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Can community-based tourism contribute to development and poverty alleviation? Lessons from Nicaragua

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Since the development of community-based tourism (CBT) governments, development agencies and NGOs have placed considerable emphasis on this development model. However, CBT has been strongly criticized with respect to low economic impact in terms of jobs and income, the result of small-scale interventions, its low life expectancy after external funding ends, the monopolisation of benefits by local elites, or the lack of business skills to make it operational.

This article explores the viability of the CBT model to support socio-economic development and poverty alleviation via a Nicaraguan case study. The characteristics and effects of different modes of organising community tourism were examined, based on an impact assessment and lifecycle analysis of the CBT Nicaraguan Network. The results showed how traditional top-down CBT, created and fully funded by external organisations, reflected the general criticisms of the approach, while bottom-up CBT, borne as a result of a local initiative, demonstrated longer life expectancy, faster growth, and more positive impacts on the local economy. The findings suggest a shift is required in the attention of donors and policy-makers towards redistribution policies that strengthen the skills, resources, and conditions of micro, community-based and family entrepreneurship, together with a stronger orientation towards the domestic markets.

Keywords: development; impacts; life cycle; community-based tourism; pro-poor tourism; Nicaragua

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Introduction

As a response to the potential of tourism to induce macro-economic growth in less developed countries (LDCs), and as part of a strategy to promote international trade, international institutions such as the United Nations World Tourism Organisation (UNWTO), the World Travel and Tourism Council (WTTC), the World Bank, the World Trade Organisation and the International Monetary Fund (IMF) have launched diverse development programmes, such as the Sustainable Tourism for the Elimination of Poverty programme, to promote tourism as a development tool (Scheyvens, 2007). According to the UNWTO (2004), there are several reasons why tourism can relate well to the needs of the poor:

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- tourism is consumed at the point of production, providing an opportunity for direct interaction, additional purchases, and indirect income;
- rural areas, where most of the poor population live, are often rich in capital assets of great value for the tourist industry, such as music, art, wildlife, or climate;
- tourism is labour-intensive, providing more job opportunities for women and young people and new types of jobs and skills;
- tourism contributes to strengthening the social capital of the poor;
- tourism promotes the creation of small and micro-entrepreneurs;
- tourism supports the construction of public infrastructure and the conservation of natural and cultural heritage, providing cultural pride, greater awareness of the natural environment, and a sense of ownership in the communities.

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Yet despite such official optimistic outlooks, empirical studies suggest that even in the best of the cases only 'between a fifth and one-third of the total tourist turnover in a destination is captured by the 'poor' from direct earnings and supply chain' (Mitchell & Ashley, 2007, p. 2). Similarly, Plüss and Backes (2002) report that an average of 40% to 50% of the supposed economic benefits of tourism end up as leakages that return to the originating markets in different ways as expatriate salaries, repatriation of profits, and/or import of goods.

Economic growth is regarded as the foundation of development within the dominant institutional pro-poor development paradigm (Gössling, Hall, Peeters, & Scott, 2010; Hall, 2011; Mowforth & Munt, 2003). In contrast, Plüss and Backes's (2002) findings pointed out that 'in 10 of the 13 countries which are home to 80% of the world's people who live in extreme poverty, tourism has not been able to reduce poverty' (cited in Scheyvens, 2007). Indeed, the *per capita* income in LDCs where tourism has experienced the highest rates of growth (UNWTO, 2004) has declined, according to Collier, by 0.5% per annum since 2000, which means that they were poorer than they had been in the 1970s (cited in Sharpley, 2009). Even in developing countries, such as Costa Rica, where tourism has succeeded in substantially contributing to national economic growth, some of the booming tourism destinations, such as Guanacaste, have not experienced any significant reduction in poverty rates (GTZ, 2007).

The questions under debate here are: first, can tourism mean anything else other than a source of direct revenue for the governments of poor countries lacking the financial, social and human capital necessary to achieve consistent economic growth? (Sharpley, 2009). Secondly, where tourism has the capacity to generate growth, how can that be translated into socio-economic development? And, if it can, what tourism development models are more effective in reducing poverty and under what conditions? This article will focus on community-based tourism (CBT), as one of the primary development strategies to support poverty reduction through tourism. In order to do that the characteristics and effects of different CBT models will be examined based on the impact assessment and life-cycle analysis of the CBT Nicaraguan Network.

Community-based tourism

CBT emerged during the 1970s as a response to the negative impacts of the international mass tourism development model (Cater, 1993; De Kadt, 1979; Hall & Lew, 2009; Murphy, 1985; Smith, 1977; Turner & Ash, 1975). While, initially, most CBT programmes were related to small rural communities and nature conservation through ecotourism, the concept has been extended to a range of different tourism products (e.g. local culture and folklore, gastronomy, traditional handicraft) and managerial models around the world.

The definition of what CBT is, who defines it, or where the community ends and the individual interests start, are questions of debate *per se*. For the purpose of this research, the definition made by the International Labour Organisation (2005, p. 3) was adopted, describing CBT as 'any business organisational form grounded on the property and self management of the community's patrimonial assets, according to democratic and solidarity practices; and on the distribution of the benefits generated by the supply of tourist services, with the aim at supporting intercultural quality meetings with the visitors'. Most of the contemporary literature and policy documents on CBT have identified three main criteria (South African Community Based Tourism, 2008): CBT is located within a community (i.e. on communal land or with community benefits such as lease fees), owned by one or more community members (i.e. for the benefit of one or more community members) and managed by community members (i.e. community members could influence the decision making process of the enterprise). The combination of these criteria results in a diversity of modes of organising CBT ranging from purely communitarian to more conventional destination, public and business management models, such as alternation in the organising of infrastructures and services by a family in a limited period of time; rotation within community members for the supply of services; the total outsourcing of the community-based enterprise to some members of the community; and community consultation by public tourism bodies in decision-making.

Since its establishment, governments, development agencies, donors, and NGOs have placed considerable investment in promoting this development model (Jones & Eplerwood, 2008; Mitchell & Muckosy, 2008). The development of CBT is 'strongly correlated with support from the NGO community' (Jones & EplerWood, 2008, p. 1). In Nicaragua, according to the data produced by this research, more than 60% of the CBT projects were founded by external organisations, when compared with the more than 40% of the surveyed CBT initiatives in Latin America by Jones and EplerWood (2008) that were launched with NGO support (Figure 1). As a result, CBT has turned out to be, somewhat paradoxically, a top-down development model. A fact that may potentially be related to the failure of many CBT developments around the world with respect to their:

- low impact on poverty alleviation compared with the effects of mainstream tourism or other alternative economic activities (Mitchell & Muckosy, 2008);
- low life expectancy after external funding from donors and NGOs ends (Sebele, 2010); and
- the co-option and monopolisation of benefits by elites and even the exclusion of the poor from community structures (Mowforth & Munt, 2003).

Such policy failures are also often exacerbated by unfavourable location of projects too far from tourism routes and located in remote areas with poor infrastructure. This is often the result of a supply-driven approach and a lack of connections with mainstream tourism enterprises and the existing local tourism supply chains (EplerWood, 1998), as well as an overall lack of business and tourism skills.

Nevertheless, even given these failings, it is necessary to remember that three-quarters of the world's poor population live in rural areas (United Nations Development Programme, 2003). Such a situation provides extra necessity for better understanding of the most effective means to reduce poverty in rural areas, where 'small-scale non-agriculture activities can constitute an important source of revenue generation and employment for the rural poor' (Rogerson, 1999 cited in Nadkarni, 2008, p. 457). Although CBT might not be the solution for all impoverished rural areas, under certain circumstances CBT could still contribute both

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Figure 1. Nicaragua.
Source: Central Intelligence Agency (2009).

