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Building Capacities for Tourism Development and Poverty Reduction[1]

INTRODUCTION

This paper advocates the application of building capacities for tourism development and poverty reduction in the locales of Elmina and Cape Coast in the Sub-Saharan country of Ghana in Africa. The two towns are home to three World Heritage Sites: the Elmina Castle or St George's Castle and Fort St Jago (Elmina), and Cape Coast Castle (Cape Coast). Tourism was introduced in 1989 by the Ghanaian government with the assistance of donor agencies in an effort to bring economic and cultural sustainability to the area. Research up to now has indicated that tourism can be used as a tool of development, and poverty reduction, in developing countries, however, the social and economic benefits in the towns of Elmina and Cape Coast, are distributed unequally. It could be argued that one of the reasons is the emphasis placed on higher gross returns in foreign exchange earnings, or greater visitor numbers with little attention to maximizing net benefits to the poor communities, and without a clear strategy of how tourism growth, will contribute to poverty reduction.

Other key reasons include remnants of colonialism; community exclusion in decision making; lack of access to credit; lack of promotion/marketing; lack of business expertise;

[1] Not to be drafted without permission

lack of cooperation between stakeholders; weak institutions that are unable to be socially responsible and accountable to the local communities; and an inability to form partnerships and networks. All these reasons are translated as an inability to invest in building capacities at four different levels: Social, Human, Physical, and Financial. However, in the field of development, many people have argued that tourism has the potential to bring more equitable, sustainable, and even net benefits to local people (Ashley *et al.* 2000; 2001a, b; 2002; Burns 1999a, 2004a; de Kadt, 1979a, b).

Ghana as a tourist destination is primarily known for its castles and forts, left as a legacy from the colonial powers. Out of the numerous castles and fortresses, set across the West Africa's coastline, i.e. the Gambia, Sierra Leone, Benin, which they host one fort or so, Ghana takes the lead with 60 ones, lying across a 560 kilometres of coastline. Today, six of them are in ruins, and twenty two in active use (Teye, 1988; Finley, 2004; Richards, 2002). In 1972, these castles and fortresses have been recognized as World Heritage Sites by UNESCO, because of their uniqueness, identified on them serving, firstly as European trading posts, and later on, as slave trading posts. For almost 400 hundred years, slaves from the West African Coasts would be assembled in these castles and then shipped across the Atlantic, and on to Europe, the Americas, and West Indies. This paper is focused on three of these World Heritage Sites namely Elmina or St George's Castle, and Fort St Jago located in Elmina, and Cape Coast or Carolsburg Castle located in Cape Coast.

Ghana is the first country to have acquired independence in 1957. Even though, the country was expected to keep pace quickly with the rest of the developed nations, development was haltered at a national, regional and local level. Political independence did not grant the country economic independence (Addo and Marshall, 2000). Economic stagnation and a fall in living standards were already obvious by the mid 1960s (ODI 1996). This was also the case in the two pre-mentioned towns.

A number of factors, including collapses in world market prices for agriculture and gold, population increase, political instability, high inflation, (Konadu-Agyemang 2001), corruption, and a mistrust of governmental policies (Kanbur and Squire 1999), contributed to this situation. In regards to tourism, the paper investigates the extent that the various external foreign powers dictate and influence tourism development. The two towns were considered to be a good focal point, because tourism development initiated by developers, did not act as catalyst for development and poverty reduction**.**

Poverty and development

"We prefer to believe the myth that thousand of years of human social evolution have finally perfected the ideal economic system, rather than to face the fact we have merely bought into a false concept and accepted it as gospel. We have convinced our selves that all economic growth benefits humankind and that the greater the growth, the more widespread the benefits" (Perkins, 2004:216).

However, the prevalence of poverty worldwide suggests that economic growth did not deliver the anticipated results. Broad and Cavanagh (2006:24) argue that this is mainly:

> "…due to unequal relations [which] are manifested through slavery, the colonial legacy of export economics, the presence of extraction industries, and the sale of natural resources by governments to the higher corporate bidders, [therefore] most people who are poor have been marginalized by more powerful actors, be the landlords, corporations or governments".

Perkins (2006:16) argues that there is a 'symbiotic relationship' between governments, corporations and multinational organizations, which developed since the empowerment of multinational corporations and multinational organizations such as the World Bank and the IMF in the 1960s.

