# Enhancing the Relevance of Welfare Economics in Developing Traditional Societies: An application on Backpackers' Willingness to Pay for Communal Use of Land in Fiji[1]

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***Abstract***

*The theoretical basis of utility model that forms the basis of Welfare Economics has been criticized as being too simple and abstract. For example the economic theory of willingness to pay (WTP) does not tell us what people care about, or how and why they care. This paper examines the extent to which the welfare of Indigenous Fijians can be improved if backpackers are willing to pay for the communal use of land. Using contingent valuation, this paper establishes that a number of backpackers are willing to pay for communal land values. The paper argues that WTP can provide a basis for economically analyzing the use of passive values of environmental tourism resources. This will facilitate the tourism industry's ability in decision making and management which are critical in improving the welfare of indigenous landowners and sustaining tourism in land-scarce traditional economies.*

## Introduction

Natural resources have several types of values. These can be categorised under the rubric of social, economic, cultural and ecological (environmental) values (Bateman and Turner, 1993; Carson, Flores and Mead, 2000; D.W. Pearce, 1998). Categorisation of values is theoretically important for analysis as demonstrated by the utility model (Hanemann, 1999) on which this research is based. Differentiating one value from the other in the physical sense is a complicated and arduous task. For example, a mangrove stand is a habitat for living species, but differentiating this habitat as an option and an existence value in the physical sense is

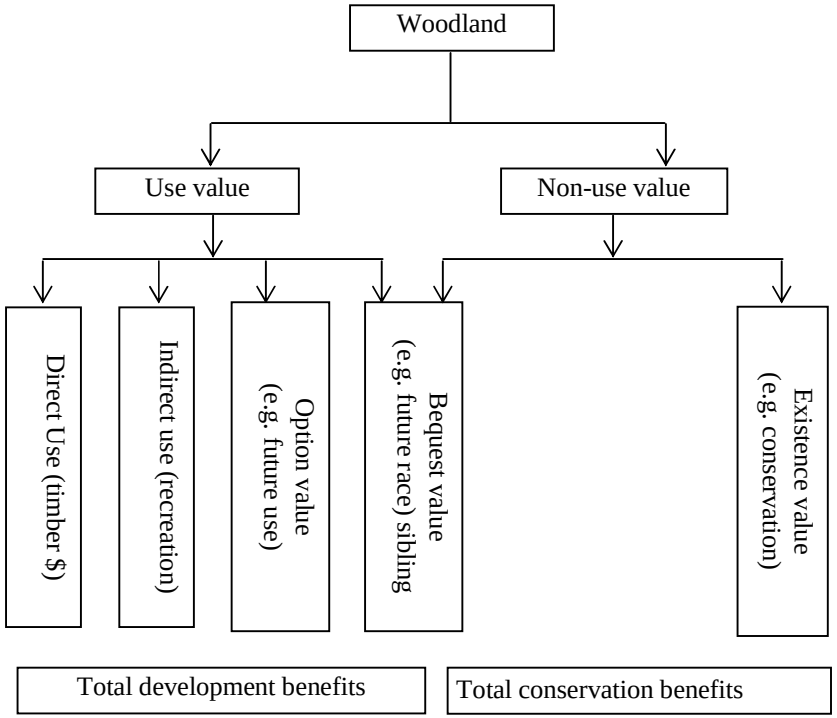
[1] This paper is based on the author's PhD thesis submitted to Otago University, 2007.





difficult. These values can be added up to get a totality; the total economic value (TEV). The TEV of woodlands is presented in Figure 1 as an illustration. In empirical terms, the TEV of a resource is expressed as the sum of the actual use (direct plus indirect) values plus option, bequest and existence values

**Figure 1: Total Economic Value of Woodland**




(Source: Bateman and Turner, 1993: 121)

TEV has two broad components: direct and passive use values. Direct use value can be most easily thought of as requiring the agent (user) to physically experience the commodity in some fashion or the value of present (Carson et al. 2000) or the expected use of a resource for commercial, sport, scenic or other activities (Kerr, 1986). These resources have markets; as such they can be traded as they have prices. Passive uses

or non-use values are intangible and not associated with direct uses; they have no markets and are un-priced and so economists often neglect them. However, societies hold such values of their resources (Bateman and Turner, 1993), and consumption of such values leads to real satisfaction. Non-man-made tourism resources such as sand, natural attractions, parks, etc., are inseparable part of the tourism experience (Hall, 1995: 12). These are passive in nature; they are also largely treated as free. The importance of passive value for tourism consumption is clear:

> …The tourism product is composite in nature and includes everything tourists purchase, see, experience and feel from time they leave home until they return…This product also involves experiences and expectations that are not directly purchased but nevertheless still form part of the overall package… (Hall, 1995: 11).

