

## A Case Study of the Economic and Socio-Cultural Effects of Tourism Growth in China's Fenghuang County

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### Abstract

The problem of "poor in Fenghuang County, like in other places in China, is attributed to the country's inadequate modernization of its official narrative. Foreign direct investment and the commercial integration of the rural economy with external markets are only two examples of how the tourism industry

is expected to contribute to the development of Fenghuang. They hired planners from Beijing to map out the county's urban expansion over the next 18 years ("CACP and PGFC 2005). The locals are stuck with no other choice "to comply with this arbitrary rule enforced by the privileged.

**Keyword:** *Tourist Development, Scale of Resources, Economical Markets,*

### INTRODUCTION

Rural/interior/minority differences, social inequality, and environmental degradation are all on the rise in China, despite fast economic expansion. Ever since Beijing switched to a "free market" economy in 1978, the divide between those with and those without has grown. To begin with, the richest 10 percent of the "population earned less than 20% of the national income throughout this time period (1980s). 2005 saw the richest 10% of" earners take home 45% of the income, while those at or below 10% received just 1.4%. With an average annual GDP growth rate of approximately 9.5 percent, China has been one of the world's fastest-growing economies, yet rural families in "China have seen their incomes fall by 42 percent between 2000 and 2002. After 1980, the income difference between urban and rural people has widened to a ratio of 3.3 to 1. Compared to the United States, this" disparity is one of the largest in the world. "Gini, the United Nations' standard measure of inequality, climbed from less than 0.2 in 1980 to over 0.45 in 2005, indicating" significant polarisation and growing societal discontent ("Wen 2006; Kahn 2006; Khan and Riskin 2001; Wen and Tisdell 2001"). In addition to accelerating growth, "China's Ecological Footprint is now more than 50% bigger than its biocapacity due to its shift from a labor-intensive to a fossil fuel- and capital-intensive development model (World Wildlife Fund 2006)". With China's ecological concerns ranking

133rd out of 146 countries, it has become one of the world's most pressing issues ("Smil 2004, 2005; Esty, et al. 2005). Chinese economy after" Deng period is unique in the world. Since China is so large and has so much to offer in "terms of cheap labour and potential tremendous" consumption, China has a big effect on the world, both economically and environmentally.

## **LITERATURE REVIEW**

If no countermeasures are taken, the growth of local incomes will "naturally" tend toward concentration and dispersal of costs, resulting in an unintentional increase of economic inequality. This research examines the utility of core/periphery models and anthropological power and scale theory in order to better understand the research problem and answer research questions. Uneven exchange and capital accumulation are thought to be at the root of many of the world's most pressing issues of global sustainability such as poverty, environmental destruction and resource depletion, and social conflict, which can be better understood by integrating complementary perspectives from anthropology and ecology. Researchers "Hornborg and Bodley have combined cultural anthropology" and ecological views to provide light on contemporary challenges.

## **STATEMENT OF THE PROBLEM**

"Economic growth is at the core of China's development narrative," official slogans now say, as they shift "from economic growth and people-centered development" to "creating a harmonious society." The core of present policy, however, has not been altered. The question is whether or not "China should continue on its current course of market-oriented reform. Can China's masses reach a higher material quality of living? Are" we ready to reassess the "Western economic paradigm and consider other options, or should we wait? Chinese officials, Chinese people, and people" across the globe are now addressing these issues ("The Worldwatch Institute 2006; Wen 2006; Brown 2005a, 2005b; Diamond 2005; Anielski 2005, Liu and Diamond 2005, Sachs 2005; Myers and Kent 2004; Vuuren, et al. 2003; Muldavin 2000").

Although many efforts are made to "describe China's remarkable economic growth and widening regional differences, they do nothing to explain why the Chinese government's present measures addressing the disparity issue have been" ineffective in resolving the problem. To understand why the Chinese government's present goal of capital-intensive growth as a way of decreasing regional disparities may be failing, this research employs an ethnographic case study of tourist development in Hunan Province. Using ethnographic methods, it examines how China's "current capital-intensive development affects quality of life, and provides a more complete picture of rural life in China during this period of rapid social and economic change than official national-level figures on China's GDP, exports, and investments. The following questions are covered" in detail throughout the book: This sort of development has both advantages and expenses. How are they distributed? Are social discontent and environmental concerns truly exacerbated by capital-intensive development?

