakeholders in the community, whether individuals or agencies, to share their insights for the tourism management and development. This was the way the Co-operative had been doing for a long time. Also, when contemplating about launching the tourism promotion in the village, the Co-operative had to meet the consensus of the community people since all the people would be the tourism personnel as well as service providers. As the villagers possessed the tourism resources, the Cooperative with no doubt had to listen to them. As a result, the Co-operative always encouraged the local participation when making decisions on tourism planning.

4.3.4 Other Villagers

Four villagers were interviewed about the contributions they had experienced since the start of tourism promotion. One villager revealed that the term 'cultural tourism' really urged him to see the value of the community culture and nature that could bring prosperity to Mae Gum Pong village. This would teach the local people to realize that the burdens to conserve and wisely utilized the existing cultures belonged to every single person in the village.

The others advocated the villager's idea by pointing that money was not so meaningful for them since they were happy with the condition they had been. Rather, it was considered as a by-product certainly coming from the tourism. What they really wanted from the tourism was the sustainable development. The Co-operative was a good representative for them to attract more alliances to help support the development. They believed that in practice, the government relied more on co-operative institutions than other forms existing in the locality since they were officially registered by the government and they had a clear set of regulations and liability system. When granting assistance to the locality, the government would give priority to co-operatives.

4.3.5 Local Officials

Six local government officials were interviewed in a focus group. They were consisted of two from Mae Gum Pong Primary School, one from Huay Kaew Sub-District Administration Organization, two from Chiang Mai Provincial Co-operative Office, and one from Huay Kaew Forest Conservation Office. They agreed that tourism brought considerable benefits to the community, whether economic, social, or learning developments. What they were being concerned was that how all stakeholders involved in the tourism could make it a sustainable one. One Co-operative Promotion Officer said that there was much research work saying about the failure of community based tourism management because of the too-fast investment and development in it. This warning was taken into the Co-operative people and others concerned.

Another one from the Sub-District Administration Organization stated that they as local government officials were here to see the sustainable growth of the community, not the temporary prosperity derived from the tourism. When asked if the Co-operative was a good body to manage the tourism, all of them accepted that it was most appropriate for the tourism management because of its firm settlement and systematic regulations. One teacher from the Primary School noted that the tourism management considerably required community disciplines and a strong mutual commitment of the local people. In this regard, the Co-operative had long been a good center to make the members disciplined and ambitious to the better quality of life; consequently, he believed that no one would take a risk to change the organization managing tourism from the Co-operative to a different form. The other teacher agreed with his colleague by stating that community based tourism management was widely used in many other areas. This was because no co-operative system introduced in the areas before the introduction of tourism promotion. For the case of Mae Gum Pong, the Co-operative had been firmly institutionalized in the community before the tourism promotion got started. It was also considered as a governing body for the community.

The group of local government officials put in an interesting way that the Co-operative was basically promoted by the Co-operative Promotion Department. Any affair the Co-operative had done or was doing now would be facilitated and evaluated by the Department. This meant that if the Co-operative made any mistakes or undesirable matters to tourists or the community, the affected parties could make complaints to the Department or its local office. For other organizations running tourism in other communities, they were not sure how many channels where the complaints had to reach. One official from the Provincial Co-operative Office described that many projects from the government had been put into the co-operative system. Farmers' groups under the supervision of the Department of Agricultural Extension would be soon transformed into co-operatives. This meant that the government needed to see a unity of local cooperation through the co-operative system. One teacher from the local primary school also advocated that according to the Constitution, the government would support, promote, and protect the co-operative system while at the same time the co-operative system would be used as a key mechanism for economic and social developments.

However, the officials correspondingly explained that the Co-operative was ideal for this particular community. For other communities, tourism might be ideally managed by a body other than a co-operative. It should depend upon several conditions. In some areas, the local administration organizations might be perfect for running the tourism business, whereas many other areas might be well compatible with the community based approach.

They also applauded the Co-operative as a good model to learn about participatory approach for local development. One official from the local forest conservation office described that the Co-operative had been realizing about the potential ecological problem that might occur by forest tours. No exact tourist routes imposed to suit with different seasons; hence, the security for the tourists and the environment controls might be inefficient. To do this, the Co-operative in collaboration with the forest tour routes. Other officials said that the Co-operative had become a forum for all the stakeholders, to share their views on the tourism management and it was also the place that those officials would be able to learn villagers' ideas. This is in line with the group of homestay providers, villagers, and the Co-operative about tourism issues. They said that there had never been any serious conflict among the tourism concerned parties since the beginning of the cultural tourism promotion managed by the Co-operative.

4.3.6 Tourists

Ten tourists were also asked to address their perceptions toward what they had contributed to Mae Gum Pong community. They disclosed that they enjoyed interacting with the local people through conversations and activities. In average, they spent 600 - 800 bahts a day for a full range of tourism activities and services, which was worth spending. They thought that with that amount of money they spent would not make the people richer, but better in standard of living.

One tourist described that he came to the community to appreciate a unique culture and environment different from his home. Interacting with the local people was the best way to appreciate the typical atmosphere of the visited places. He thought that the interaction between the host and him was a mode of learning from each other. A group of three tourists, who was doing a bachelor degree at a university in Chiang Mai Province, told that tourist arrivals to Mae Gum Pong had created a new dynamic of learning to the community people. The people could learn from the visitors' stories, when things different from one's side. For example, hosting people might ask them what time they normally went to bed as the people went to bed quite early. They had many things to learn from each other.