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to economic diversification and to the consolidation of small-scale agriculture exploitations by providing complementary revenue. In addition, the CBT model has proved to be strongly linked to biodiversity and environmental conservation (Hall, 2010a), with over 89% of the CBT projects analysed in the Latin America study by Jones and EplerWood (2008) offering programmes in protected areas.

The potential contribution of CBT to rural poverty alleviation and nature protection makes it important to reconsider the CBT model. This paper will discuss how the low impacts that CBT has reported on poverty alleviation are related to the widespread and misleading notion in which economic growth is equal to socio-economic development (Hall, 2010b, 2011) and how NGOs, donors, and other international actors have centred their actions on the achievement of quantitative economic indicators, such as GNP (see Daly, 1996), that reflect predominant neo-liberal ideologies. More specifically, the research will argue how the negative effects described above are related not to CBT *per se* but to a top-down development model supported by many international organisations, while a bottom-up CBT presents different characteristics and more hopeful results.

Case study: CBT in Nicaragua

Nicaragua: an overview

Nicaragua is the largest country in Central America while being the least densely populated with 5.5 million inhabitants. The country suffered a harsh dictatorship from 1936 until the

Nicaraguan revolution in 1979. Thirty years later, and despite the achievements of the social transformations during the 1980s, Nicaragua is the second poorest country in Latin America:

- 48% of its population live below the poverty line (United Nations, 2009);
- 79.9% live on less than US$2 per day (United Nations Development Programme, 2007); and
- 21% of Nicaraguans suffer from undernourishment (Food and Agriculture Organisation of the United Nations, 2009).

The war against the counter-revolutionary Contras, supported by the CIA under the Reagan government; the effects of neoliberal policies in the 1990s; and the lack of infrastructural, technological, financial, and social capital are some of the structural factors behind poverty in Nicaragua (SNV, 2007). Nicaragua is primarily an agricultural country with 60% of its total exports historically based on cash crops such as bananas, coffee, sugar, beef, and tobacco. Light industry (especially *maquila*, a factory that imports materials and equipment on a duty, tariff, and/or tax-free basis for assembly or manufacturing and then re-exports the assembled product, often back to the originating country), banking, mining, fisheries, and especially tourism are expanding (Nicaraguan Government, 2006).

Since 2001 tourism has overtaken the coffee, meat, and other traditional product exports in economic importance; while generating an average of 20.6% of total exports during the period from 2004 to 2008 (Nicaraguan Tourism Institute, 2009). In 2008, the contribution of tourism to the gross domestic product (GDP) was 6.1%, while total employment was 4.9% (WTTC, 2009). In 2005, Nicaragua was the country with the second largest annual growth rate in international arrivals (16.9% in 2005) in the region, enjoying a steady growth of 39% from 2002 to 2006 (SICA, 2006). However, in 2008, the growth of international tourism decelerated to rates under 7% (Nicaraguan Tourism Institute, 2009) as a consequence of the economic crisis in the main generating markets. Nicaragua is the country in the Americas with the highest growth rates (related to exports, employment and GDP) during the last decade, presenting an annual growth of 5% (WTTC, 2009).

Despite these promising growth rates, relatively few direct and indirect jobs and income have been generated in absolute terms (SNV, 2007). The relatively low number of tourists visiting the country (Nicaragua represented only 11% of the Central America tourism market) was also reflected in the lowest levels of expenditure in the region (SICA, 2006) due to the lack of quality, quantity, and diversity of products and services offered. The leakages (due to the import of goods, products, and services by tourism businesses), and the absence of linkages and alliances between tourist businesses and other economic sectors (e.g. quality export Nicaraguan coffee is still only offered in very few hotels), have resulted in the creation of few indirect jobs and a low multiplier effect. According to the Netherlands Development Organisation (SNV), the management of the risks to materialise this potential for growth into sustainable development are many and include:

> . . .protecting the rights of the local communities in front of the increasing large international investments; that environmental impacts and privatisation of natural resources, beaches and land are prevented and regulated; that local communities and especially women are empowered within the families and the sector; that more tourists are attracted to the country, and to sustainable tourism initiatives in specific; that tourists spend more time and money, diversify their expenditure; and that tourism services are diversified and improve in quality. (SNV, 2007, p. 3)

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The main visitors to the country are emigrated Nicaraguans coming back on annual holidays to visit family and friends; international flows of tourists from its neighbour Costa Rica on tour in Central America; volunteer tourists; backpackers and surfers; and Canadian and US citizens on spa holidays, which are often related to recent second home developments in the country (SNV, 2007). There are also growing local markets of middle-class Nicaraguans, expatriates, and students (SNV, 2007). Cloud and rain forests, tropical beaches both on the Pacific and the Caribbean coast, well-preserved colonial architecture in the cities of Granada and León, folklore and artist expressions, political history of revolution and co-operativism, and the perceived charm of an untouched rural life are the main attractions of the country (Nicaraguan Tourism Institute, 2009). The supply of CBT has grown rapidly during the 2000s, and even if the market share is not significant in quantitative terms, the tailored products exploit some of the main attractions of Nicaragua: culture, history, nature, and rural life (Renitural, 2006). Up to 60% of visitors to CBT projects come from local markets, while the international visitors are often categorised as volunteer tourists and backpackers (SNV, 2007).

From a poverty alleviation perspective, the challenge is to convert all this potential into steady growth that starts benefiting poor people, women and youth while minimizing the important risks that tourism development implies. It was within this context that SNV Nicaragua supported the assessment of communities participating in the CBT Nicaraguan Network in order to explore its potential contribution to poverty alleviation and sustainable development.

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The CBT Nicaraguan Network

The CBT Nicaraguan Network (Renitural) was founded in 2004 as a result of the first meetings between several CBT projects with the purpose to support and develop mutual knowledge and common actions in training, policy advocacy and joint marketing. The number of the CBT projects in Renitural in 2007, when the fieldwork was carried out, was 34. CBT in Nicaragua is a recent phenomenon. The average age of these initiatives is around five years; and while the oldest CBT dates from the 1990s, most of the initiatives have been created since 2000 while one out of five CBT only started receiving visitors since 2005. Tourism for most of the CBT projects is a complementary economic activity since they primarily rely on farming and agricultural activities (71% basic grains, 40% coffee), cattle farming (68% breeding), and other minor activities such as handicraft or fishing.

Methodology

In 2007, SNV in collaboration with Renitural carried out a baseline study of the CBT projects participating in the Nicaraguan Network. The data, gathered as a result of the baseline research, later provided the main source of evidence for this paper. The baseline study started with an exploratory qualitative analysis whereby six CBT projects were selected as being representative of different ideal types according to the predominant type of visitor (national, international), years of experience, main economic activity, main tourist products, and type of male or female leadership (Table 1). The six CBT projects were selected in consultation with the members of the CBT Nicaraguan Network. All the exploratory cases had enough experience to allow for the understanding of the impacts of tourism on these communities as well as the different phases they might pass through.

Focus groups were carried out in each community where 15–20 active members participated during a two-day workshop. Between two and three SNV advisors hosted the

Table 1. Characteristics of the six exploratory CBT projects.