Experimentation with various developmental policies and measures throughout the years indicated people are poor not because they are lazy or corrupt (Friedman, 2005) but because aid and their policies do not work since they do not aim to compact poverty in the root due to prevailing interests. Hence, Escobar (1995) argues that development has become a neocolonial project and he challenges the power dynamics prevailing between the so called ‘beneficiaries’ and that of professionals. Mercer *et al.* (2003) supports that by arguing that development is associated with foreign aid, and it is characterized by an elitist bias, since it is managed by outside ‘experts’ and not indigenous groups.

The WBG (1998) looks at ways of accessing aid and has found that capital transfers are not enough. Rather it is important to look at a range of measures such as improving weak governance[i] and poor policies in beneficiary nations, supporting local champions of reform, helping these champions create the knowledge that is needed for effective development, helping effective innovations that involve engaging participation and civil society.

Therefore, there is a need to adopt a pro-poor approach to growth, which results in greater benefits to the poor than to the non-poor (Kakawani 2003) in order ultimately to lead to considerable decrease in poverty levels (DFID, 2000) and inequality. (Ravallion 1997; 2004). What is required is an approach that allows an active participation of the poor, (Kakawani and Pernia 2000) women included, which will be better facilitated through access to credit. The poor can benefit from pro-poor growth if their income is instantly improved because that growth takes place in the areas where they are mainly employed; agriculture, diversified rural business and informal sectors. Additionally, growth must be labour and land intensive and occur in places where the incidence of poverty is very intense. At a macro economic level, pro-poor growth must benefit the poor through gradual taxation and public expenditure. Taxes can assure an equal distribution of benefits because they can enable government to make direct financial transfers in order to boost the disposable income of the poor or to invest in basic social services, hence facilitating participation and reducing dependence on welfare programmes. That is why, in order to ensure pro-poor growth, emphasis should be put on designing taxes that benefit the poor rather than the rich. The poor can only benefit when the redistribution of income is not to either poor or the non-poor, but shifts from the non-poor to the poor (Kappel *et al.* 2004).

Pro-poor growth contributes towards equality. Even though the poor benefit from growth (Adams 2003; Dollar and Kray 2002), economic growth does not necessarily imply poverty reduction because it is not clear whether an income increase can be the same for all people in society, the poor included (Kanbur and Squire 1999). Kakawani 2003) argues that at times growth can even increase poverty whilst a decline in growth cannot exacerbate poverty. Ravallion (1997, 2001) argue that growth can lead to inequality, which in turn can halt poverty elimination. Alesina and Peorti (1996) maintain that social vices such as crime are bound to increase more in an unequal society (Barro 2000) and that unstable socio-political conditions can lead to a fall in inequality levels because accumulation and distribution are hindered. Barro (2000) also suggests that inequality will increase as a result of openness of trade. Further, Galor and Zeira (1993) argue insufficient investment in human and physical capital and access to credit can be detrimental in terms of an increase in inequality, and decrease in growth. Inequality can also result in gender-based discrimination where women are deprived of the right to participate in decision making, or to access credit or land (Narayan 2002) and that in turn, can be a hindrance to poverty reduction because according to the WBG two thirds of the poor are female.

Hence, poverty should be tackled in an inclusive (Sadeq 2002) rather than a partial manner. Taken that there is an interrelationship between social and economic factors, and the functioning of a society depends on a balance between the two, a holistic approach to poverty reduction would penetrate the root of the problem and lead to sustainable development. The outcome will be more effective if there is interaction between the various policies, rather than allowing each policy to deal separately with the problem of poverty (Kanbur and Squire 1999).

Growth is also affected by limited human capital and as a result that brings inequality. Economic policies and institutional capacity that do not take into consideration the influence of non-economic factors such as human capital (Barro and Sala-I-Martin 1995; Easterly and Rebelo 1993; Samson, n.d.t) can undermine growth and increase inequality (Birdall and Londono 1997). Therefore, policies should focus on both an increase in growth and decrease in inequality. It is, however, important to deal with growth and inequality at the same time because research undertaken by Lundberg and Squire (1999) indicated that an increase in education can reduce growth, which can be misleading when designing policies (Kanbur and Squire 1999).