Land is a basic and crucial tourism resource, having both use and passive use values (Bateman and Willis 1999, Kerr 1986). The latter is difficult to quantify in physical terms but as Willis, Button and Nijkamp (1999) indicated this does not mean that it is difficult to value them in monetary terms; many private goods have multiple attributes and design features, which are difficult to quantify in physical terms, yet such goods readily command a price in the market place.

Indigenous Fijians tend to perceive and value land in its entirety (Kamikamica, 1987; Ratuva, 2000; Ward, 1994; Ravuvu, 1983, 1989). This means that Fijians perceive land (*vanua)* as a holistic entity enveloping land, sea, air and all its biodiversity. They understand and hold that land, people, village and society are an integrated entity. Ravuvu expressed this perception clearly whilst referring to his own village:

> The people of Nakorosule cannot live without their physical embodiment in terms of their land upon which survival of the group depends. Land is an extension of the self; and conversely the people are an extension of the land…(1989: 8)

Other sociologists such as Qalo, (1994) Ratuva, (2000) and Siltoe (1997) reiterate the view that Fijians perceive and value land as a physical, socio-cultural (human), economic and cosmological asset of perpetuity. Ward (1994) too noticed that land is not merely valued because it can be used for production, but also because it is associated with mythology, religion, history and well being of social groups. Hall (1997: 76) and Burns (2003: 83) realized that land is an essential part of Fijians' identity.



This paper takes such a perspective for communal use value of land. It is passive and intangible in nature. Yet, it also satisfies tourist needs especially those travelling to seek new experiences (learning) and meeting people (Hall, 1997). Farming and fishing are two survival skills that can be inherited from and sustained through land. Others include the traditional story telling though dance (*meke*), and fire walking (*Vilavilairevo*. These skills are often appreciated and marvelled at by tourists; these form part of all major tourist hotel cultural evening packages..

Economics can be seen as a discipline about understanding the problem of scarcity, utilising scarce resources to best suit society's needs and improve its living standards. In order to understand WTP from the economic standpoint, one requires that he/she develop some notion of value. (Field, 2001: 39). Value means the worth that a person places on something where his/her underlying tastes and preferences determine the relative values of the good or services in question. Despite its many meanings, WTP is used in this paper to make visible the notion of value so that it can be observed and measured. The value a person 'places on a good or service is what they are willing to pay to get the good or service' (Field, 2001: 41). WTP reflects the ability to pay and or affordability in terms of money and time (Field, 2001; D. G. Pearce, 1995). Willingness to and ability to pay for goods and services are commonly known in literature as effective demand. This paper perceives demand as analogous to WTP. The terms are used interchangeably in the text.

The backpacker phenomenon is overarching and multifaceted because of its unique functions, sub-cultures, motivations, ideologies, and practices (Locker-Murphy and P.L Pearce, 1995). The term was coined in 1980 by the Australian government and introduced into the academic literature by P. L. Pearce in 1990 (Ateljevic and Doorne, 2004; Hampton, 1998). Pearce adopted the term to enable him and his fellow researchers circumvent the problem of defining the backpacker sector, an 'emerging' type of travellers. This phenomenon was defined through its social and market aspects rather than the economic or demographic aspects (Newlands, 2004; Sorensen, 2003). According to the social and market perspectives (Locker-Murphy and P.L Pearce, 1995), a backpacker is defined as a tourist with the following personal and travel characteristics:

- preference for budget style accommodation;
- rejection of a rigid travel timetable, in favour of an independently organised and flexible itinerary;
- predominance of vacations taken over long periods;
- emphasis on the social aspect of travelling, that is developing an

understanding of other cultures through the process of meeting others (both local and fellow travellers); and

- emphasis on informality and a desire for adventurous participation in a range of activities.