CBT projects	Type of visitant	Experience	Main activity	Tourist products	Leadership
Campuzano (West Nicaragua)	National demand	Most veteran	Cattle	Spa	Male leadership
AMICA, Atlantic Coast Indigenous Women Association	International demand	Scarce experience	Indigenous women association	Mosquito culture community	Female leadership
UCA San Ramón (North Nicaragua)	International demand	Veteran	Farming, coffee	Coffee route, fair trade, organic agriculture	Male leadership, high participation of women
Garnacha & Ecoposada Tisey (North Nicaragua)	National demand, international growing	Young but with fast growth	Organic agriculture	Natural park, local products such as cheese	Mixed leadership
UCA Tierra y Agua (South Nicaragua)	International demand, national growing	2001	Farming	Close to Mombacho Volcano and Granada city	Male leadership, high participation of women
San Juan de Oriente Indigenous Community & Quetzalcoatl Handicraft Cooperative (South Nicaragua)	International and national demand	Average	Indigenous community association handicraft	San Juan de Oriente, handcraft, Apoyo Lagoon	Male leadership

UCA, Agriculture Cooperatives Union.

focus groups together with at least one member of the CBT Nicaraguan Network. The focus groups were carried out between November 2006 and April 2007. Initially, the focus groups were structured by discussing a number of relevant issues (e.g. CBT history and life cycle, market segmentation, quality of services, and tourism impacts) previously identified during the preparation of the methodology with members of the CBT Nicaraguan Network. During the focus groups, new analytical categories emerged – such as the different phases that the CBT projects were going through or the bottom-up *versus* top-down development models. Such an abductive or interpretist approach helps develop participant's accounts of their social and economic life by drawing on the concepts and meanings used by social actors themselves and the tourism and development activities in which they engage (Levin-Rozalis, 2000; Reichertz, 2010).

The preliminary findings of the exploratory analysis were discussed and disseminated with the members of the CBT Nicaraguan Network during their national assembly. Following these findings, and in collaboration with the CBT Nicaraguan Network, the questionnaire for the national survey was designed. The survey was conducted to all the members of the CBT Nicaraguan Network, a total of 34 CBT projects (Table 2), by

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means of personal visits and interviews in the different communities throughout the country during June and September in 2007, corresponding with one of the two high annual peak seasons. Each visit took an average of two days per CBT project. During those visits, the primary researcher filled up the survey with the assistance of one or more members of the CBT project. Together with this, the primary researcher made textual and photographical observations that were recorded and used as complementary data. The triangulation of these sources of information guaranteed a higher reliability of the gathered data and its interpretation. The survey contained a total of 55 questions dealing with a variety of issues: CBT impacts upon poverty reduction; history of the CBT project; general characteristics of the community, as the description of the main economic activity and its population; inventory of the supply of services, infrastructure and main tourist attractions; characteristics and behaviour of visitors; CBT project management; quantity and origin of the investments made by the CBT project; commercialisation and marketing channels.

The main purpose of the baseline survey was to produce relevant data which might orientate further supportive actions for the CBT Nicaraguan Network. Later, the SNV advisors involved in the baseline study together with scholars interested in the field used these data to make a new analysis under the perspective of how the results might make a contribution to the understanding of CBT's consequences for development and poverty alleviation. The results of that analysis are presented in this article. After a first analysis of the empirical data, theories such as actor–network theory (Latour 1996/1993) turned

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Table 2. CBT projects in the CBT Nicaraguan Network.

Northen Nicaragua

1. Guardianes del Bosque, Bocay
2. La Pita, UCA San Ramón, San Ramón
3. El Roblar, UCA San Ramón, San Ramón
4. La Reina, UCA San Ramón, San Ramón
5. La Corona, UCA San Ramón, San Ramón
6. Finca La Estrella, Jinotega
7. Lina Herrera, Jinotega
8. Pre-Columbian Museum, Chagüitillo, Sébaco

Western Nicaragua

9. Campuzano, Chinandega
10. Pilas El Hoyo, León
11. Ecoposada, Tisey, Estelí
12. La Garnacha, Estelí
13. UCA Miraflor, Estelí
14. UCA Miraflor II, Estelí
15. UCA Miraflor III, Estelí
16. Venecia-Canta Gallo, Condega, Estelí
17. Coturnel, Chinadega-Guasable
18. Association of Local Community Tour Guides El Castillo, Río San Juan
19. Mozonte Indigenous Community, Nueva Segovia
20. San José del Obraje Indigenous Community, Chinandega

Southern Nicaragua

21. Nicaragua Libre, UCA Tierra y Agua, Granada
22. La Granadilla, UCA Tierra y Agua, Granada
23. Aguas Agrias, UCA Tierra y Agua, Granada
24. Isla Zapatera, UCA Tierra y Agua, Granada
25. Chocoyero-El Brujo, Ticuantepe, Managua
26. Tierra Hecha Arte, San Juan de Oriente, Masaya
27. Quetzalcoatl Handcraft Cooperative, San Juan de Oriente, Masaya
28. San Juan de Oriente Indigenous Community, Masaya
29. Nindirí Indigenous Community, Masaya
30. Guardatinaja, Nindirí, Masaya
31. Finca Magdalena, Altagracia, Isla de Ometepe
32. El Ostional, Rivas
33. Pueblo Hotel, Moyogalpa, Isla de Ometepe

Atlantic Coast

34. AMICA, Atlantic Coast Indigenous Women Association

out to be extremely useful for the understanding of the research question. The fact that the SNV advisors had been permanently in contact with the CBT Nicaraguan Network for a total of three years, before and after the field work was carried out, provided them with a deeper knowledge of the situational context of CBT in Nicaragua, as well as with an understanding of its dynamics. Next the results of this analysis are presented under three main sections: CBT life cycle, CBT impacts, and the characteristics and effects of top-down and bottom-up CBT models. Under each section, a selection of the findings coming both from the exploratory study (the six case studies) and the national survey (to the 34 CBT projects), together with complementary data produced by former research in the CBT field, are analysed and discussed.

Results

CBT life cycle

Products and services can be described in terms of their life cycle. In tourism studies, Butler's (1980) life cycle of tourist destinations is one of the most well-known applications, although in business studies and economics there are a number of examples of product and organisation life cycles (Klepper, 1996). The analysis of the six exploratory cases revealed how these CBT projects passed through three different phases, although with different rhythms of growth and results: the exploration phase, where the business idea was conceived; the engagement phase, where the tourist supply and infrastructure were developed; and a third phase marked by growth in the flows of visitors and development.

Stage 1: exploration

In the exploration phase, foreigners as volunteers, or staff working for farming co-operatives or environmental NGOs, visited the communities to support activities related to agriculture production or nature conservation. Visitors were received as guests who came to do some work for the community and who got accommodation and food in exchange. Hospitality was not understood in terms of a merchandised activity with a related price, but as a host and guest relationship free of charges but also free of demands from the visitors. In most communities, it was these external visitors who introduced the idea to develop the production and supply of tourist services in the community as a means to diversify the local economy. This occurred in the context of the various economic crises that affected the production of goods as coffee in the 1990s. So far, tourism was an unknown activity for the locals who had not previously considered the local assets – co-operative life, fair trade, organic farming, handicraft, natural resources – existing in their communities as tourist attractions. The locals lacked both the personal experience of being a tourist and the knowledge and skills for operating in a service economy. In words of a member of the Ecoposada CBT: 'we could not see that potential'.

Stage 2: engagement

To develop the idea of achieving socio-economic development through tourism it was necessary to raise some initial investments: 'At the beginning there were only ideas. But where would we get the necessary funding? We could not start from nothing!' (interviewee of UCA San Ramón). Only when the investment opportunity took place could the business concept be born. However, the national survey made of the 34 CBT projects indicated

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that eight out of the total had not yet succeeded to get the financial resources to start operating. In some of these cases, the community stayed permanently stuck at the exploration stage, and tourism remained as an idea circulating in the popular imaginary of the communities.