All the ten tourists interviewed mutually agreed that the host families appeared disciplined and thoughtful to them. They were really satisfied with the services and hospitality extended by the families. Eight out of them had been to community ecotourism and agreed that the operation of this co-operative appeared more systemized and focused on quality management than the one they had experienced. A group of three tourists mutually viewed that the Co-operative was a firm and trustful institution legally registered while at the same time it really belonged to the members. To sum up, the Cooperative in their point of view was suitable for managing the tourism promotion.

Although the local participation matter is not directly relevant to the group of tourists, they were asked to recall what they had heard from the homestay providers they were staying with or used to stay with about the Co-operative action relevant to the local participation. Out of ten tourists who were interviewed on other subjects, while three had no idea about this, seven told that they had noticed the concern of the Cooperative towards the community peacefulness. They were asked by the Co-operative to follow the rules designed for those visiting the village. This was to give respect to the cultural and natural values of the community. The Co-operative appeared to care the community very much; consequently, they believed Co-operative would certainly respect the local participation.

4.4 Attitudes to the Future of Mae Gum Pong

According to Yos Santasombat (2001: 8-10), tourism brings about the structural changes of economy, social, culture and natural environment. The community has to adjust itself to such changes, which will reflect the relationship between the local context and the conditions outside the community. Therefore, sustainability of economy, social, environment, and culture resulted from tourism really challenges the community of Mae Gum Pong. The following are the attitudes to the future of Mae Gum Pong by local people and other stakeholders.

4.4.1 Economic sustainability

In the near future, the Co-operative will increase more carrying capacity of homestay to be able to accommodate tourists from 50 to 120 persons per time. The chairman and the treasurer viewed that this would create more income and employment creation to the community. The homestay providers, co-operative members, and villagers also simply agreed with this point. In contrast, the group of local government officials expressed their concern that economic growth could not guarantee the social growth. To make all dimensions sustainable, careful planning was essentially needed, which Mae Gum Pong had not have a systemized one yet.

The survival of tourism business is also dependent on tourism product innovations. The chairman said that in the future the community would find out more tourism products or better the existing ones without losing the originality in order to prolong the marketing life cycle. He had asked the villagers to create other kinds of cultural shows local products. The efforts would be supported by relevant local officials. Moreover, the increasing number of tourism competitors might affect the economic growth of the community. One official from Chiang Mai Provincial Cooperative Office said that when thinking of economic growth, it did not mean only income received but the community should be aware of the costs spent. The costs included all kinds of tourism supplies, social and cultural distortions, and recovery of damaged environment. One teacher from the local primary school noted that the tourism development in the community should be conducted in an incremental manner. The local people should not rely on tourism income as the main revenue of their household.

The group of local officials also pointed that since the group of homestay providers gained the majority of tourism income, there might be a conflict of interest in the future if this situation still went on. To achieve the economic sustainability, the group suggested that tourism benefits must be fairly distributed to as many people involved as possible. Also, the community fund where people put some of their tourism receipts in should be firmly established and continuously strengthened so that all stakeholders could feel part of it and use it to secure the costs.

4.4.2 Social Sustainability

Social sustainability refers to the ability of a community to absorb tourism both the industry and the tourists themselves without the creation of social disharmony. In this regard, some tourists viewed that social problems could occur everywhere that have a crowded population. They thought that limiting the number of tourists to match the capability of community control was important. Increasing the number of tourists without careful planning might disturb the peacefulness of the community, thus losing the identity that tourists would like to appreciate.

The chairman and some members of the board of directors thought that if the attractiveness of tourism receipts might cause a competition among the beneficiaries. This was likely to cause the social disharmony and peacefulness. They agreed that constant training and education to the local people to understand well about the tourism benefits would be crucial. The benefits did not only appear in the form of money, but also learning exchange and rather local participation that would lead to other aspects of social development. For the group of local government officials, they viewed that group participation of local people and other stakeholders was fundamental for social sustainability. Problems and suggestions should be mutually addressed by all parties. Also, the community had to hold the social value of supporting and assisting each other and not to expect the tourism benefits in the form of money only.

4.4.3 Environmental Sustainability

The chairman and some members of the board of directors admitted that environmental sustainability was really a challenging issue. In the future, they foresaw that there would be an influx of tourists or visitors coming to Doi Mon Lan since the place was still fresh compared to other natural tourist attractions in Chiang Mai. To go to Doi Mon Lan, tourists or visitors have to use the tourism services of the community managed by the Co-operative. Many tourists would use homestay before climbing up to the place. Also, forest tour guiding was getting more popular because it could be finished in one day. One-day trip visitors had come to Mae Gum Pong for this purpose and sometime left behind with garbage. Moreover, when taking forest tours, some floras and endangered plants were removed by the visitors.

One official from the forest department local office said that in the future the Co-operative and the community should together make a systemized plan for receiving forest tour visitors in each season. Also, the tour guides and school students should play a key role to monitor undesirable behaviors of the visitors when visiting the community and taking the forest tour.

The teacher from the local primary school agreed with the forest official. She said that although the community offered cultural tourism, nature tourism related activities were also part of it; consequently, control of environmental quality was crucial. The Sub-District Administration Organization should take a leading role in the waste management and the Co-operative should work shoulder to shoulder with the Organization and the local forest office to evaluate the situation of environmental changes regularly.

4.4.4 Cultural Sustainability

In the future, the community will experience the decreasing number of elderly people who have maintained the local cultures as tourism products to the community. This community foresees such a predicament and encourages this group of elderly people to transfer the typical cultures to their children. The teacher from the local primary school said that elderly people took part of educational reform by helping the school to teach and practice local wisdom to the students at their own places.