As a response to this environment Streeten (1994), the former director of the World Development Institute, argues that a shift has begun in the way development is delivered which tends to associate development with organisational change rather than with capital accumulation. Development is really a multidimensional course of action, which entails fundamental transformations not only at an economic but mostly societal level (Todaro 1994) with particular emphasis on the institutional and organisational culture of formal establishments but also on the popular culture of those at the grass-roots level. Sen (1984:497) would argue there is a shift to "…expand the capabilities of people", to strengthen policies, encourage participation and involve civil society (WBG 1998). Capacity building and local participation in decision making give people the right to voice their concerns, while good governance[ii] provides the path for their implementation.

The Indian physicist Vandana Shiva (2005) argues that poverty can only be ended provided that there is knowledge of what caused it in the first place, as well as knowledge regarding "...the interactions of poor people with the elites" (Broad and Cavanagh, 2006:24). Poverty is a dynamic phenomenon and its handling requires an approach at a social, economic and political level because development itself is a multidimensional phenomenon. In this sense, the geographer Ben Wisner in Broad and Cavanagh (2006:25) notes that aid would only be successful if there is "…a shift of power in favour of the disadvantaged group" because it is only then that the "…long term sustainability and reproducibility of a project will be achieved". In essence, the voices of those belonging in the lowest strata of society, the subalterns2 as Escobar (1995) calls them have to be

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[2] According to Gamsci in McKinnon (2006) Subaltern is 'a proletariat whose voice could not be heard, being structurally written out of the capitalist bourgeois narrative'.
According to Kilburn (1996) in McKinnon (2006) 'In postcolonial terms everything that has limited access to the cultural imperialism is subaltern-a space of difference'

heard. However for this to be achieved the mentality of people, as well as, both the social and political institutions in less developing countries and in Africa for this matter, have to change. This have to be a long and conscious effort because colonialism and the 'deterritotialisation' period transformed the ex colonies' locality into a 'more complex space' since in people's subconscious were left remnant of a colonial mentality that determine the way people act and operate (Tomlinson, 1999:149).

Donors agree that the role of poverty reduction in the attainment of sustainable development is undeniable. However, for poverty to be reduced people have to be empowered. Past experience has indicated that lack of capacity can augment insecurity of livelihoods and ultimately lead to the degradation of the environment, which is very intense in urban environments due to "…inadequate water supplies, sanitation, drainage and solid waste collection" (Elliot 1999:138). Empowerment is the outcome of governmental policies that endorse responsiveness to the needs of poor people. Hence, emphasis should be placed on investing in human capabilities, participation in decision making, opposing gender discrimination, increased access to credit, investments, and infrastructural improvement (Cox and Healy 1998).

Barker (1995) claims the participation of community in development initiatives (for this purpose, it could be argued tourism development), boosts relationships between community members, it enhances motivation for self-help and development of accountable, leadership and local institutions. It enables people, especially those who are marginalised, to make decisions for their own development (Bratton 1990; Chambers 1997) by voicing their concerns, and to contribute towards the provision of solutions to their own problems. Clark (2002) states the revival of self-help mechanisms leads also to the adaptation of 'bottom-top' approaches; in essence, this means that the approach to development starts at the level of the marginalised people.

McKinnon (2006) cites that 'Subaltern is therefore not just a claim to disenfranchisement within a system of hegemonic discourse. Subaltern focuses on not having a voice yet; the subaltern should not simply be spoken for.

Furthermore, Chinsinga (2003) claims participation can only be meaningful and transformational in a society if it is not viewed as neutral and instrumental, but is institutionalised in a way that entails a negotiation process between exogenous developers and endogenous people, where planners and local people are regarded as equal partners. Vandemoortele (2003) recognises the importance and correlation between participation and the adaptation and implementation of pro-poor policies that aim directly to benefit poor and marginalised people.

However important equal participation might be, in practice the scales of power lean towards the side of external actors, due to the indigenous people's depth of poverty which in turn contributes to their powerlessness. Prevailing industries' not fulfilling their employment potential (unemployment) (Todaro 1989; Elliot 1999) is one of the countless reasons behind poverty and lack of power. As a result, large numbers of urban residents seek to make a living within the informal economy, "…small-scale unregulated semi-legal economic activities which often rely on indigenous resources, family labour and traditional technology" (Elliot 1999:144). The extent of both these illegal operations and of poverty, could, however, be minimised if the poor had access to credit. Elahi and Danopoulos (2004) define micro-credit as a system, which grants small loans or credit to very poor people, and especially women (Remenyi and Quinones, 2000; Yunus 1996), in order to generate income through self employment. Micro-finance in addition to small loans and credit provides savings and other types of financial services such as training and consultancy (Elahi and Danopoulos 2004; Grammen Bank 2004; Jackelen and Rhyne 1991; UNWTO, 2005).