In most other cases where the necessary physical capital was successfully gained, it was done with external funding such as donations for the creation of the basic infrastructure (e.g. a house-museum for the Quetzalcoatl Handicraft Cooperative in San Juan de Oriente funded by an Italian NGO). Only six out of the 34 CBT studied relied almost exclusively on their own capital through personal credits. It has to be noted, however, that even if for most of the communities external funding was crucial during the first stage of engagement, the totality of the CBT projects meant that at some point their own investments through credit, personal assets, or own capital would be necessary, potentially representing up to 20% of the total investments made in CBT in Nicaragua. The fact that many CBT projects were supported by agricultural co-operative unions (UCAs) facilitated the access to microcredit in advantageous conditions. The external sources of investments varied from international donors, international NGOs supporting local NGOs, as co-operatives and farmer associations, to national governmental programmes supporting local economic development and nature conservation, which were also often funded by international donors.

Not only was economic capital (donations, credits, assets) necessary to materialise the idea of developing tourism in the community, but also cultural capital (Bourdieu, 1986) in the form of educational knowledge, social and communicative skills including language, and even institutionalised cultural capital via acquiring official licenses to guide tours. Since the residents had lived in and been socialised in a rural world, they had not developed the necessary skills and knowledge to operate in a service economy, and specifically in the tourist industry. While these communities were rich in cultural capital, paradoxically this capital which was also one of the assets attracting external visitors through its commoditisation was not useful for producing and marketing the necessary services: 'We don't know what food they like. We have to learn and know what they want' (interviewee of UCA San Ramón). During this second stage, training in basic skills – languages, food and safety, guiding – was very intensive in most of the communities enjoying external support. Training was one of the areas where NGOs and donors made important investments and was also one of the most important gains appreciated by the locals.

In this period, tourist visits were still sporadic and low in absolute terms, while the supply of services was limited and modest. Accordingly, the number of local people working in the CBT project was growing very slowly, and the mode of organising the production of the services was still very elementary; normally based on shifts, without neither specialisation nor formal regulation. Despite the warm hospitality of these communities being maintained, the former 'host–guest' relationship evolved towards a mercantilised 'customer–service provider' relationship where the consumed services (hospitality, culture) had a price: 'People woke up. They noticed that many people from the capital city come in April and we understood that we had to take advantage of this opportunity. This is how we started charging a fee to swim in the river' (interviewee of UCA Tierra y Agua). However, this process of commoditisation did not occur immediately but often resulted in an ambiguous relationship where the communities still felt that the customers were their guests, while some of the new visitors, not belonging to the first-volunteer tourists, started demanding higher quality for the services they were paying for.

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Stage 3: growth and development?

This third stage was characterised by the rise of arrivals once initial investments had been made in the economic and human resources necessary to start operating. The analysis of the CBT life cycle showed the existence of three CBT models according to the rhythm of growth of the flow of visitors (Figure 2): CBT with rapid growth, CBT with moderate or slow growth, and stagnated CBT. As discussed later, the different types of growth were related to different modes of organising the tourism services in the community from top-down to bottom-up approaches.

Ecoposada and Campuzano were two of the CBT projects that experienced a rapid growth in this third phase. While the Ecoposada could receive up to 300 visitors in a day, the Campuzano could welcome up to 2000 visitors in a weekend of the peak season. Although such volume of visitors produced the necessary revenue to make these CBT economically sustainable (irrespective of only moderate levels of profitability), management capabilities were in danger of becoming insufficient to meet this volume. The massive arrival of visitors was perceived to be affecting both the quality of the services they delivered as well as the limits of local resources such as water and waste management.

For most CBT projects following a moderate growth pattern, the challenge was to access the market and attract more visitors. The level of arrivals to these communities was often not enough to generate the necessary revenue to cover the start-up costs, create employment, and support future investments. These CBT projects had focused on international markets during the exploration and engagement stages; unlike the CBT projects, which experienced a rapid growth that tailored and marketed products for domestic visitors. However, some of the moderate growth CBT projects managed to escape from stagnation and failure, by diversifying their markets towards domestic visitors such as students, middle-class families living in cities as well as international backpackers already visiting the region (including recognition in *Lonely Planet*).

Unfortunately, another part of the studied CBT projects, and especially those in remote areas, remained in a stagnant or declining state. In Wawa, a community of AMICA on the Atlantic coast, only six visitors arrived in 2007 while the existing infrastructure deteriorated due to the lack of use, and the locals were discussing whether to tear down the huts constructed for visitors and redistribute the wood in the community. The residents felt frustrated

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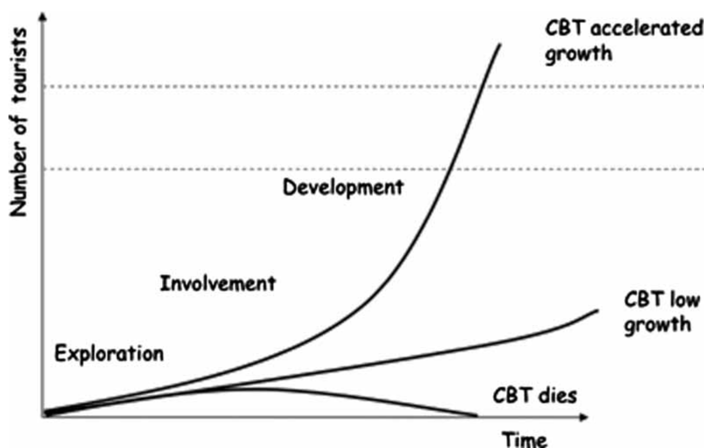

Figure 2. CBT life cycle.

and hopeless since the expectations raised by the CBT project were not fulfilled. The AMICA CBT is one of those examples where 'the collapse of a CBT project can be harrowing, often pushing poverty above pre-project levels' (Mitchell & Muckosy, 2008, p. 2).

CBT impacts

The research also assessed the impacts of the tourism projects on the community. Most of the data were produced during the focus groups with members of six CBT projects together with some quantitative indicators measured by the survey of 34 CBT. The participants in the focus groups were asked to identify the positive and negative effects of the tourism project. The results are presented below under the same headings as those used during the focus groups: employment and income, skills and self-esteem, women, family, the community, and the environment.

Employment and income

Tourism was perceived by the participants of the focus groups to have an impact on employment creation in their communities, although only a very low effect on the generation of direct income. The results reported from the survey seemed to confirm this perception. An average of 6.8 permanent employments and 12.2 part-time positions were registered by the 34 CBT in Nicaragua. Although a section of the questionnaire was devoted to the economic impacts, complete data were not available in most CBT projects, especially the section related to income and benefits. The low number of responses obtained in this section and the inconsistency of the scarce available financial data suggested a low validity, which discouraged the use of these findings. The fact that most communities were unable to provide gross revenue information verifies the concern that CBT did not have the capacity to maintain good financial records, but also that they had a low level of operation, arrivals and revenue. The research carried out by Jones and EplerWood (2008) on 27 CBT projects in Latin America reached similar conclusions. Jones and EplerWood (2008) succeeded in analysing the available financial data from seven of the CBT projects and concluded that despite the inaccuracies, the CBT model could operate as a financial revenue generation tool reporting a gross revenue increase in 92% of the cases during the last three years. Interestingly, while only 7 out of 25 could provide records on how much money was flowing in the community, 18 out of those 25 kept detailed registers on how they distributed their funds to different community projects. These data suggest that behind the apparent lack of profitability in the CBT model, there is a market-led interpretation of the purpose of community projects that are actually 'formed for reasons that go well beyond delivering profits and are strongly focussed on community benefits' (Jones & EplerWood, 2008, p. 9). Cañada and Gascón (2007) also reported in Latin America that 'from certain sectors of the mass tourism industry, CBT has been referred to as a marginal economic activity, that generates insubstantial benefits within the framework of the national macro-economy' (p. 72). According to these authors, this is a result of 'a biased economic assessment, which only has in consideration a strict notion of economic profitability and ignores both the synergies with other productive sectors as well as the social and environmental impacts of CBT programmes' (Cañada & Gascón, 2007, p. 72). Hence, the use of narrow accounting standards for monitoring the outcomes of projects rooted in a different constellation of values might have led to underestimating the contribution of CBT to rural development in Latin America.