Since the children today will grow up and then may leave the community to find jobs in big cities, a shortage of tourism personnel can occur. This concern was taken into consideration of the chairman. He noted that if the children were well cultivated to realize the value of their community culture and to live on a sufficient economy, they would not leave their motherland.

A group of homestay providers agreed with the chairman by seeing that the appropriate nurture was important to make the children love their community. They should be encouraged to get involved in cultural activities of the community and represent the community to show their typical culture to the outside societies. Making them proud of their local culture must be seriously undertaken by the support of all stakeholders. One official from the local community development office said that the without the local cultures, the community had nothing to survive. The future of the community highly relied on the children development. Therefore, all stakeholders should together help develop the children to be the good cultural successors of the community.

4.4.5 Expectation to the Co-operative

Although the homestay providers seem to gain benefits directly from the tourism business, they were quite reluctant to say if the Co-operative should live on the tourism business only by changing the existing form of a multi-purpose co-operative to a single purpose co-operative. However, they correspondingly said that the homestay service was not the main job for them. They relied on the traditional agriculture job, growing tea and coffee. This corresponded to the perceptions of six co-operative members stating that to do the farming, the Co-operative really helped them in various

aspects, such as providing loans for preparing the plantation and useful information concerning prices and demands, and collecting the agricultural products to sell to the market through the co-operative manner. This traditional job was a cultural product to sell to the tourists, too, apart from local food and the living style in their houses.

Ten tourists conformably viewed that the enchantment of cultural tourism products offered by the Co-operative was the diversification of tangible and intangible cultural resources. One-stop-service was the desirable form of tourism management for them; consequently, an agency like the existing Co-operative that could integrate all the cultural resources should be acceptable.

The group of the Co-operative board members had heard about the KECC, an ecotourism co-operative in Kanchanaburi that relied mainly on tourism business. They accordingly said that KECC and Mae Gum Pong were different at the origin. The KECC was established to purposively operate ecotourism as the core business. The founder saw the potentials of the respective areas to do tourism marketing and gathered local people in the areas to form the co-operative. In contrast, Mae Gum Pong Royal Project Electricity Co-operative, Limited was established for the unification purpose to produce and use the electricity together by means of the co-operative system, providing agricultural extension and related businesses as well as educating co-operative principles to its members. The Co-operative had long lived with the community of Mae Gum Pong before setting the tourism business as an additional business. The traditional businesses should be continued while at the same time the tourism business should be incrementally promoted. They agreeably assumed that it was not wise to change the Co-operative from a multipurpose form to a single purpose form.

The group of the local government officials viewed that cultural tourism management was interconnected to other activities run by the Co-operative. It should be a multi-purpose co-operative to be able to integrate many activities and link them with the tourism management. One official from the Provincial Co-operative Office said that the tourism business was not so strong and it was in the first stage of implementing. Also, budgets for the tourism development were still supported by the Government, according to the tourism campaign in the rural area. Without such a financial support, it might be difficult for the Co-operative to continue the project. One teacher from the local primary school agreed with the group by saying that many community tourism projects had been collapsed because the communities put a severe emphasis of commercial tourism development. Mae Gum Pong tourism promotion project was set up in the midst of these failed lessons. At the moment, the Co-operative should regard the tourism business as a new source of income on top of the existing businesses.

The groups of homestay providers and co-operative members described that unlike their traditional farming job they were doing, the tourism business offered uncertain income to them. The latter income could be regarded as supplementary income for them. This is in accordance with the villagers' perceptions saying that they had got supported by the Co-operative in several aspects. Interestingly, one villager strongly said that without the tourism, he believed that the community could survive but without the existing services offered by the Co-operative, the community could encounter a number of difficulties since it was really a socio-economic center of the community.

The 2000 annual report of the Co-operative disclosed the approval of the general meeting to the Co-operative for doing the cultural tourism business. Its rationale said that tourism would be promoted as another income generating source going along with the existing traditional occupations of the local people. It would also be used as a mechanism to make the local people recognize the value of their cultural resources and be possessive to preserve such precious resources. This implied that the Co-operative had placed the tourism management as a mutual burden between itself and the community.

A proposal of cultural tourism service project as the product of Huay Kaew Sub-District had been approved by the Co-operative Promotion Department, Ministry of Agriculture and Co-operatives to join the ongoing national campaign 'One Tumbon One Product'. The approval meant that the Co-operative would get a financial support from the Government as projected about 932,500 bahts. The duration of the project was two years during June 2001 - June 2003. At the end of the project, there would be an evaluation of the performance and results.

Even though the tourism business had been conducted through the Cooperative management for about one year, it was less mentioned in the monthly meeting reports of the board than those concerned with marketing of agricultural products, electricity generating fees, and financial updates. They saw the latter issues more complicated than tourism because managing issues were their direct responsibility whereas the tourism matters could be run on the basis of participatory approaches.

The financial performance in the 2001 annual report of the Co-operative disclosed that during 2000-2001 the Co-operative had received an amount of 265,650.00 bahts for the tourism service section. This meant that an amount of 26,565.00 bahts, 10% of the revenue, went to the village fund for tourism promotion and that an amount of 13,282.50 bahts, 5% of the revenue, went to support the tourism management of the Co-operative. The rest of 225,802.50 bahts went to the homestay providers, tour guides, local dancers, food and goods sellers in the village, etc. In other words, the Co-operative does not seem to do the tourism business commercially by receiving the smallest amount of the tourism receipts (13,282.50 bahts out of 265,650.00 bahts or only 5%). This amount becomes insignificant when compared to the traditional revenues that the Co-operative has gained for years. Table 4.1 below shows the compared performances between the traditional business and the tourism business.