The debate on backpacker tourism as a viable mechanism for economic development is well documented (Ateljevic and Doorne, 2004; Cohen, 2004; Cooper, Hampton, 1998; Hart, 1977; O'Mahoney and Erfurt, 2004, and Scheyvens, 2002). A predominant view is that the backpacking sector has low economic value as backpackers have a propensity to spend less than conventional tourists. While researchers' views have been pessimistic (Ateljevic and Doorne, 2004; Cohen, 1982; Smith, 1990), developers have 'largely ignored backpacking in Third World development because of its association with "hippie and drifter" tourism, its concern for bargain hunting where they are perceived as exploiters of poor locals from whom they seek to live cheaply' (Cohen 2004: 95). It is still being taken for granted by planners, notwithstanding the fact that backpacking is increasingly becoming widespread and ubiquitous (Cohen, 1972: 90).

Despite these scepticisms, there has been a paradigm shift given the increasing evidence that backpacker tourism is an effective vehicle for economic development. In this connection Pearce (1995) noted that backpacking has only recently been recognised as important in economic terms in Australia, S. E. Asia and New Zealand. Research has shown that backpackers have a tendency to travel to the more peripheral areas outside the mainstream or non-tourism areas, and in doing so, they spread the economic benefits to the wider community. Backpacker tourism has contributed significant revenues to advanced economies such as Scotland (Speed and Harrison, 2004), Australia (Kain and King, 2004; Locker-Smith and Pearce, 1995; Slaughter, 2004), and New Zealand (Newlands, 2004). More importantly, studies have also shown that backpackers' average expenditure per head is greater than all other types of tourists (Newlands, 2004; P. L. Pearce, 1990). It can significantly generate employment, save foreign exchange and minimise import leakages through the supply of cheaper accommodation, and indigenous food and culture. Evidence shows that development of backpacker accommodation creates fewer leakages; leakages from construction of bungalows in Lombok, Indonesia and fales in Samoa respectively were smaller than large-scale hotels (Hampton, 1988, and Scheyvens, 2002). Foreign exchange leakages from the full backpacking industry is not well known (Cohen, 1982; Hampton, 1988).



The provision of auxiliary services, such as craft tourism, creates employment for local population. Though these can be part-time with little remuneration in nature, they provide opportunities as new sources of livelihood for the under-employed such as in Thailand (Scheyvens, 2002). As a reservoir for employment, backpacking can be an asset in labour-scarce destinations such as the fruit growing sector of the Australian rural economy (Cooper et al., 2004; Richards and Wilson, 2004). The provision for local food and cuisine to meet backpackers' demand for novelty, experience and budget prices has a synergistic effect on land and sea-based supply side. Demand-led production for local food often leads to increases in agricultural and maritime supplies as producers try to maximise return from their (scarce) resources and exploit opportunities of events at hand. Backpackers' demand for locally produced goods also strengthen the backward linkages which ultimately results in better utilisation of local resources (Field, 2001; Scheyvens, 2002; Tisdell, 1982). Strengthening of these linkages reduces leakages and thereafter, strengthens the multiplier effect. The latter has been significant as suggested in past studies (Hampton, 1988). Backpacking tends to provide greater opportunities for local ownership, participation and investment. Being 'small', locals tend to get sufficient means (finance, skills and time) to penetrate into the backpacking business. Hampton (1988) and Cohen (1982) found that a large number of the bungalows in Lombok (Indonesia) and Phuket (Thailand) are owned and run by locals. All fales in Samoa were owned and operated by local families, and backpacking in Goa was characterised by 'wide local ownership' (Scheyvens, 2002: 151).