The small scale of the CBT operations and the consequent low capacity to accommodate visitors have been presented as another limitation of this development model to both

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produce jobs and increase revenue for local communities (Cañada & Gascón, 2007). In Nicaragua, the survey revealed that one out of four CBT projects based their core business on other services different to accommodation (e.g. restaurants, catering, tour guides, courses on local cuisine or handicraft-making). This strategy enabled these communities to reduce the start-up costs and the risks to make relatively huge investments to develop new products for new markets. In addition to this, those CBT projects that reported the highest arrivals of visitors (e.g. Ecoposada, Campuzano, Quetzalcoatl) based their main business on daily excursions and were usually located close to the main urban centres or tourist attractions in the country. Some of these examples were Finca Magdalena that reported up to 10,800 annual visitors due to its allocation at the entrance of the Volcan Maderas, one of the main tourist attractions in Nicaragua, and the extraordinary case of the Campuzano Spa which reported up to 79,000 visitors in 2006. Campuzano represents, as further explained below, a very interesting model of social tourism, which enabled people with less resources to access the natural pools, infrastructures and related services for less than US$0.5. The challenge for these CBT projects with fast growth are, however, to take the control over the rise of visitors and the potential negative impacts related to exceeding the carrying capacity of the local resources and its sustainable development, to maximise its profitability through the diversification of supply and the improvement of services quality, while securing that growth materialises in a fair and equally distributed development within the community. As discussed later, it is here where top-down supportive policies might be useful to drive this potential for growth towards more sustainable development.

Despite these successful cases regarding the growth of visitors, the perception in most Nicaraguan communities was that the profits were not growing as expected. This is supported by the fact that only 20% of the CBT projects received more than 500 visitors a year. The newly created jobs were perceived, however, as being of a better quality compared with traditional work. Previous research on the impacts of ecotourism in nearby Costa Rica showed how 'where ecotourism dominates local economies, towns may become economically vulnerable' (Stem, Lassoie, Lee, & Deshler, 2003, p. 322). In contrast, the CBT model analysed in Nicaragua showed how, while agriculture and other primary traditional activities continued being the most important economic activity for most communities, the CBT projects succeeded to reduce some economic uncertainty by diversifying local livelihoods, through tourism as a complementary activity, and the diminution of the risks of economic dependence. This was also perceived by the interviewees as one of the most important achievements of the CBT projects.

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Skills and self-esteem

The strengthening of local skills, knowledge, and information was one of the main effects commented on by the locals. In the words of a woman from AMICA 'benefits are not only in money: education and training is an asset'. The new capacities developed in communities were diverse: tourism industry-related management, administration, and social skills. Similarly, as has been observed in previous research (Stronza & Gordillo, 2008), the network of community contacts within the environment, institutions, productive networks and markets were strengthened (Table 3).

These manifestations of social capital (Pretty & Ward, 2001; Putman, 2000) constitute both 'an outcome and a factor in causing development' (Jones, 2005, p. 320). The research also confirmed positive impacts on the revalorisation of local traditions and farming among the locals as well as a growing interest in developing knowledge, communication and

Table 3. CBT impacts on the strengthening of social networks.

CBT strengthens its social networks with ...	To achieve ...
Public authorities such as the Nicaraguan National Tourism Organisation, Aid Organisations and NGOs	To gain legitimacy, licences to operate, training, credits, donations
Inbound (e.g. partnerships between UCA San Ramón and Matalpa Tours) and international tour operators, volunteer tourist programs (e.g. reality tours)	To attract further visitors, market access
Local tourism chains: through partnerships between CBTs, with local tourist companies (e.g. hotels) and other tourist attractions (e.g. Cocibolca Foundation at the Mombacho Volcano Natural Park)	To complement the supply of services and attractions
Supply chain of other local products (e.g. cheese produced and sold in La Garnacha CBT)	To trickle down the economic benefits of tourism and strengthen synergies between agriculture and tourism
Public–private partnerships in charge of tourism destination management (e.g. UCA San Ramón was part of the Matagalpa Tourism Partnership)	To improve the competitiveness of the local tourism destinations where CBT is allocated
Other CBT through the creation of the Nicaraguan CBT Network in 2004, its involvement with RedTours (Latino American Network of CBT)	To support cross-marketing, market access, policy advocacy, knowledge management

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information, and hope for a better future: 'Although we do not have money in our pockets, at least we feel more confident because we think that further on my economic needs will be sorted out' (interviewee of UCA San Ramón).

Women

Tourism had an important impact on the integration of women to new roles in the labour market with up to 45% of employees in the CBT projects within Nicaragua being women, especially in those CBT projects where the services were delivered within households (signifying up to 56% out of the total supply), where family and work could be compatible. As a consequence, many women felt more empowered with more decision-making capacity in family matters and expenditure, including with respect to major education, food, and health expenses. Traditional female skills (such as cooking, cleaning, or hospitality) were revalorised while women also gained new skills now that they had access to other social networks and groups further away from their households. The new role of women also had implications for men who had to take care of the children while women were working or attending meetings. However, the alteration of the family order was also reported by participants to have generated conflicts including women doing double the amount of work due to the lack of male participation in home work, gender violence, and parents generally spending less time with family and children, especially for those CBT projects that had rapid growth. Finally, although women participated more actively in service production, it often reproduced gender inequalities where women worked with their domestic skills and men were dedicated to the management, decision-making, and external relations such as marketing.

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Family

For many of the studied communities, CBT made work compatible with family life since families were often the production unit. A consequence was the revalorisation of local knowledge for the new generations of children who were proud of their parents' work and saw a future in their communities, reducing processes of emigration. The flexibility of family work also made work and studies compatible for young people. In those communities where accommodation was provided through private households (meaning up to 56% of the CBT projects and almost 70 individual households), the houses were improved as a space for both working and living: bedrooms were separated, new beds, water filters, and toilets were purchased.

Community

The communities where the CBT projects were allocated got direct and indirect benefits from the tourism activity. In some of the CBT projects, it was formally agreed that a percentage of the benefits gained by the tourism project had to be invested back to the community (e.g. 10% for UCA San Ramón and UCA Tierra y Agua). Indirectly, the community benefited in different ways: through the improvement of collective infrastructures (such as water supply, paths, gardens, cleaning of public areas), by branding the community image among external institutions that often resulted in further investments and development projects, and especially by connecting tourism activity with the local supply chain of agricultural production, farming, and handicraft. Other reported benefits were, as already mentioned above, the weaving of networks with local institutions, local markets, local tourism chains, and entrepreneurs such as hotels or neighbouring tourist attractions (Table 3). However, leakages were also observed in the CBT chain, as members of the visited communities reported that a proportion of products that were consumed had to be purchased outside the community (especially those related to manufactured products) or were bought from local retailers but produced externally (Figure 3).