Table 4.1: A Performance Comparison between the Traditional Businesses and Tourism Businesses

Revenues from traditional businesses	Expenses of traditional businesses	Profit (loss)	Revenues from tourism businesses	Expenses of tourism businesses	Profit (loss)
181,356.13	137,185.21	44,170.92	13,282.50	17,174.00	(3,891.50)

Source: Based on the financial performance in the 2001 annual report of the Co-operative (unofficial)

However, the financial documentation appeared in Table 4.1 on the last page cannot be concluded that the tourism business is not good for the Co-operative as in the future the Co-operative may gain profits from the tourism business. It seems too early to expect financial return in the introductory stage of implementing the business. The documentation is to simply prove that at this moment, the Co-operative is unlikely to be viable if relying only on the tourism business. There are still many factors to be involved in the decision-making process whether the Co-operative should transform itself from a multi-purpose co-operative into a single-purpose co-operative by operating only the tourism business. It can be concluded that in the future some problems can undeniably occur. However, all stakeholders were aware of such problems. They believed these hindrances could be cured by careful planning and continuous training and education with the supports of all stakeholders.

The Co-operative was expected by the local people and other stakeholders to remain the characteristic of a multi-purpose community center. They would like to use the traditional services from the Co-operative as usual. This may be a special case that the local community relies on the Co-operative and may not be practical in other areas. Although the tourism business has not contributed a significant return to the Co-operative in the first year of implementation, it seems to be productive to the community as a whole and it is believed to pay back to the Co-operative in the long term. The community has gained several aspects of development, including economy, social, environment, and culture, yet there are some problems along the changes of development.

4.5 Scenario Analysis of Mae Gum Pong

For the supply side of tourism, Mae Gum Pong community has three main aspects of supplies; tourism personnel, tourism products, and tourism costs. The tourism workforce was 177 persons, including staff from the local agencies who facilitated the Co-operative and community in many aspects. The tourism products cover 13 main themes of cultural and natural activities. The costs were consisted of investment budget given by the Government to conduct the tourism as the product in the ongoing campaign so called 'One Tumbon One Product' plus the minor budget of the co-operative. Figure 4.5 on the next page shows a summary of tourism supply at the community.

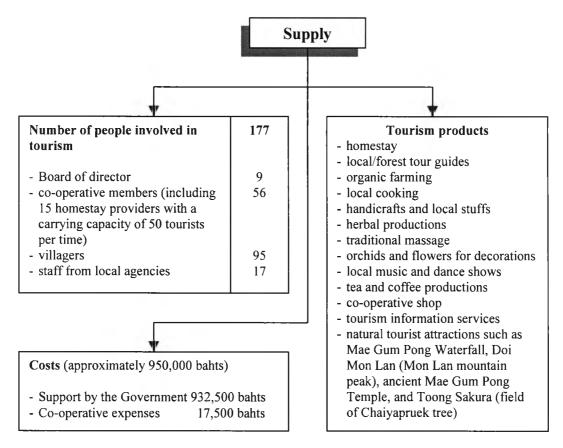


Figure 4.5: A Summary of Tourism Supply at Mae Gum Pong Community

Source: Prepared for this thesis

For the demand side of tourism, Mae Gum Pong has actual demand that happened in 2001 in which 1,297 tourists and visitors came to experience it and spent 265,650 bahts on tourism services. With an estimated demand to occur during 2002-2003 that the project One Tumbon One Product is implemented, 6,600 tourists and visitors are expected to see along with an amount of 1,350,000 bahts for tourism expenses. Table 4.6 on the next page shows a summary of tourism demand at Mae Gum Pong community.

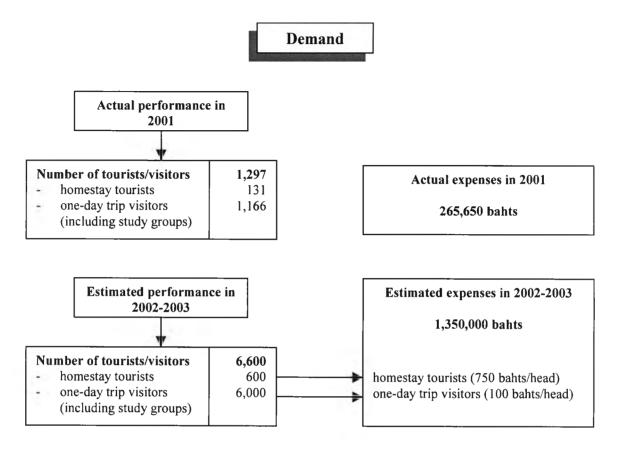


Figure 4.6: A Summary of Tourism Demand at Mae Gum Pong Community

Source: Prepared for this thesis

The Co-operative had also proposed the cultural tourism service project as the product of Huay Kaew Sub-District to join the ongoing national campaign 'One Tumbon One Product'. The project had been approved by the Co-operative Promotion Department, Ministry of Agriculture and Co-operatives to join The approval meant that the Co-operative would get a financial support from the Government as projected about 932,500 bahts. The duration of the project was two years (June 2001 - June 2003). Although the budget given by the Government will not affect the finance of the Co-operative, in the investment manner it is a budget that the Co-operative and the community have to be responsible for ensuring the grantor that it is worth investing. In this regard, to explore the pay back period of the invested budget for the project, a simple statement of cash flow for this project is created as shown in Table 4.2 on the next page.