The bourgeoning of backpackers' 'hot spots' or enclaves in urban areas of Sydney, Penang, and Edinburgh as well as ghettos in Jakarta and Bangkok demonstrate the significant effects of this sector. The supply side of backpacker sector tends to be driven by backpackers' demands, particularly in terms of their WTP. The nexus between backpacking, investments and infrastructure development is quite apparent, on a macro scale in eastern Australia, where there is a proliferation of budget accommodation, transport facilities, and other auxiliary services. Richards and Wilson, (2004: 266-7) correctly summarised the positivism towards backpacking when they noted:

> …the backpacker "industry" is now a force to reckon with in some countries like Australia and New Zealand in terms of providing comprehensive services, and that its perception as a "good" form of tourism is growing due to the fact they

> tend to spend more than the conventional tourists do, and particularly they tend to buy more services from local people than their counterparts…

As noted above, backpackers have demonstrated their willingness to pay when pursuing the social aspects of travel (Locker-Murphy and P. L. Pearce, 1995; Newlands, 2004). Empirical evidence suggests that increasingly, backpackers have been contributing to the societies they visit (Richards and Wilson, 2004) and developing some sense of responsibility towards communities they visit (Newlands, 2004). In contract, its forerunners, were trampers, who were working class men (Adler, 1985: 341), and drifters, who were perceived as those with middle-class responsibilities (Cohen, 1973).

**The Utility Model**

The utility model provides the basis and economic framework of this paper. The application of the model to such a nature of problem was firstly proposed by Maler (1974) followed by Fisher (1996) and Hanemann (1999). According to the latter, an individual has preferences for various conventional market commodities whose consumption is denoted by the vector x, as well as for non-market environmental amenities denoted by q. Depending on the context these may be a single amenity, where q is a scalar, or several amenities where q is a vector. The individual takes q as given because more often than not, to her, q is a public good and, therefore, exogenous to her decision. This means that unlike the marketed goods (x), she can not vary her consumption of the environmental good(s).

The individual's preferences are represented by a utility function:

$$U(x, q) \qquad \text{(Equation 1.1)}$$

This relationship is continuous and non-decreasing in its arguments and strictly quasi-concave in *x*. This means that the elements of *q* are viewed as goods rather than bads. Because it is assumed that the preferences are strongly monotonic or increasing for *q*, it is possible that the individual is indifferent to *q*. The individual faces a budget constraint based on her income, *y*, and the prices of the market commodities. Under a budget constraining scenario and where *q* is given, the individual chooses her consumptions that maximizes her utility or that minimizes her expenditure. The maximization problem is presented in mathematical form as:



$$\max u(x, q) \text{ subject to } \Sigma\, p\, x \leq y \qquad \text{(Equation 1.2)}$$

This will yield a set of ordinary demand functions and indirect utility function. The latter is of interest in this analysis because as a model its purpose is to illustrate the concept of WTP and the properties of welfare changes in question. This function expresses the maximum utility that can be achieved given the prices of goods and incomes of consumers. From the maximization expression above (Equation 1.2), the indirect utility function can now be defined as;

$$v(p, q, y) = u[h(p, q, y), q] \qquad \text{(Equation 1.3),}$$

In equation 1.3, the utility is represented as a function of price and income, and the environmental good.

Suppose that at least one element of the *q* vector is increased (while other things remain constant), with no decrease in any other elements (and no change in prices and income). Also suppose the only increase is good $q_1$ (i.e. where the subscripts 0 and 1 indicate states before and after the increase respectively), then we can say that $q_1 > q_0$. Thus:

$$u_1 = v(p, q_1, y) > v(p, q_0, y) \qquad \text{(Equation 1.4)}$$

The compensating variation of the utility change can be represented in terms of the indirect utility function:

$$v(p, q_1, y\text{-}c) > v(p, q_0, y) \qquad \text{(Equation 1.5)}$$

The compensation variation, *c*, is the amount of money that, if extracted from the individual after the change in *v* from $q_0$ to $q_1$, will leave her just as well off before the change. This compensation variation can also be considered as the WTP for the change. It is this amount which a contingent valuation (CV) survey attempts to elicit from a respondent when she wants to purchase the good (Alberini and Cooper, 2000). Compensating variation (or WTP) is the appropriate measure when one person must purchase the good, such as an improvement in the environmental quality. As Alberini and Cooper (2000: 7) note, WTP 'is the amount that must be extracted from the person's income while keeping his utility constant'.