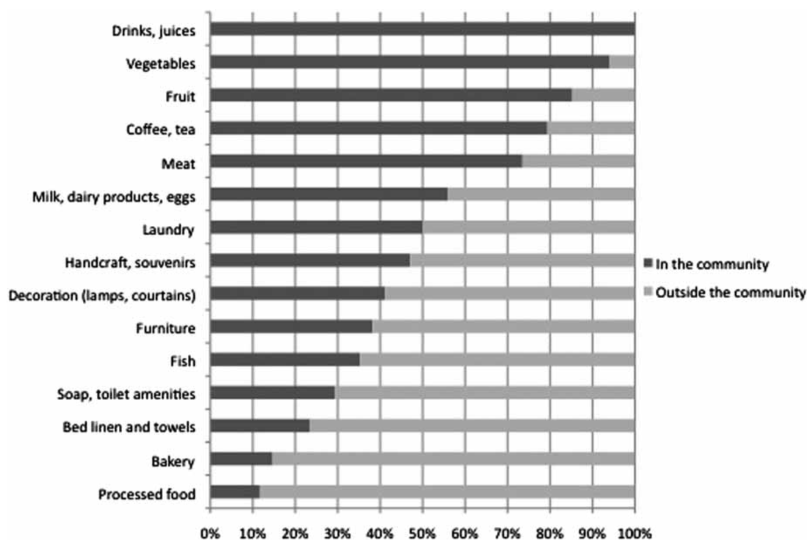

Figure 3. Origin of products consumed in the CBT.

The community members also observed the emergence of incipient conflicts between the tourism project and the larger community as a result of undesired visitors, noises, acculturation processes, or the perception that the tourism project should contribute further to the community. Finally, the communities emphasised how the use of the land had consolidated property in hands of the community, preventing the risk of the loss of local assets.

Environment

One of the main perceived gains regarding the environment was the process of raising awareness regarding nature conservation, very often related to organic farming. Improvements in water and waste management and the production of alternative energies were also reported. Despite this, it was also observed that there was a lack of knowledge regarding the environmental impacts of tourism activities and how to sustainably manage local and fragile resources such as water and protected natural spaces.

CBT development models

By looking at the life cycle, impacts, and the mode of organising tourism in the Nicaraguan communities, two development models were identified, presenting different characteristics and effects on poverty reduction and socio-economic development (Table 4). First, the bottom-up model that embraces CBT with accelerated growth, born and funded by local entrepreneurship, with a strong focus on the domestic markets and showing the largest rates of arrivals. Secondly, the top-down model including those CBT with low or stagnated growth, created as a result of external funding and entrepreneurship, focusing initially on international markets and assisted by NGOs for market access. The bottom-up CBT model represented approximately seven out of the 34 cases, while the rest fell under the top-down development model.

Bottom-up CBT

The analysis of the life cycle of CBT in Nicaragua confirmed how the idea of tourism travelled to the communities during the first phase of exploration by the activities of external actors such as international donors and NGOs. Ideas, such as CBT, are adjusted, redefined, transformed, reinterpreted, or translated every time a new actor is involved (Latour, 1996/1993). In Nicaragua, approximately one out of five communities succeeded in translating this idea into decisions and actions led by their own entrepreneurship through a bottom-up development model. These communities, such as Campuzano, Ecoposada or Quetzalcoatl, were able to decode the opportunities in their socio-cultural contexts to start a complementary economic activity over the basis of their own knowledge and networks. As a consequence, the communities established connections with the local networks' closest nodes, represented by the local markets. The potential consumers were their own neighbours, children, or compatriots. This implied that it was also possible for the local communities to decode the potential consumers' needs and, consequently, to tailor consistent products with the according quality and price: they spoke the same language, they liked the same food, and they experienced leisure time in the same way. Domestic markets were also physically closer and represented a larger pool of potential of consumers, compared with international long-haul markets. Both the physical and the cultural closeness with potential consumers also made it easier for local communities to connect, advertise, and sell directly their products.

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Table 4. Top-down and bottom-up CBT.

	Characteristics	Effects
Top-down CBT	• Externally induced	• Lower rates of employees and economic benefits
	• Supply-side development	• High rates of dead CBT or projects that are never born
	• Funded by external donations	• Lower local ownership
	• Focusing on international markets: solidarity, volunteers	• Dependency on external mediators and knowledge
	• Often bad allocation regarding the mainstreaming markets	• Environmental awareness
	• Organising: larger community-based	• Actively working with equity issues
	• Moderate growth of arrivals	• Equal redistribution of benefits
	• Initial lack of knowledge, skills, social networks	
Bottom-up CBT	• Local entrepreneurship	• Higher rates of employment and benefits (even if investment-return is not so efficient)
	• Market-led development	• Strong ownership
	• Own capital risk, plus external support	• Control over the external processes: management, marketing, networking
	• Focusing on domestic markets	• Larger economic indirect impact on the communities by connecting with the local supply chains
	• Organising: more business-based, lower representation of the community	• Environmental and equity issues, including community redistribution, are less integrated
	• Rapid growth	• Limits to growth and carrying capacity (water, environment . . .)
	• Business based on some initial knowledge and networks	

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The predominant focus on domestic market in bottom-up CBT projects was also related to the rapid growth of tourism in these communities in absolute terms. Unlike many top-down CBT projects, the bottom-up CBT projects risked their own capital through personal credits or investments, to implement their business idea – representing up to 20% of the total investments made in CBT in Nicaragua. The support of external organisations was limited here to providing access to microcredit and giving institutional support. This institutional support coming from more traditional top-down development models might contribute to meeting the needs of the bottom-up CBT by complementing the financial resources, the legal requirements, or the management skills necessary to make a more sustainable and profitable community-based business.

The effects of this bottom-up CBT model were more positive than those stemming from the top-down model. The bottom-up CBT projects presented higher rates of employment and economic benefits, as well as a relevant indirect impact on the communities by making connections with the local supply chains in the informal economy, where the poorer sectors of the population worked. As an example, the Campuzano CBT succeeded in supplying low-price products (e.g. affordable prices to access the pools and purchase local food) to social groups with low resources, such as friends and relatives coming from modest neighbourhoods driving buses to spend a day at the spa. The Campuzano

CBT supported the trickle-down effect towards the larger community and the rural informal economy by enabling local entrepreneurs to access the spa to sell products such as tortillas to the visitors. The Campuzano CBT represents the materialisation of the utopia of the bottom of the pyramid (Prahalad, 2006) whereby new business models target the provision of goods and services to the poorest people at the bottom of the financial pyramid. But here, instead of being the multinationals inducing the poor to consumption, it was the poor people working in the informal economy who made a living by providing services and products to their neighbours. CBT is, from this point of view and regardless of a top-down or bottom-up approach, an excellent catalyst to support rural informal economies.

Another consequence of the bottom-up model was the strong local ownership over CBT projects. The locals were in control of external processes such as the management, marketing, or networking. In the bottom-up CBT projects, the intermediation of external actors was unnecessary since the local communities had tailored a product that they could produce, deliver, and market by themselves with their available knowledge and networks. However, it was observed that issues such as environmental awareness or equity were better integrated in the management of top-down CBT projects following the support of external organisations as NGOs, an issue that is discussed further below.