In addition, Kabeer (1994) and Sen (1990) argue micro-credit can empower women, because they earn their own income, thus increasing their 'bargaining power' within their households; besides experience has indicated that women are more inclined to pay back their loans than men. Bennett (1992:58) states "…the group mechanism can transform women from beneficiaries, passive recipients of others' largesse, into clients, who participate in a long term reciprocal relationship with the institutions that serve them".

Besides access to credit, in developing countries (Africa inclusive) a lack of knowledge, education, training and skills, and hence low level of human capital, excludes people from productivity. This undermines the ability of the state to function independently and in the long-run increases levels of dependency on external control. For example, at the implementation of a project international experts are called in, who lack indigenous knowledge with regard to the culture, history, society and politics of the particular country. As a result, the sustainability of the project is jeopardised (VanBalkom 2002), the outcome does not represent local realities and local people do not feel that they own the project and therefore disregard it.

Education and knowledge combined with indigenous wisdom and intelligence can lead to the empowerment of local communities (Stiglitz 1998b). VanBalkom (2002) suggests that dynamic sustainable development can only be achieved with local participation, their training in international best practices and then adaptation of these practices to local standards.

However education and knowledge has to be reinforced with the establishment of partnerships and networks at all levels, local, national, and supra-national, could assist recently decentralised local authorities to expand their capabilities and have their voice heard. This can be achieved because, as Capra (2004) maintains, networks have the power to work as economic entities and communities of people, since they operate for the benefit of those belonging and circulating within the network, as they all share ultimately the same goals and network culture.

The more the networks develop the more they link people and communities together, who under other circumstances would not have the opportunity to interconnect due to different social, cultural, educational and financial backgrounds (Lowe 2005). Besides, since networks have no centre (Castells 1996) and their main objective is information exchange they enable advocacy and campaigning (Lowe 2005), and participation in decision making (Castells 1996). Their disadvantage lies in the fact that their legitimacy can be jeopardised by international actors. This is because the international actors, who have initiated them, have greater power, albeit in theory there is no centre to the network and not elitist class (Starkey 1998). Networks can, however, be used, together with other means, to build capacities, thus many development agencies reinforce and use them for developmental purposes and mainly for the campaign towards poverty alleviation (Lowe 2005) and sustainability.

Ghana, poverty and development

Amoako-Tuffor (1999) notes the Ghanaian government has become accustomed to using grants and aid as regular revenues and consequently actual expenditures are often planned in expectation of this financial assistance. However, Bawumia (2001) argues aid does not contribute to growth and it discourages investments if it increases the beneficiary's debt burden. Sackey (2000) also supports the argument, stating that in Ghana aid flow had resulted in the depreciation of the exchange rate rather than its appreciation. Therefore Ghana's long term economic stability and progress has to be directed away from the dependency that creates developmental aid.

Private investment, which is an engine for growth (Dordunoo 2001) has always been low in Ghana and has declined even more since 1991 (Asante and Boateng 2001). Aryeetey (2001) notes the weak financial, legal, and administrative system, as well as the macroeconomic instability, and the difficulty in obtaining credit, are great hindrances for private investors (Asante and Boateng 2001).

Additionally, Ghana's negative image for investments was, for many years, enhanced by the climate of political instability created by the frequent coups d'etat and absence of democracy. Further, the conflicts in the neighbouring countries of Ivory Coast, Liberia, and Sierra Leone, due to geographical proximity, posed a threat for potential investors (UNCTAD 1999).

Remittances are another source of income for Ghana which, even though they do not contribute towards poverty alleviation per se have a positive influence on poverty elimination. Remittances are actually regarded as the third largest foreign exchange earner, even surpassing most of the traditional exports. Jeffrey (2006) argues about four billion US$ are remitted to Ghana annually.