	Present	2002	2003	2004	2005	2006			
Tourism expenses per head		215.25	226.00	237.30	249.17	261.63			
Multiplied by number of tourists/visitors		3,000	3,600	4,320	5,184	6,220			
Net sales		645,750.00	813,600.00	1,025,136.00	1,291,690.00	1,627,339.00			
Variable costs		387,450.00	488,160.00	615,082.00	775,014.00	976,403.00			
Fixed costs		862,500.00	200,000.00	220,000.00	242,000.00	266,200.00			
Depreciation of invested physical environments (693,500.00 bahts)		138,700.00	138,700.00	138,700.00	138,700.00	138,700.00			
Net expenses		1,388,650.00	826,860.00	973,782.00	1,155,714.00	1,381,303.00			
Net income/(loss)		(742,900.00)	(13,260.00)	51,354.00	135,976.00	246,036.00			
Adjustments									
Add back depreciation		138,700.00	138,700.00	138,700.00	138,700.00	138,700.00			
Investment budget salvage value	932,500.00								
Net cash flow		(604,200.00)	125,400.00	190,054.00	274,676.00	384,736.00			

Table 4.2: A Cash Flow Statement for the Cultural Tourism Project of the Co-operative FinanciallyAssisted by the Government Campaign 'One Tumbon One Product'

Source: Prepared for this thesis

Table 4.2 reveals that during the implementation period of the years 2002-2003, the invested budget of 932,500 bahts will not pay back to the project until entering the year 2004 when the pay back period occurs. This statement of cash flow is based on the formula that the number of tourists increases 20% per year with an inflation of expenses of 5% per year. The variable costs are 60% of the net sales and the fixed costs, including training and development, procurement of materials, and constructions of tourism infrastructure in the first year is 862,500 bahts. After investing in physical constructions,

the fixed costs become 200,000 bahts in the next year and increases 10 % per year thereafter. Depreciation is imposed at the rate of 20% per year.

Although the Co-operative and the community appeared to be conservative in tourism management by ignoring any strategic form of forecasting the tourism development trend, an increasing number of tourists in the future can be a potential problem for them unless certain scenarios are built to look ahead to such a problem. This thesis has proposed two scenarios for the tourism development of Mae Gum Pong community for the next 20 years (2001-2021).

The first scenario is a planned development of tourism based on an optimistic view that ignores any potential weakness and threat for the time being. This scenario hopes to increase the number of tourists and visitors in an aggressive manner. The number of homestay carrying capacity will increase in a reasonable way because of the limit of household spaces in such a small community. The tourism workforce is expected to enjoy working in the community and increases doubly in the twenty years time. For costs of investment and maintenance, they will increase steadily every five years according to the growing number of tourists and visitors. This is true for the tourism revenues in which all sources of tourism income will generate revenues to the community steadily, except the car rentals and city pick up services since the transportation infrastructures will become easier in the future, thus reducing demand of such services. Table 4.3 on the next page illustrates the planned tourism development as described.

The other scenario is more likely to happen than the first one. This realistic development is created in a conservative view by taking all potential weaknesses and threats that can occur during the next 20 years. It wishes to increase the number of tourists and visitors incrementally about 1,000 tourists/visitors for every five years or 200 tourists/visitors per year from the year 2006 after being settled of tourism infrastructures and community readiness. This will be seen continuously until finishing the maturity stage in 2016 and later where young generation will become adults and move to find better jobs in big cities. This is likely to happen after the emergence of new competitors or even the existing ones that become more advanced while supports from alliances will be getting saturated and decreased. This conservative way of designing the scenario appear to help the Co-operative and community operate the tourism business in a more sustainable way than the first scenario. Table 4.4 displays this realistic scenario.

Year					
Factor	2001	2006	2011	2016	2021
Factor Scenario building	In the introductory stage of tourism promotion, taking an advantage of newness of resources	Increasing popularity of eco-cultural tourism and decadency of other famous tourist attractions	Increasing number of local young people as skilled tourism personnel and of tourism innovations	Expanding overseas markets through the Internet and professional agencies, more networks of alliances	Focusing on quality and quantity of tourism services by balancing economic, social, and cultural development
Number of tourists and visitors per year (person)	1,400	4,500	7,500	11,000	15,000
- Homestay	200	500	1,000	1,500	2,000
- study visit	200	1,000	1,500	2,000	3,000
- one day trip	1,000	3,000	5,000	7,500	10,000
Number of homestay :carrying capacity per year (tourists/time)	50	120	150	180	200
Number of tourism personnel (people involved) (person)	177	230	250	300	350
Costs of investment and maintenance (baht)	932,500.00	1,250,000.00	1,550,000.00	2,350,000.00	2,900,000.00
- advertisements		100,000.00	150,000.00	300,000.00	300,000.00
- building of infrastructures	463,500.00	300,000.00	300,000.00	400,000.00	500,000.00
- maintenance of physical environments	-	200,000.00	300,000.00	500,000.00	500,000.00
- procurements of materials	230,000.00	250,000.00	300,000.00	500,000.00	800,000.00
- training and education	169,000.00	250,000.00	300,000.00	400,000.00	500,000.00
- overhead cost	70,000.00	150,000.00	200,000.00	250,000.00	300,000.00
Revenues from tourism	265,650.00	1,360,000.00	2,000,000.00	3,300,000.00	4,600,000.00
per year - homestay	NA ²¹	450,000.00	700,000.00	1,500,000.00	2 000 000 00
- forest tour guiding	NA	200,000.00	300,000.00	400,000.00	2,000,000.00 600,000.00
- cultural shows	NA	420,000.00	600,000.00	800,000.00	1,000,000.00
- sales of local products	NA	250,000.00	300,000.00	500,000.00	900,000.00
- others (e.g. car and tent rentals, city pick-up services)	NA	120,000.00	100,000.00	100,000.00	100,000.00
Profit	NA	110,000.00	450,000.00	950,000.00	1,700,000.00

Source: Prepared for this thesis

²¹ The revenues from tourism business of the year 2001 does not break down sources of tourism income; consequently, categorized data for each item of tourism products are not available (NA).