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Top-down CBT

In most top-down CBT projects, not only was the idea of tourism induced by external actors but decisions were also taken and actions implemented under external control. Bergström and Dobers (2000, p. 170), inspired by the actor-network theory of Latour (1996/1993), described projects 'as emerging networks in which coalitions of humans and non-humans, individuals and groups, come together in an ongoing chain of translations'. When NGOs and donors initiated the CBT projects, they also looked at the potential customers on the basis of their knowledge, their resources, their networks, and their values. The result was the orientation of the CBT's network towards long-haul tourism markets. This fact explains how most of the CBT supply in Nicaragua was developed and marketed towards groups of volunteer tourists in the countries and cities of origin of the NGOs supporting the project, or towards the partners of coffee farmer co-operatives in the international markets holding an interest in co-operative life, fair trade, or organic production of food. Long-haul markets were the closest nodes in the external actors' networks, but the longest for the local communities. The connection with long-haul markets is also related to the idea that openness, trade liberalisation, and exports – such as international tourism – are central to poverty reduction and economic growth. In the words of Hall (2007, p. 15), 'the idea that openness is good for growth and human development has become deeply ingrained in development institutions'. The exportation of goods and services to the international markets, rather than promoting domestic consumption is the dominant doctrine in the field of the international co-operation (Coles & Hall, 2008).

In the process of adapting the CBT project to local contexts, the dialogue between the external actors and the community lacked a common language – the metalanguage of development organisations – a common knowledge and cultural codes. As a result of this lack of connection of the local impoverished communities with the CBT project, the process of adaptation of the global idea to the time/space of the local CBT projects in Nicaragua was inhibited or poorly translated. The work of Jones (2005) also confirms how the key to a process of translation is the intensity of social capital in the community and how this 'affects the possibilities of the local people to control or influence the place-specific outcomes of globalisation' (cited in Saarinen, 2006, p. 1134). Western ideas

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were applied without translation to the local resources available in the context of the CBT in Nicaragua. The same notion of rural tourism, natural tourism, ecotourism, or even nature-conservation, promoted through the CBT projects, personifies the needs of the western and wealthy societies to escape from their urban landscapes. From this point of view, CBT can be interpreted as a new form of colonialism, by means of which international organisations, environmental NGOs, and donors set up an asymmetric relationship with the poor communities of the South, which results in cultural, economic, and knowledge dependency and indirect control (Gunder, 1975; Hall, 1994; Wallerstein, 1974). Top-down CBT promotes in its formal discourse the centrality of the principle of participation, yet often the communities were not in control of the direction of the projects since, as explained above, they lacked the cultural codes, symbols, and language to participate. The poor translation of the CBT projects was related to how top-down CBT projects targeted international markets and consequently 'become part of ordering processes that will not lead to the desired effects net benefits the poor' (Van der Duim & Caalders, 2008, p. 121). The effects of a top-down CBT model are numerous (see also Table 4). First, the commodity chain of international tourism is characterised by having many leakages as the flows of benefits returning to the generating market where the chain is initiated. International North–South flows of tourism are full of asymmetries indirectly controlled by interests outside the host countries and only marginally susceptible to exercise of local sovereignty (Novelli & Gebhardt, 2007). As a consequence, 'few opportunities exist for developing host countries to cut out the intermediaries and deal with their sources of tourist supply directly' (Novelli & Gebhardt, 2007, p. 445). There are unequal opportunities for CBT, or generally for pro-poor tourism, to compete in the international tourism due to the limitations in access to assets such as capital and land, long international and vertically integrated chains, or market entry constraints (Schilcher, 2007).

Secondly, the top-down CBT model overrode existing local knowledge. The local communities were pushed to make considerable efforts to acquire the primarily 'westernised' knowledge necessary both to produce services of quality and to market them to international visitors. A simple link with the domestic markets, the closest nodes for the locals with which they also shared a common context and cultural codes, would have required locally available resources, less dependency on external mediators, and stronger local ownership. In the top-down CBT model, the community partners were left to the production of services, passively waiting for the ordering of the actions initiated by the mediators, or even worse, just as an object more of consumption, such as their forests, their harvests, or their coffee. In the top-down CBT model, the mediators were in charge of the quality control, management, accounting, marketing (up to 60% of the CBT in Nicaragua left competencies of marketing and sales to the mediating organisation), and institutional relationships since these functions were neglected by the locals at the moment the project focused on international tourism markets. The locals were left instead to implement decisions they did not understand. From this point of view, this top-down model for organising CBT might not be so different to the international resorts model where 'developing countries keep depending on the managerial experience of imported labour from the developed world producing limited local leadership and dependency in terms of skills and knowledge about the sector' (Novelli & Gebhardt, 2007, p. 446).

Thirdly, the low level of ownership in the top-down model was also related to the lack of risk assumed by the community: the idea was external and so were the necessary economic resources to materialise the project into guest houses, tracks, and sight-seeing spots (around 60% of the total investments in CBT in Nicaragua were made as donations without return). Fourthly, this model of organising was also more ineffective in terms of creation of

employment and income generation than bottom-up development processes. Despite this, the results stemming from this research point out that the communities participating in the top-down projects reported better achievements regarding community redistribution benefits, issues of gender equity and environmental awareness, as a result of the support given by the external organisations (e.g. through entrepreneur programmes targeting vulnerable groups like women). A different question is whether these socio-cultural changes occurring in the top-down CBT are stabilised and firmly embedded in the communities or they vanish as soon as the external support that caused them ceases. The challenge for the future is again how to direct these top-down development programmes towards bottom-up entrepreneurs to support the transformation of the economic growth into sustainable and integral development.

Networks are in constant change, adaptation, and balance (Czarniawska & Hernes, 2005; Hall, 2008). Tourism projects as networks 'do not endure by themselves but need constant performance, maintenance and repair' (Van der Duim, 2007 cited in Van der Duim & Caalders, 2008, p. 110). Part of the studied top-down CBT projects ended up in a stagnation or failing phase meaning that the tourism networks no longer performed since either no visitors were received or because projects were abandoned by external actors once the physical infrastructure and the budgeted training was 'successfully implemented'. Often the lack of performance of these projects also related to lack of accessibility. When the CBT product is formulated and designed with a focus on the international markets and with this top-down mode of organising, it requires the constant action and translation of a mediator organisation for survival, as was the case of some CBT projects supported by agriculture cooperative unions (UCAs). Hence, the top-down CBT model can turn out to be sustainable as long as the mediator organisation maintains and repairs the network with its operational and financial support (knowledge, money, cars, brochures, contacts with the generating market, and so on) (see Harrison & Schipani, 2007).

In Nicaragua, it was observed how some of those top-down CBT projects which maintained the support of external organisations had progressively been translated into the local context and succeeded to diversify their markets towards domestic visitors, bridging part of the gap between the local community's network and the tourists. External actors supporting CBT varied greatly in size, origin, and approaches to induce development, ranging from international donors, international aid organisations, smaller international NGOs, and national environmental organisations to co-operative associations. Those organisations that were engaged with the development of specific regions or communities, often smaller NGOs, local organisations, and co-operatives, tended to maintain their support for the CBT project over extended time periods. On the other hand, larger international organisations tended to provide more consistent support with less engagement in the maintenance and monitoring of the project, which was usually trusted to other local associations. The effects of different modes of engagement by these external actors in top-down CBT projects, and the sustainability of this dependency, should therefore be further researched in the future.

Conclusions

This article has explored the viability of the CBT model to support socio-economic development and poverty reduction. The characteristics and effects of top-down and bottom-up CBT models were examined over the basis of the impact assessment and lifecycle analysis of the CBT Nicaraguan Network. The analysis revealed that all the CBT passed through three different phases: *exploration*, prior to the birth of the initiative where the business

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idea is conceived and the first visitors come to the communities as guests; *engagement*, when the idea is materialised in physical infrastructures; and the *growth & development*, *stagnation*, or *death* of the CBT in a third stage. According to these results, two CBT models were identified, presenting different characteristics and effects on poverty reduction and socio-economic development: the bottom-up model that embraced the CBT with accelerated growth, and the largest rates of arrivals, born and funded by locals and with an initial focus on the national market; and the top-down model including those CBT projects with low or stagnated growth, funded and created by the entrepreneurship of external actors, focusing initially on international markets, and with a strong level of dependence on the support of mediator organisations.