Passive-use values can be represented from indirect utility function by letting the utility function take the form:

$$u(x, q) = w[u(x, q), q] \qquad \text{(Equation 1.6)}$$

This function indicates that *w* is increasing in both arguments. In the first, *u*, the utility depends not only on *q* but on x as well, that is the market good(s) necessarily employed. The second argument *q*, gives rise to utility that is not related to the complementary use of the marketed good, and that is 'passive values'.

From a tourism perspective, the mathematical expression 1.6 indicates that satisfaction from tourism goods is generated by its tangible uses as well as its passive values. Indeed, the passive values of (tourism) goods, are equally or more satisfying to tourists, for example to the 'green' or eco-tourist (Bull, 1992; Sinclair and Stabler, 2002); these maximize their welfare. In the context of backpacking in Fiji, the model illustrates that the passive values of land, such as the traditional survival skills, its beauty, and serenity, will maximize the satisfaction of backpackers, irrespective of their incomes.

The Contingent Valuation (CV) method became the instrument for collecting and eliciting backpackers' WTP. CV is one of the monetary valuation methods for measuring environmental goods (Bjonstad and. Khan, 2002). It involves asking individuals to state their preferences through surveys, so that a demand curve can be constructed from which consumer surplus is estimated. Consumer surplus represents the total benefit that can be appropriated from the good in question (Garrod and Willis, 1999) or the total amount one would be willing to pay for a given quantity of good over and above its cost rather than go without the good altogether (D.W. Pearce, 1998).

## Method and Data

Using the standard method for CV surveys, we described the environmental good that is being valued and briefed the respondents about its value for tourism and landowners as well as likely negative consequences, for example, due to losses of such value. We then designed a questionnaire to elicit responses from backpackers about the importance of them staying in accommodation facilities where landowners would benefit from the expenditure that they incurred. They were asked to indicate their agreement using the Likert scaling method. Questions in this section were designed to primarily elicit backpackers WTP for communal value of land. They were reminded to consider all the 'calls' on their current budget. On the realisation that many respondents would not be familiar with the passive use of land, they were given a value from which they could anchor their preferences. The value was the average minimum daily



rent of an acre of land in Fiji in 2002. Whilst this strategy would, on the one hand, create biases in WTP values, on the other hand it alleviated the 'question-trap' problem which often ended up in 'I don't know' or zero response (Mitchell and Carson, 1989).[2] The WTP question was posed in an open-ended question format. Backpackers were also informed that if they were willing to pay, then this amount would be added to their accommodation bills. The revenue will then be paid into a Trust Fund, where landowners would be the main beneficiaries.

The CV survey was conducted in the Suva – Lautoka tourism corridor from February to June, 2003. The Suva – Lautoka tourism corridor includes the coastal strip that stretches from Suva through to Coral Coast, Nadi areas and Lautoka and the off-shore islands of Malolo, Mamanuca and Yasawa. These are the traditional tourism areas of Fiji; backpacker hostels and budget resorts are concentrated in this region.

Earlier studies on backpackers in Fiji (Ministry of Tourism and Tebbutt Research, MTTR, 2006; Harvey, 2004) indicated that around 80 and 68 percent visited the Mamanucas and the Yasawas respectively. Due to constraints beyond the researcher's control, particularly budget and geographical logistics, the survey was limited to three islands in the Yasawa Group (Naviti, Yanuya Lailai and Tavewa), two in the Mamanuca Group (Beachcomber and Mana), the Nadi area and the Coral Coast including Beqa. Twenty one (21) backpacker accommodations from these areas agreed to take part in the study.

Of the 700 questionnaires distributed, 441 (63 per cent) were returned but were revised down after eliminating 58 incomplete responses. This resulted in a response rate of 54.7 per cent (or 383 respondents). Table 1 provides the details on the distribution of the accommodations and respondents. The highest response rate was elicited from the Coral Coast. While, a 54.7 per cent response rate was remarkably high given that the literature suggested that mail surveys often yield responses of around 20 per cent (Fowler, 1984), the sample size was, from a statistical viewpoint, well below the level of any CV study that would be interested in policy evaluation (Mitchell and Carson, 1989).