Year					
Factor	2001	2006	2011	2016	2021
ractor					
Scenario building	In the introductory stage of	Given continuous supports	Emergence of new or existing	Reaching the maturity stage. Young	Limit of tourism products and
	tourism	from local	competitors	generation	lack of
	promotion,	and other	advanced,	becomes	tourism
	taking an	stakeholders	getting	adults and	personnel.
	advantage of	especially	saturated of	move to	Decline of
	newness of	local young	supports and	work in big	number of
	resources	generation	development	cities.	tourists
Number of tourists and visitors per year (person)	1,400	4,000	5,000	6,000	5,000
- Homestay	200	500	750	1,000	750
- study visit	200	500	750	1,000	750
- one day trip	1,000	3,000	3,500	4,000	3,500
Number of hemeters	50	120	150	200	100
Number of homestay :carrying capacity per	50	120	150	200	180
year (tourists/time)					
Number of tourism personnel (people involved) (person)	177	230	250	200	150
Costs of investment and maintenance (baht)	932,500.00	1,150,000.00	1,450,000.00	1,850,000.00	1,400,000.00
- advertisements	-	50,000.00	100,000.00	200,000.00	100,000.00
- building of infrastructures	463,500.00	200,000.00	300,000.00	500,000.00	200,000.00
 maintenance of physical environments 	-	250,000.00	300,000.00	350,000.00	300,000.00
- procurements of materials	230,000.00	200,000.00	300,000.00	350,000.00	400,000.00
- training and education	169,000.00	200,000.00	250,000.00	200,000.00	200,000.00
- overhead cost	70,000.00	150,000.00	200,000.00	250,000.00	200,000.00
Revenues from tourism	265,650.00	1,360,000.00	1,900,000.00	2,500,000.00	1,900,000.00
per year		450.000.00	700.000.00	000 000 00	700 000 00
- homestay	NA	450,000.00	700,000.00	900,000.00	700,000.00
 forest tour guiding cultural shows 	NA NA	120,000.00 420,000.00	200,000.00 600,000.00	400,000.00 700,000.00	200,000.00 600,000.00
- sales of local products	NA	250,000.00	300,000.00	400,000.00	300,000.00
 others (e.g. car and tent rentals, city pick-up services) 	NA	120,000.00	100,000.00	100,000.00	100,000.00
Profit	NA	210,000.00	450,000.00	650,000.00	500,000.00

Table 4.4: A Realistic Tourism Development of Mae Gum Pong Community for the Next 20 Years

Source: Prepared for this thesis

Although the tourism business appears to be productive to the community, the stakeholders wanted it to be one of the Co-operative's businesses. The chairman and the treasurer of the Co-operative said that even though the tourism business would bring considerable benefits to the Co-operative and the community, it was not possible that the Co-operative would quit the other traditional businesses and live on the tourism business only. They went on to explain that the cultural tourism promotion was still very new to the community and that the Co-operative and the community did not want to go for it too fast. They wanted to see it growing in a sustainable way. At the moment, they regarded the tourism business as part of the management activities of the Co-operative, yet they accepted that it was prevailing among the other businesses. They believed that if the Co-operative operated only the tourism business, it would be quite risky for the Co-operative to gain the revenues regularly unless it must conduct a serious marketing, which would lead to losing the entity and value of the Co-operative. Running the cultural tourism with other businesses was not a difficulty for them at all.

From the studies of actual practices, attitudes of present practices, and attitudes to the future of Mae Gum Pong as well as the scenario analysis, it can be concluded that financially, as being in the introductory stage of managing tourism, Mae Gum Pong still needs financial supports from the Government and other alliances. Under normal circumstances, within three years the tourism business will pay back to the community. Therefore, the tourism business of Mae Gum Pong by the Co-operative approach is financially viable.

Organizationally, the Co-operative has a clear organization of managing tourism business. Tourism products are divided into groups where relevant people are assigned to take care of the delivery and development. As a small co-operative located in the small area, it can meet local participation conveniently. Also, its business functions have served the community for a long time. The Co-operative works with the community and other stakeholders smoothly since it is considered as a trustful agency in the locality. The tourism business appears to be a mutually operating organization of the community by using the Co-operative to manage it in a systematic manner. As a result, the tourism business is organizationally feasible. Socially, although there are some concerns about social problems that may occur because of the tourism, it is believed that these problems can be cured with the mutual supports from all the stakeholders through careful planning. Also, the Co-operative in collaboration with the community has been aware of the potential problems. A series of systemized plans to prevent the social disorder and control of the number of tourists and visitors will be carried out. Hence, the tourism business is socially acceptable.

Culturally, the community is putting so much effort to conserve the cultural values by encouraging the villagers to transfer their local wisdom and cultural knowledge to the young generation. At the same time, the villagers are also asked for creating other local products or bettering cultural performances without distortion of the authenticity. Moreover, cultivating the children to love their local culture and look after their motherland is the main focus of the tourism management. By doing this, cultural resources will be well conserved.