The findings presented here question the viability of the classical top-down CBT model to promote development. Most top-down CBT projects were implanted, poorly translated, and adapted to the cultural context, time, and space of the rural communities in Nicaragua (Czarniawska & Joerges, 1996). Part of the top-down CBT projects personifies the strong critiques directed towards CBT and the furthering of a neo-colonial relationship between northern and southern countries (Hall & Tucker, 2004; Johnston, 2006; Nash, 1977) in the context of a neoliberal capitalism (West & Carrier, 2004). However, it was also observed how part of these top-down CBT projects which maintained the support of external organisations had progressively been translated into the local context and succeeded in connecting with the local tourism chains and diversify their products towards domestic markets. In this regard, it was also appreciated how external actors supporting CBT were heterogeneous in size, origin, and approaches to induce development. However, the question remains as to whether it is sustainable to continue dependency via maintenance of top-down CBT projects. Previous research has warned about the risk of stimulating a stronger dependency if the CBT project does not become self-sustaining as expected (Novelli & Gebhardt, 2007). While in other cases organisations depending heavily on foreign aid might have collapsed when external organisations have withdrawn their assistance (Sebele, 2010). This also leads to the questioning about the (im)possibility of inducing development if permanent and sustainable changes are not stabilised in the local productive structures, and how ephemeral socio-cultural improvements related to equity or the sustainability of the natural environment might be if the material needs of the community are not fulfilled; that is, when employment and income decline after external support ceases. Without denying the power of cultural and social dynamics in development and societal change, shallow and non-enduring changes in attitudes, values, and behaviour might not be strong enough to induce more structural changes in these communities.

Conversely, this research has shown how bottom-up CBT can be a vehicle to induce development when (i) the mode of organising tourism starts from the bottom of the community (local entrepreneurship and ownership); (ii) the allocation of the consumed places are accessible to the places where the potential visitors live; (iii) there exists the necessary elements to translate the global idea into the local cultural context, through cultural and social capital; (iv) the communities assume the risk of investing its own economic capital to materialise the idea into physical objects and facilities; (v) product development is oriented to the existing local assets and the communities do not only perform as passive objects of consumption, but also as producers, managers, and marketers; and (vi) project formulation and development is made in terms of the local communities' networks, with a natural tendency to focus on the local markets as its closest nodes.

Even under the threat of climate change and the need to minimise the impact of the transport industry, international organisations continue justifying long-haul flights to remote destinations by arguing that not doing so jeopardises the economic growth that

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tourism induces in poor countries (Gössling, Hall, & Scott, 2009; Gössling et al., 2010; Hall, 2010b; UNWTO & UNEP, 2008). While the real impact of tourism growth on poverty alleviation has yet to be researched in depth, more emphasis should be made instead on the potential of domestic and regional markets in poor countries. In countries such as Costa Rica, 60% of the visitors to the CBT were families, students, and other local groups interested in the educational dimension of rural tourism and its affordable prices (ACTUAR, personal communication, October 7, 2007). In Nicaragua, more than 70% of the visitors to CBT were Nicaraguans. Domestic tourism also has the capacity to enable the people with fewer resources to understand the needs of the consumers, identify investment opportunities, tailor competitive products, and market them to their neighbours and compatriots. In the case of community-based, micro and small tourism enterprises, poor people are providing services to consumers with little income, making a community version of the basis of the pyramid. Hence, some of the questions identified by this paper that need further research and transfer into the international literature are: what are the impacts of domestic tourism in developing countries? How do different social groups enjoy their leisure time in these societies? How can community-based, micro and small enterprises offer products of quality to these markets? How can popular events such as local festivals become both a source of socio-economic development and dignified leisure for the locals? This is a whole area in need for attention both from the research and the development communities.

Future research on CBT impacts might adopt a more holistic vision by focusing both on the monitoring of benefits from a community-based perspective and on the synergies of CBT with other productive sectors to which tourism complements and strengthens, such as agriculture. Although in terms of employment and income, the impact of CBT was still low, the achievements reported in this research regarding the strengthening of social and cultural capital for women, young people, and the community are significant and might justify by themselves the investments made by donors, NGOs, and the communities, when they are sustained and embedded in the local societies. A situation that has important implications for those arguments against CBT as a means to reduce poverty as socio-economic development cannot be limited to measurements of economic growth. Future research should address new and effective methods to assess the role of CBT to induce socio-economic development in CBT business. Related to this issue is the tendency to measure development not only in quantitative and exclusively economic terms, but also in the short term. Donors, aid organisations, and consequently governments are increasing their demands that the 'investments' they make in development projects show immediate outcomes. However, if structural actions have to be undertaken to contribute to the reduction of the multi-faceted problem of poverty, it is well known that these do not have a measurable impact in the short term. As a consequence, many development actions being undertaken via tourism may provide short-term economic results and visitor numbers that satisfy the donors, but do not attack the structural and systemic causes of poverty.

Bottom-up CBT shares a long list of challenges as any other micro or small enterprise: technology, diversification, quality, seasonality, profitability and return on investments, carrying capacity, limit of resources, access to credits, issues of equity, labour standards, and environmental impact, among others. The attention and resources of donors, policy-makers, and NGOs should be then better directed to support and stimulate the conditions for a local and endogenous development by providing the necessary resources (e.g. access to money through microcredits, land, ideas, contacts, ownership, influence, knowledge, skills) for the poor to take advantage through local entrepreneurship, to develop and market products, and make linkages with local supply chains (Van der Duim & Caalders, 2008, p. 121). In order

to do that, it is necessary to put back into the practice the 'old-fashioned' recipe of redistributive policies in education, rural infrastructure, health, and nutrition, since they 'are also policies that enhance the productive capacity of the economy' (Rodrik, 2000 cited in Schilcher, 2007, p. 173). The redistributive and regulatory role of the governments in poor countries, which has been minimised as a result of the process of economic liberalisation, needs to be strengthened. International co-operation should support the capacity of governments in regulating labour standards, protecting land rights against multinationals, promoting local skills through long-term training, promoting equitable taxation, economic incentives to local and SME investments, and facilitating local ownership and control over development. It is here that we can find many of the solutions.

From all of these questions, the issue of knowledge management seems to occupy a central place in the problem of poverty and tourism (Nadkarni, 2008). As Van der Duim and Caalders (2008) claim regarding the role of development actors 'investments should aim initially at familiarising the poor with the tactics of translation and the modes of ordering the tourism industry' (p. 121). Development projects have systematically overridden indigenous knowledge, regardless their formal discourses: 'rather than promoting tourism (in whichever form) as a cure for poverty, policy-makers, donors and researchers should (re)discover local knowledge instead of merely using the rhetoric under the umbrella of alternative or sustainable development' (Schilcher, 2007, p. 184). In this research, we have shown the risks associated with some of the top-down CBT projects, such as neglecting existing local knowledge. In contrast, bottom-up CBT showed how development projects based on indigenous knowledge can succeed in the goal of reducing poverty.

Poverty is one of the meta-problems (Chevalier, 1966) of humanity for which there is not a unique answer or solution. Multiple actions are necessary to eradicate poverty and, under certain circumstances as those concluded above, CBT can make a contribution.

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