The CV data was managed and analyzed by SPSS Window. These were tested to be non-parametric through histogram and descriptive statistics techniques (Coakes and Steed, 2001; Daniel and Terrell, 1979). Non-parameterization of data was due to non-probability sampling, a conse-

[2] Green and Tunstall (1999) argue that, given the scarcity of our resources, anchoring is essentially a part of every day's decision making issues as any decision has opportunity costs.

quence of drawing samples from poorly defined population. The latter is a usual phenomenon in tourism research. Initial attempts were taken to analyze the data and estimate WTP through regression (Field, 2000: 163-204). The basic demographic data of the 383 respondents is provided in Table 2.

**Table 1: Sample Size and Responses**

| Areas | Number of Backpackers' hotels/resorts | Number of questionnaires distributed | Number completed (uncompleted) | Response rate (%) completed |
|---|---|---|---|---|
| Coral Coast | 6 | 200 | 143 (20) | 71 |
| Nadi | 7 | 220 | 100 (25) | 45.5 |
| Mamanuca | 2 | 80 | 35 (3) | 43.7 |
| Yasawa | 5 | 200 | 105 (10) | 52.5 |
| Total | 21 | 700 | 383 (58) | 54.7 |

**Table 2: Backpackers' Basic Demographic Data**

| Characteristics | Fiji CV Study (%) |
|---|---|
| ***Age*** | |
| 18 – 25 | 52 |
| 26 - 35 | 31 |
| > 35 | 17 |
| ***Nationality*** | |
| British | 11.1 |
| North America | 8.1 |
| Other Europe | 59.3 |
| NZ & Australians | 25.8 |

| Characteristics | Fiji CV Study (%) |
|---|---|
| ***Education*** | |
| Secondary | 27 |
| Tertiary (excluding University | 43 |
| University Undergraduate | 30 |
| ***Annual Income (US$)*** | |
| < 15,000 | 41 |
| 15 – 3000 | 36 |

Given the state of the data, initial finding indicated that the model had a poor prediction outcome; instead non-parametric mean was employed. First, as in most CV studies (Bateman and Turner, 1993), the mean was used to describe the data. Second, differences in WTP among different groups were explored and statistically tested. For instance, were older backpackers willing to pay more than their younger counterparts or were those with university degrees likely to pay more than those with college and high school education? This stage of analysis included determining the differences amongst respondents in relation to independent variables (demographics) in terms of willingness to pay and the quantum of such sums. These were determined by running cross-tabulations and tested for significance. The significance level for all these tests was 0.05 (Daniel and Terrell, 1979). Validity of the results was attained through theoretical, empirical and intuitive expectations as Bateman et al. (2003) suggest.



## Results

Results showed that the majority of the respondents taking part in the studies were willing to pay for the communal use of land (Table 3).

The value of communal use of land was $F6.5 per visit. This is the mean value of the maximum amount that eighty eight percent of respondents were willing to pay as shown in Table 4.

**Table 3: Willing and not willing to pay (%age in bracket)**

| Willing to pay: Contingent valuation | Not willing to pay: Contingent valuation |
|---|---|
| n=338 (88) | n=45 (12) |

**Table 4: Summary of WTP responses (F$)**

| | |
|---|---|
| Mean | 6.5 |
| Median | 5.0 |
| Mode | 5.0 |
| Standard Deviation | 7.1 |

The frequently mentioned amounts of WTP were F$1 (forty five respondents), F$2 (fifty four respondents), F$5 (eighty seven respondents), F$5 (sixty respondents) and F$20 (seventeen respondents).

Differences in WTP were explored. First, backpackers with highest income were willing to pay the highest amount, and vice versa. This result is theoretically valid; results of the Chi-square test (p value less than .05) confirmed the statistical significance of this relationship ($X^2$= 20.938, p=.001). Second, there was no relationship between willingness to pay and education. The Chi-square test indicated that there was no significant difference between the level of education of respondents and the amount they were willing to pay, given that the p value was greater than .05, ($X^2$ = 6.671, p = 0.154). Such results could be due in part to sampling

and questionnaire designing.[3] Third, long haulers' WTP were less than their counterparts; the Chi square test indicated a significant difference between what backpackers from Australia or New Zealand would pay than their counterparts from the United Kingdom ($X^2 = 52.323$, p =.001). That more short-haulers were willing to pay the highest amount supports the hypothesis that distance is inversely related to amount one would pay and the significance of travel cost as strong variable for tourism choice (Bull, 1995; Sinclair and Stabler, 2000). Fourth, older backpackers would pay higher WTP whilst the younger ones would pay lower amounts; chi square test results showed that such difference was significant at 5 percent ($X^2 = 18.281$, p = 0.001).