Despite the efforts of the new government for good governance, transparent practices and accountability, corruption is still one of the major social and ethical issues that hinder development in Ghana (Adomako 2005; African Union 2005; Agyeman-Duah n.d.t). According to Agyeman-Duah (n.d.t:8) "…Ghana has the constitutional provisions and statutory laws as well as the anti-corruption institutions to deal with corruption". Nevertheless, the main challenge lies in the implementation, due to weak structures, insufficient and incompetent human and material capital, and a failure to create clearly defined responsibilities, and functional institutional and administrative frameworks. Additionally, efforts so far have concentrated only on anti-corruption strategies in the public sector, and have barely recognised corruption in the private sector, which is equally critical and also lacks an appropriate regulatory framework.

The importance of participation in decision making and implementation of programmes or projects is an issue acknowledged in Ghana. However, the devotion of governmental officers at a parliamentary and district level is dubious and rather controversial. For instance, taken that those deciding at both levels comprise the local elites, it is not clear if the decisions taken, represent the poor people's interests (Oduro 2001).

According to GGNDPC (2002) women, because of mainly cultural taboos and opposition from men, are among the most disadvantaged groups in Ghanaian society. They are poorer; they are less likely to be literate; they have less access to credit and land; they are less protected by law; and their participation in decision making is limited, at both family and governmental levels.

Tourism and development

The adoption of tourism as a development strategy in developing countries was an outcome of the outward-oriented neo-liberal developmental thinking, which was actively encouraged by the World Bank and the IMF via the structural adjustment lending mechanisms. Tourism was placed in the same category as any other nontraditional export-oriented industry employed to stimulate rapid growth, in the belief rooted in the ‘comparative advantages’ of third word countries (Brohman, 1996).

Tourism was thought of by the LDCs, as the ‘Cinderella wand’ used to acquire the much wanted foreign exchange (Brown, 1998), to manage their fragile and declining economies, which are characterized by insufficient finance and expertise, which in turn makes them dependent on international aid (Briedenhann and Wickens 2004; Dieke, 2003, Sinclair, 1998) .Sugiyarto et al (2003:698) argues that “…the ongoing growth of foreign tourism also reduces the government’s burdens as a result of embarking on globalization, by enabling it to reduce its reliance on import tariffs and indirect taxation while at the same time, maintaining the level of income necessary to finance its expenditure”. Nevertheless, tourism development in less developed countries and in Africa in specific, did not deliver the anticipated results and there is skepticism whether the benefits are more that the losses. Friedmann (1992:9) said “…If social and economic development means anything at all, it must mean a clear improvement in the conditions of life and livelihood of ordinary people”.

The highly centralized nature of tourism (Dieke, 2000) along with ‘the high level of vertical integration in the tourism industry, involving western travel agencies, airlines and hotels, means that much of the economic gains do not reach the country that is the tourism destination’ (Azarya, 2004:959). Inadequate funds and technical support limit the ability of governments to develop the industry independently and they rely on Multi National Corporations (MNC) either through direct foreign ownership or joint ventures for the establishment and further operation of the industry (Brown, 1998). As a result, local participation is insignificant due to lack of funds and skills, which in effect leads to inequalities and capital leakage out of the country, which also reduces the foreign exchange earnings; ‘even within the country, most of the profits go to the elite, the middle people, persons already wealthy and with political influence' (Azarya, 2004:959). Dieke (2003) describes this condition of exploitation and dependency as a form of neocolonialism. The periphery depends once again on the core or metropolis, which this time is represented in the name of MNC or Multinational Organisations.

Additionally, Briedenhann and Wickens (2004) note that this 'ad hoc' development is also detrimental to people's culture and environment especially the poor ones who often as Redclift (1992: 395) argues:

> '… [They] have no choice but to choose immediate economic benefits at the expense of the long term sustainability of their livelihoods. There is no point in appealing under these circumstances, to idealism or altruism to protect the environment and household, are forced to behave 'selfishly' in their struggle to survive'.

Even though the concept of participation in decision making is well embedded in the rubric of the donor agencies, Bruner (1996), Sirakaya *et al.* (2002) and Teye *et al.* (2002) argue only well educated and professional people are called to the usually ad hoc meetings, since there are no predetermined agendas and feasibility plans

It is not only lack of awareness that limits ability to engage in tourism, however, but also poverty and therefore lack of funding. Taking the success that access to micro-credit in terms of part-time and full-time job creation brought to the mining sector - preventing a rural exodus and contributing towards economic progress and reduction of poverty (Amankwah and Sackey 2003) - access to credit could probably assist a larger segment of the population to become involved in tourism businesses.