4.6 Discussions on Research Propositions

For research proposition 1: cultural tourism management through the co-operative approach is suitable for the economic, social, and cultural developments of the local community, it is obvious that all the expected developments have occurred in Mae Gum Pong community. Actual practices in the community and attitudes of local people and other stakeholders accordingly agreed that tourism brought about more income, group activity development, social ordering, and awareness of cultural values. Furthermore, the analysis of cash flow and scenario building advocate that tourism will be playing a significant role in boosting economic wealth of the community. Therefore, this proposition is accepted. Figure 4.7 on the next page shows the triangulation of analyzed data for research proposition 1 and finding.

However, when looking at the micro view of tourism benefit allocations, the tourism receipts will mainly go to the homestay providers whereas other villagers or stakeholders gain the rest of minor income or even nothing from the tourism business. This may cause a conflict of interest among the stakeholders in the community. Local

participation does not mean only listening to the community's opinions, but also getting people involved in distributed benefits.

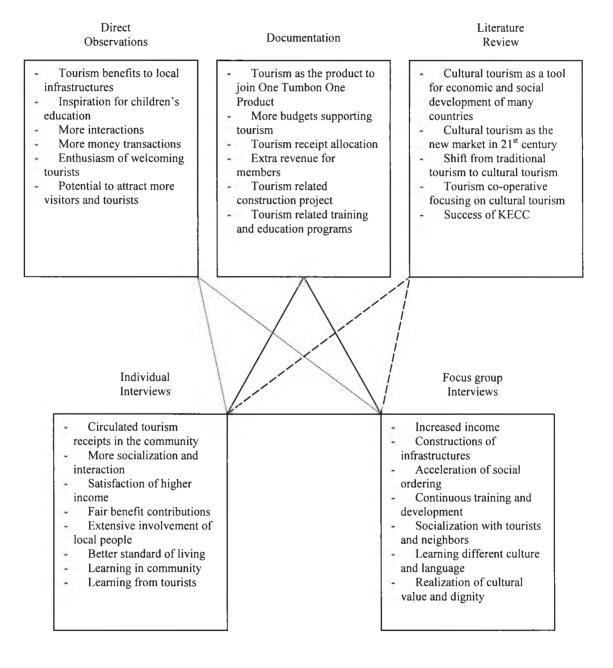
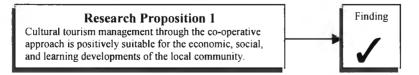


Figure 4.7: Triangulation of Analyzed Data for Research Proposition 1 and the Finding



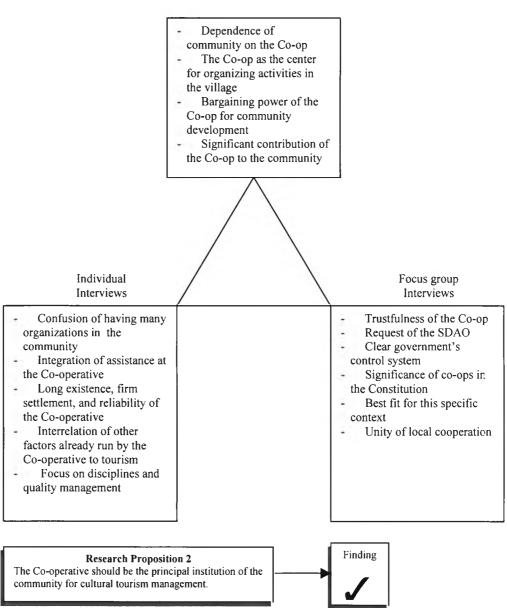
Basically, economic return can be expected to occur in almost every area that promotes tourism, but the dimension of economic growth cannot guarantee that such other dimensions as social and culture will be going in parallel with it. In terms of social affects, the Co-operative still neglects the traffic problems and all potential pollution that are likely to happen because of the tourism promotion. An influx of tourists coming to the community is likely to cause traffic congestion and pollution to various aspects, which will lead to social disorder. Safety in the community is also imperative, but the Cooperative provides no serious safety system to the community and the tourists. Although there is a regulation imposed for the sake of safety, the way to cure the practical problems when occurring is not made yet.

In terms of culture, the potential changes in cultural contexts can occur if tourism planning is not made carefully with a sense of futuristic concern. The growth of tourism in the community will undeniably affect the cultural existences. If the local people pay more attention to the tourism business than the traditional farming business, their way of life will change. Also, cultural resources will be exploited to respond their economic needs that will shift from the self-sufficiency to materialism. This will eventually distort or destroy the cultural identity of the peaceful community.

For research proposition 2: the Co-operative is the principal institution of the community for cultural tourism management, it is obvious that the Co-operative is accepted by all the stakeholders as the main agency for cultural tourism management of the community. Actual practices in the community and attitudes of local people and other stakeholders accordingly viewed that the Co-operative was trustful and able to integrate resources and services well. It has long played a coordinating role of the community when dealing with the Government or outside bodies. As a result, this research proposition is accepted. Figure 4.8 on the next page summarizes the triangulation of analyzed data for this research proposition and finding.

Nonetheless, as the core of the community in operating the cultural tourism business, the Co-operative has no proactive plans to conduct the tourism management. Furthermore, increasing the number of strategic alliances in order to expand the tourism business is important, but the Co-operative appeared to be passive. Being a good center of the community requires more professionalism than just integrating needs and resources.