There were a number of factors explaining backpackers willingness to pay views. Those not willing to pay claimed they could not afford to pay or preferred to spend their incomes in other ways. They also didn't see or realize a worth or a value of communal use of land whilst others perceived it as a double payment. The reasons for willingness to pay were affordability, holding a high value of communal use of land, and social causes or altruism where backpackers were probably able to relate the communal value of land to social needs of indigenous people (Table 5).

The research also found that positive attitude was strongly linked to willingness to pay. The ranked results after using a fully anchored five-point Likert Scale, showed that the majority of respondents (77%) were willing to pay because of the view that it is important to stay in a hostel/resort or use a tourism facility where money is paid to the communal use of land, particularly provides experiences that tourists seek. 20% neither agreed with this view nor disagreed, while 3% disagreed.

**Table 5: Reasons for Willing and Not Willing to Pay: CV study (%age in bracket)**

| Contingent valuation | | |
|---|---|---|
| | Not willing to pay | Willing to pay |
| Reasons | Cannot afford (39)<br>No worth (20)<br>Other ways (17)<br>Double payment (24) | Can afford (63)<br>High value (26)<br>Social causes (11) |

[3] In terms of the latter, the question could have designed around 'earning' more so than 'education' as a determinant of willingness to pay given that learning tended to be a strong motivation for travelling and that education is only a (formal) part of the learning process (Mitchell, 1989, Ryan 1989).



## Implications and Contributions

The findings presented in this paper have implications for backpacking and tourism planning in Fiji. First, the concept of backpacker needs to be re-examined as results from this study show that backpackers were not budget-minded and exploitative as previously suggested (Cohen, 1973; Riley, 1988). Second, motivation (attitude) is important in the valuation process of environmental goods as demonstrated in Fishbein-Ajzen's model (Bateman and Turner, 1973).

A contribution of WTP to tourism at the operational and/or industrial level is that incorporating WTP constructs into tourism lease models in Fiji would improve the robustness and efficiency of pricing land. This will have two important tangible spin-offs; these being, first, efficient allocation of land and second, improvement in benefits accrued to land owners, who continue to benefit at the margin (Narayan and Chand, 2003; Kamikamica, 1987). The latter can then increase landowners' stake in the industry, albeit increasing their ownership and control of their resource. This consequently reduces risks and creates an investment climate conducive for tourism development. Passive values improve the tourism product. As literature indicates tourist are not only increasingly becoming more safety-conscious, but also they are more discriminatory and discerning about their value for money (Ryan, 2003).

Data on monetary values of passive or communal uses of land is another contribution. Though more rigorous quantitative analyses are required, the findings can initiate discussions on the process of prescribing tourism policies on land pricing which will to a greater degree ensure maximization of returns from tourism resources for stakeholders.

The matter of returns to traditional land owners is an ever-occurring issue in land-based industries, but more particularly in tourism in Fiji and the Pacific. Therefore, the results presented in this paper complement other benign measures that call for operationalising this development process as suggested in the literature. These include correct valuation or pricing of land; streamlining tax bases so as to reflect and bring into line the real situation of land particularly its scarcity; increasing landowners' participation in tourism industry; and improving land-lease distribution. Payment for communal values of land can then be one of the missing links to a durable and meaningful development trajectory in Fiji.

## Conclusion

WTP for communal use of land can be a development vehicle in Fiji and other Pacific island economies, most of which increasingly depend on tourism as a major source of income and employment. As this study demonstrated, tourists have indicated that they were willing to pay for consuming tourism products related to communal use of land. The study, then, has scope in addressing the perennial issues facing land and tourism in Fiji. However, it requires rigorous research, an appreciation of correct pricing methodologies, and providing an enabling environment that will generate information for policy issues. The benefits of taking this forward are likely to outweigh the costs of no-action approach. Much of this though rides on the ability and political will of the policy makers and the tourism industry in Fiji today.

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