

## **EVOLUTION AND STAGES OF TOURISM DEVELOPMENT IN THE PROVINCE OF CORDOBA, ARGENTINA: HOW FAR IS THE SUSTAINABLE TOURISM IDEAL?**

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In an increasingly globalized world, the idea of sustainable tourism is currently embraced as a new vision and a powerful paradigm. In practice, however, sustainability is a vaguely defined concept, with numerous experts claiming that the tourism industry is far from having achieved adequate standards of sustainability. In spite of several theoretical and empirical difficulties, many individuals and organizations are optimistic about the future of tourism and expect to see a progressive transition towards more sustainable practices.

This paper focuses on tourism in the province of Cordoba, Argentina. The tourism industry in Cordoba has been one of the most dynamic sectors in the last few years, contributing 7% to regional gross product and 6% to regional employment. Growing at an impressive 6.4% annual rate, tourism in Cordoba doubled in real terms in barely a decade. The number of visitors reached 7 million people in 2013, while capacity is estimated at approximately 1.5 million beds per month, a figure substantially larger than that of the majority of the other well-known destinations in Argentina.

One of the factors explaining the rapid growth of tourism in Cordoba is a diversified supply and a vast array of tourism opportunities. Beautiful natural landscapes, historical sites, sports events, music festivals, scientific and cultural events, as well as business meetings, are among the many possibilities that attract millions of visitors every year. Although Cordoba is the second largest tourism destination in Argentina, it caters mainly to domestic tourism, which accounts for as much as 96% of all the visitors.

Considering these facts, it is legitimate to ask the question: What type of tourism is being promoted? The main objective of this article is to examine the current situation of the tourism industry in Cordoba from the perspective of its development stages. While

based on volume and growth-rate tourism in Cordoba could be regarded as mass tourism, a central hypothesis of this research is that, at the same time, the tourism sector shows signs consistent with a so-called *extractive* phase of development. In other words, the generalized practices that characterize the local tourism industry are not only far from being sustainable, but they also are substandard in terms of traditional business practices.

## 1. THEORETICAL MODEL

Borrowing from the literature on evolutionary economics, we conceptualize the “tourism sector” as a structure or organism that can be analyzed through a number of stages. The idea of studying tourism evolution by means of a sequence of phases or stages was first developed by Butler in his pioneering work on the life-cycle of tourism destinations. Later, other contributors expanded this notion, such as Weaver who advanced a model of “destination development scenarios”. Essentially, Weaver seeks to explain the evolution of destinations from an incipient phase of circumstantial alternative tourism, to a more advanced stage characterized by sustainable mass tourism. In order to do so, the author describes various scenarios and three different trajectories taking into account on the one hand scale, and on the other, regulation levels.

Weaver’s model has not escaped criticism. The claim that all trajectories do invariably lead to a superior stage of sustainable mass tourism has been challenged by many scholars in the field of tourism development. Of particular relevance here is the fact that Weaver’s model seems to conceive non-sustainable mass tourism as a non-differentiated homogeneous stage. Such a characterization seems limited, since mass tourism destinations may vary greatly in their development styles and levels. These in turn, have a crucial impact on the potential evolution of a destination towards a stage of greater sustainability. At the heart of this debate are the distinctive paths in tourism expansion exhibited by developed *vs.* developing countries as well as the gap between these two country groups.

According to evolutionary and institutional economics, a significant change in social institutions and organizations - such as the one required by the transformation of a non-sustainable tourism industry into a more sustainable one - can only take place when a critical number of actors make decisions consistent with this goal. It is a dynamic process with a strong component of path-dependence, meaning that the *current* phase or stage of development of the tourism sector, plays a critical role in conditioning its *future* evolution. Therefore, not only is it relevant to consider the general context or environment in which a sector is embedded, but it is also of utmost importance to pay close attention to its current development stage.