In the light of these acknowledgements the UNWTO has initiated the 'Sustainable Tourism Eliminating Poverty' (ST-EP) project aiming through research and best practice, to promote tourism in order to contribute to the sustainability of tourism and alleviation of poverty. One of the major NGOs as well based in the Netherlands, the SNV is actively working with local communities at the very grassroots level in order to comprehend the real needs of the local population before starting realising their projects.

Developing tourism through building capacities in Ghana

The development of tourism in Ghana and, for that matter, in the towns of Elmina and Cape Coast has never been a straightforward process and is regarded as a relatively new phenomenon, having been introduced to the country as an organised activity at the end of the 1980s. The country's political economy, along with people's traditions customs and culture, structured the birth and successive process of tourism. From a historical account of tourism development in the country, one realises that it was predominantly devised and orchestrated by foreign developers. This was manifested in the form of elaborate 'master plans', which were either not implemented or were 'ill-conceived', because they did not reflect local realities and the local technical or financial capacities were not there to implement them. This is especially the case in Elmina and Cape Coast where, despite efforts, tourism activities have not delivered the expected 'development' effect.

The current research, however, indicates that the most important ingredient for sustainability is capacity building, which even though entails characteristics of the conventional meaning of capacity building, which refers to human resource training and education it proceeds one step further to entail the following concepts: social, human, physical, and financial capital. The social capital, which refers to weak institutions and networks/partnerships, the importance of community participation and the extent of social responsibility exercised by the institutions to the local communities; the human capital refers not only to the education and training but also the awareness needed about the tourism industry; the mentality and culture of local people, which has been affected by the colonial past; and the involvement of women in the tourism activity; the physical capital which refers to capacity through infrastructure, and safety and security; and finally the financial capital refers to the capacity created through investments and availability of micro-credit mechanisms, financial linkages and partnerships.

Social and Human Capital

Even though the colonials did not manage to 'reterritorialise' Ghana to the extent that it would entirely suppress the local mentality and culture, they left behind remnants in the subconscious of local people. This is seen in their belief that anything foreign is superior to their culture. Therefore in connection with tourism they believe that foreign visitors will not be keen on experiencing anything they are not familiar with, and that depicts local cultural elements. However, participant observation indicated that the main reason tourists visit the locals is to experience the local culture, either by staying in accommodation that is typical of the local character or by tasting local food, watching local cultural groups or even participating in local life. Mercer *et al.* (2003) argues ignorance in the past was detrimental to the African states because it halted development. Therefore education is needed since it is perceived as the most important factor for socialising people and accelerating development.

Furthermore, the local communities' involvement is limited and external agents control the resources for the community's benefit. This notion reflects the situation prevailing in Elmina and Cape Coast where the local communities have no share in the revenue accrued from the fees collected by the castles and the government, in this instance, plays the role of external agent, controlling and benefiting from local resources. Personal communication with a key informer indicated that:

> "…Accra [capital of Ghana] sucks up everything and the local people who are supposed to benefit do not. We have a local proverb that is translated as follows - it is painful to see somebody eating in your face. You see the food which is very well cooked but you are not invited to take part".

A statement that suggest exclusion, and as a result of this exclusion from economic benefits, people begin to feel indifferent towards the castles' presence in their communities and their use for tourism development. In the locales of Elmina and Cape Coast the weak governmental institutions are translated in the tourism sector as a form of lack of control and clear policy or strategy of the local government in tourism development. Additionally, bureaucracy and fragmentation contributes to further community exclusion.

Key informers characteristically said:

> "…at times we have projects but they collapse. We call them 'one day wonders' because there are no funds to sustain them". "… the social responsibility is not realistic because governmental decisions are not taken according to the benefits of all people at all levels". "…the bureaucracy is so much and so slow moving that nothing can be done in time or even at all. They make policies to help people but they do not implement them".