Figure 4.8: Triangulation of Analyzed Data for Research Proposition 2 and the Finding



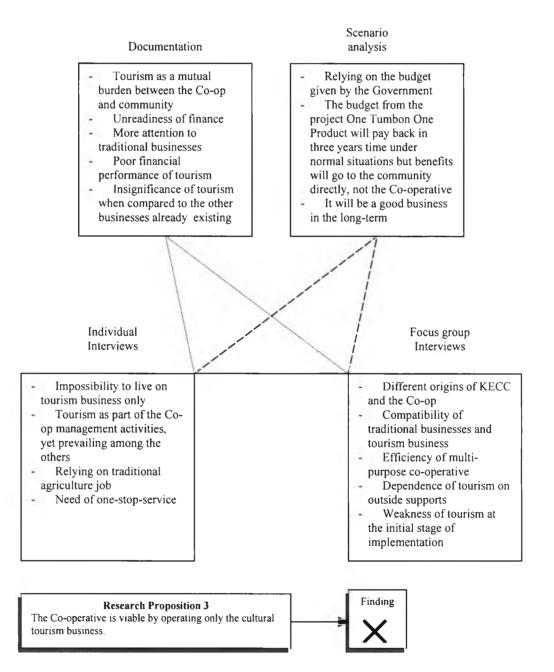
Direct Observation

Source: Prepared for this thesis

Since this Co-operative is a small-scale co-operative having a small number of members and all family representative are the members, it possesses a unique characteristic that may not be able to applied to other co-operatives in generalizing that every co-operative should be the principal institution in their respective area to operate the tourism business. It still depends upon several factors that a co-operative will be accepted by other parties in the locality to manage tourism on behalf of the community.

For research proposition 3: the Co-operative is viable by operating only the cultural tourism business, it is quite distinct that the Co-operative is expected by the community and other stakeholders to remain what it has been doing. Actually, the tourism business is good for the community and the Co-operative, though the Co-operative may face a loss in financial performance for the first year of implementing the tourism business because in the long run it will pay back to the Co-operative as well.

Figure 4.9: Triangulation of Analyzed Data for Research Proposition 3 and the Finding



Source: Prepared for this thesis

Since the Co-operative and the community are in the beginning stage of managing tourism business, it is too fast for the Co-operative to quit all other existing businesses and turn to operate only the tourism business, which will not pay back to the Co-operative or even the community in a short term. The scenario analyses also imply that the benefits from tourism business will go to the community by supporting roles of the Co-operative. This means that the Co-operative should remain all traditional businesses with it in order to serve the community in an extensive manner. Therefore, this research proposition is rejected. Table 4.9 on the last page shows the triangulation of analyzed data for this proposition and the finding.

For research proposition 4: the Co-operative emphasizes on local participation when making cultural tourism management plans, it is clear that the people and other stakeholders in the community as well as local agencies work closely with the Cooperative in making the tourism plans. This last research proposition, therefore, is accepted. Table 4.10 on the next page exhibits the triangulation of analyzed data for this proposition and the finding.

Although the Co-operative has given importance to the local participation when making the tourism plans, it has no clear evidence that all the villagers have a chance to express their personal views. When in a meeting where staff of local government agencies also attend, some villagers may be dominated with influential ideas of the staff or other talkative people. The domination can distort the real needs of the local people who have no chances to talk in front of the meetings. The participation therefore does not mean to wait for people to come to the Co-operative office, but also means to go out to underprivileged groups of people and even children. This is to reduce the gap of local involvement.

Furthermore, the Co-operative is not necessary to play a center role to integrate the participation. Actually, allowing other groups of people or local organizations to gather the opinions of the local community is also an activity of giving importance to the local participation. This will allow the rotation of participating roles within the locality, consequently, all the stakeholders can feel fully participated.

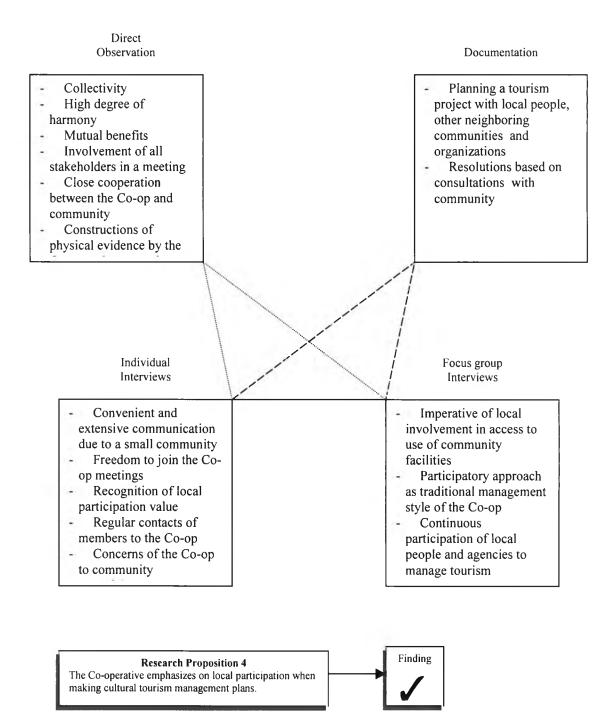


Figure 4.10: Triangulation of Analyzed Data for Research Proposition 4 and the Finding

Source: Prepared for this thesis

4.7 Conclusion

This chapter analyzed the data collected from two modes; primary and secondary data. Primary data sources include individual interviews, focus group interviews, and direct observations whereas secondary data sources comprise documentation and literature review. The themes of analyzing include historical background, actual practices at Mae Gum Pong community, attitudes to tourism by local people and other stakeholders, results of economic, social, and cultural developments, which reflect the future of Mae Gum Pong tourism community by the co-operative approach. By using the triangulation method, the findings reveal that research propositions 1, 2, and 4 are accepted while the research proposition 3 is rejected. The next chapter provides conclusions and recommendations.