In the case of mass tourism destinations, distinguishing among the various styles and levels of development is not an easy task. In principle, it is a continuous concept with a vast number of possibilities. We then put forward a three-stage model or taxonomy, to create an operational device that can be used in empirical research. This model differs from Butler’s or Weaver’s model in that the latter focus on *scale* as their main variable. Our three-stage model, on the other hand, emphasizes the mode of *use of resources*, which can be classified as either extractive, productive or protective. Both massive and non-massive

tourism destinations may exhibit practices compatible with different modes. According to the model, an extractive use (Stage 1) is inferior to a productive use (Stage 2), which is in turn less advanced than a protective use (Stage 3).

## 2. CASE STUDY

In the remainder of the paper, we apply the three-stage model to the province of Cordoba case. As a destination, Cordoba exhibits numerous features that are inconsistent with the more advanced development stages. In fact, the actual behavior of the tourism industry seems to be akin to an extractive phase characterized by both little regulation and poor organizational practices. This is a relevant conclusion in the sense that it contradicts the general public opinion. The current perception held by most business people and public officials in the tourism sector in Cordoba is quite optimistic and thus conducive to the *status quo*.

The empirical work carried out in this study uses data from several sources, including statistics gathered by national and regional institutions, as well as our own calculations which systematize information that is otherwise unavailable. Many data and sources are of a qualitative nature, having been obtained by means of different research methods, such as document analysis, observation and interviews of a number of tourism professionals and experts.

Following a top-to-bottom approach, it is first shown that tourism in Cordoba is not compatible with a protective use of resources (Stage 3). In order to do so, it suffices to demonstrate that a few basic criteria of social and environmental sustainability are not met. One such indicator is the evolution of employment, which does not exhibit a trajectory similar to that of activity levels. In other words, the rapid expansion of tourism in Cordoba during the last two decades has not been matched by a similar increase in the number of formal, stable and skilled jobs. On the contrary, informal, precarious and unskilled employment has grown significantly, which is a strong indication of a low level of social sustainability.

In the sphere of environmental sustainability, progress has been limited. A document labeled "Strategic Plan for Sustainable Tourism" was elaborated in 2006 but, to this day, the measures and actions proposed in it have been far from being implemented. Other problematic areas are the inadequate management of solid waste in Cordoba, the frequent forest fires affecting the valleys' regions, and the unplanned development which has led to a boom in construction that is threatening to harm both resources and landscapes.

Next, it is shown that tourism in Cordoba is also not consistent with a productive use of resources (Stage 2). Although this stage is not as strict as Stage 3 regarding its sustainability requirements, it does emphasize an effective use of resources by means of human ingenuity, good managerial practices, and the use of technology. The results demonstrate that, considered as a global or macro unit, the tourism sector in Cordoba reveals strong deficiencies in planning, management and entrepreneurship. Several qualitative data and indicators support this conclusion, emphasizing issues of innovation, a low-rate of technology adoption, insufficient planning, and a limited entrepreneurial vision in the long-run, to name just a few.

Being neither sustainable nor entrepreneurial, tourism in Cordoba can be described, to a large extent, as a type of mass tourism of the extractive variety (Stage 1). Many of the resources that form the base of tourism attractions are “taken” and “used” without any effort to increase their value. It is an exploitative predatory system, not only unsustainable but also economically inefficient from a long-run point of view. One specific fact that reinforces the preceding argument is the scarcity of data, together with the lack of both systematization and diffusion of information about tourism variables. The fragmented nature of the information available strongly restricts the possibility of elaborating accurate diagnoses, assessing the evolution of the tourism industry, or designing policies which can lead to development in a truly transformative sense.

In the theoretical section of the article it was claimed that the current phase of development of the tourism sector plays a crucial role in shaping its future evolution. It is then clear that, if tourism in Cordoba belongs in Stage 1 (as it seems to be the case), the transformation of practices necessary to achieve a more sustainable tourism stage, will not be easy and will certainly require a considerable amount of time. Such a result might not be palatable to those who acclaim the sustained expansion in business volume and numbers of visitors. This article seeks to convey the message that it is essential to look beyond the surface and heed the structural conditions underlying tourism development.