Transparent procedures are also regarded essential for sustainability because currently people are not aware of the circulation of funds in their communities. Transparency will be better achieved if there is cooperation between all stakeholders concerned because it is an issue that concerns everybody since they all have a duty to sustain the present for future generations. People have also become so used to aid and loans that they would not know how to cope without them. Therefore there is need to take control and to start learning to generate income for themselves rather than to expect hand-outs.

Donald Schon's (1971) theory on 'Decentralised Learning' argues that learning cannot be imposed, so any efforts by government to educate the periphery are doomed to fail. Knowledge can only be achieved in a decentralised, bottom-up way, where the centre acts as facilitator. Everett Roger (1983) took Schon's work further with his theory of 'Decentralisated Innovation and Diffusion', arguing that any new idea is re-invented and modified by its users to correspond with their particular conditions. Given people's attachment to the traditional system of governance in the designated communities a bottom-up approach is considered effective. This is why it is crucial, as a matter of trust that community leaders are assigned to initiate this social education rather than any other exterior body. Allowances also have to be made for the adaptation of knowledge in order to fit the needs of the communities and the mentality of the people.

In the locales there are many skilled and talented people; however they lack key skills in areas such as tourism management and planning, information systems and marketing that are essential components in the initiation of any kind of change. Human resources training both in the public and private sector and especially at the top level would be a step in the right direction, since these people are the ones who take the decisions that influence the tourism phenomenon. A coherent knowledge of planning, marketing, information, dissemination and evaluation agents are essential for empowering tourism professionals to act as effective cultural agents (Hunter 1995).

Networking among the various stakeholders might also prove beneficial for the further development of tourism because networks can bring into contact people from different levels, backgrounds, disciplines, and organisations. Under other conditions this would not be possible because of societal, cultural, economic and political barriers. Thus people can act together, increasing their competence and confidence (Lowe 2005). Additionally, the fact that this ‘coming together’ is realised on an entirely voluntary basis is evidence of an aspiration to realise common goals, increase awareness, reinforce professional support (de Harveskercke 2003), cooperate, exchange and organise knowledge (Starkey 1998), and to share decision making because the network has no centre (Castells 1996

Physical Capital

Infrastructural problems hinder also tourism development. These are identified in inadequate road transport and dependence on taxis; inadequate and costly air transport services and lack of a national air carrier; inadequate telecommunications networks; inadequate water supply and sewage facilities; regular power failures and bad roads; lack of cultural and information centres; lack of museums, and tourist rest-stops; poor signposting and printed material; and most importantly, poor maintenance of the castles.

As a result not many tourists visit the area and hence the local businesses and especially those in micro-scale are deprived of revenue. Infrastructural development and especially communications and transportation are preconditions for tourism development since tourism requires physical resources and utilities to facilitate business transactions. In addition inadequate technology hinders local entrepreneurs' prospects for marketing improvement and further expansion of businesses by establishing sales-related contacts which are essential to compete in local, regional, national and international markets. The tourists themselves are also deprived from the chance to fully appreciate the tourism attractions and to assist with conservation.

The inadequate physical capital is finally identified in terms of safety/security, notably in the form of state police (and in particular tourism police), sanitation, banking services, accommodation and restaurants (mainly in peak season), and control of cost/prices. Ghana prides itself on being a safe country. However, the tourism industry, especially in Elmina and Cape Coast, lacks the infrastructure needed to safeguard both locals and visitors. Research indicates that a determinant factor for tourism demand especially in developing countries is the issue of safety and security, mainly in terms of the potential for exposure to crime in the destination country (Duncan and Lawson, 1997). This exposure can range from petty crime to terrorism. Despite the fact that crime is limited in the locales, the measures are not there to deal with a possible terrorist attack.

Financial Capital

Currently in the locales there is not sufficient of the domestic and international investment needed for tourism development and therefore poverty reduction. Even though things are improving gradually there are many challenges to overcome to attract prospective investors, the most important of which, as discussed above, is infrastructure. Barrett (2003) argues there is high cost involved in undertaking businesses in areas with poor infrastructure, and therefore it is an issue that normally puts off investors.

However, any form of lending, either from formal financial institutions or micro-finance/credit, is of the utmost importance in the two towns because it will assist talented drama, drumming and dancing groups to organise and market themselves in the industry. It will also assist the micro tour guides/operators and skilled craftsmen to establish their own businesses. Finally it will assist the fruit sellers to expand their range of business. However the public sector institutions have to strengthen their policies, legislation and the regulatory framework that supports businesses. The donors themselves have to assist towards the facilitation process and provide monitoring and supervision and increase awareness of the programmes. Community participation and empowerment with education, training and new skills will provide a solid base for new entrepreneurs.

In regards to partnerships, currently in Elmina the only existing partnership is on a large scale and involves the Ghanaian government and the Netherlands. This partnership was formed on the grounds of the two countries common heritage (the Dutch once colonised Ghana). The 'SNV Netherlands Development Organisation Ghana' organisation has been contracted to implement a 'Cultural Heritage and Local Economic Development' project which aims to preserve cultural heritage of Dutch origin for the sustainable improvement of income earning opportunities in Elmina. Among its plans is the restoration and rehabilitation of monuments and historical buildings, the opening of a fish restaurant and the building of capacities by training local people. However, the number of local people that are actively involved in this project and are expected to benefit after the completion of the project is minimal.

However, on a smaller scale there are no tourism partnerships or any other significant linkages between tour operators, hoteliers and so on. Lack of awareness of the nature and function of partnerships and knowledge of market values makes people suspicious. Hence they prefer to work on their own on a small scale rather than share their markets with other entrepreneurs who are also involved in the industry. As a result their budgets and market are limited. Nevertheless, partnerships can bring assets to the businesses, such as disposable capital, expertise, market increase and contact with the tourism industry. In addition, Ashley and Jones (2001) argue that partnerships can help develop linkages between tourism and other businesses, which are currently rare in the designated communities, because they increase the sense of contact, trust and good will.

Conclusion

Tourism could only be developed and sustained if socially responsible adjustments were made at an institutional and policy level so that the priority is shifted towards developing tourism as an instrument for poverty reduction and not only as a catalyst for development. 'Top-down' mechanisms should be replaced by 'bottom-up' ones; tokenistic participation, should be replaced by real participation, where the voices heard are of the indigenous people at the grass-roots level, and not of those representing exogenous interests and elite classes. Developing socially responsible, sustainable tourism that can contribute towards sustainable poverty reduction requires empowerment of the poor and formation of partnerships among all the stakeholders concerned in order to share knowledge and also assess the risks involved in the process of developing tourism. Capacity building is an active and continuous rather than static process. Consequently, there has to be coordination between the decision making players, and the right mechanisms have to be in place in order to facilitate them. Open dialogue, education, and training for the local communities and especially those at the top level is required, because education can change the mentality of local people in terms of the way they perceive themselves and foreigners.

It is the contention of the researcher, based on the analysis of the findings that investing on capacity building will contribute towards restructuring institutional mechanisms at both national, intergovernmental and supra-national level and that in time, will lead towards sustainable tourism development. However for this to be realised the above pre-mentioned establishments have to exercise their share of responsibility to the local communities otherwise any effort to develop and sustain a project will be doomed and with that any chance for poverty reduction.

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[i] Governance: Governance emphasizes that regulation is a continuous process of governing which is above all, embedded in a wide set of practices (Painter and Goodwin, 1995) and so is not subject to easy generalization. This is an approach which argues against over concentrating on the state, and the agencies of formally elected local political institutions for governance are produced by combinations of corporate and non-corporate institutions. The agents of governance are firms, management, employees, trade unions, national, regional, and local states and non-state institutions. Governance mechanisms are systems of integration between firms, and of embeddedness beyond firms. As such the discourse on governance is influenced by wider debates on the need to reformulate the traditional dichotomy between states and markets, and to recognize the increasingly important role of other, often hybrid, forms of socio-economic co-operation, most notably networks (Grabher, 1993) in Tourism economic development (Williams and Shaw, 1998) .

[ii] Good governance: Many institutions that support markets are publicly provided. The ability of the state to provide these institutions is therefore an important determinant of how well individuals behave in markets and how well markets functions. Successful provision of such institutions is often called 'good governance'. Good governance includes the creation, protection and enforcement of property rights, without which the scope for market transactions is limited. It includes the provision of a regulatory regime that works with the market to promote competition. And it includes the provision of sound macroeconomic policies that create a stable environment for market activity. Good governance also means the absence of corruption, which can subvert the goals of policy and undermine the legitimacy of the public institutions that support markets (WBG, 2002:99) in Carroll 2005:22).