Might you tell us how locals feel about this development, and what can be done to enhance it? Instead than relying on the present development paradigm that is controlled by official state rhetoric, it investigates more socioecologically sustainable alternatives.

### **OBJECTIVE OF THE STUDY**

- To identify Local tourist "stakeholders and personal networks together with" local socioeconomic developments.

#### **Research Questions**

- The influence of local tourism "stakeholders and personal networks on" socio-cultural changes?

### **RESEARCH METHODOLOGY**

A modified "greening/ecologized" version of the core/periphery models ("Hornborg 2001; Goldfrank et al. 1999; Chew 1997) is used to explain" the uneven development between China's rural, interior, and minority areas and the urban and coastal areas (Han areas). Tourism is viewed as a form of internal colonialism in "China (Oakes 1998). As part of China's current rural tourist development plan, local governments and" major outside metropolitan business developers work together to manage and develop natural and cultural resources in order to enhance tourism earnings in total. Unexpected scale effects of this public-private collaboration may lead advantages to be concentrated among a few elites and expenses to be distributed to the local poor. As a result of rapid economic expansion, it may aggravate environmental degradation and increase energy reliance, social inequality, and social unrest.

### **RESEARCH DESIGN**

"Power-elite theory (Bodley 1999, 2001, 2003) states that when development in the scale of enterprises and regional economies is an" elite-directed process, it concentrates societal power and diffuses costs. This research is based on this concept. Because the core/periphery model places a relatively low value "on individuals, this research applies the specific analytic methods suggested by power and scale theory" to demonstrate "how this form of elite-promoted, highly expensive, capital-intensive tourism development affects the community, and how the community perceives it. According to Power and Scale" Theory, money and income as sources of power, the importance of individual human decision-makers, and personal power networks that span institutional hierarchies, etc., are all important variables. As proposed by power and scale theory, one of the primary analytic approaches applied to this data is mapping power networks and ranking families based on their house-building expenditures, as well as housing regions based on their occupation. It is therefore possible to compare the ranks to a power law distribution. When shown as a straight line on a graph, the power law distribution is represented by the "power law equation:  $N=Cr^D$ . This equation" has three variables: N and r are two variables (for example, income level and the number of households), "C is a fixed constant of zero, and D is a negative constant" (usually near "-1").

This results in a "distribution that is extremely skewed and has a negative slope. On average, wealthy households will lose ground to poorer households" over time, according to this study's findings. This emergent feature of complex systems has been seen in a wide range of fields, from prehistory to current Western and non-Western civilizations ("Pareto 1908; Zipf 1949; Bodley 1999; Maschner and Bentley 2003; Davies, et al. 2006").

### **Data Analysis**

In Fenghuang, I plan to focus on "Tuo River Town and Ala Town," as they "symbolised" the county's expanding tourism industry. My study goals may be met with the help of both of these venues, since they will provide me with the necessary data and striking visuals. According to a recent study, Tuo River Town and Ala Town have the greatest rates of "urbanisation" of all of the city-states' municipal centres.

In Tou River Town, Yellow Silk Village, and Gouliang Village, "local government officials; local inhabitants; outside small business operators; visitors and PATT personnel will be interviewed." Fenghuang county authorities will oversee departments including statistics, environmental protection, business administration, agriculture, construction, tourism, and ethnic groups affairs. Those employed in the taxi diving and boating industries, as well as those in the tourist guide and costume rental sectors, will be selected at random. People living in the countryside will primarily hail from the villages of Ala (Yellow Silk) and Sanjiang (Gouliang Village). Furthermore, the outside investors included those in the hospitality and photography industries. In addition to the survey's statistics on Fenghuang visitors, the travellers will provide their own firsthand accounts and broad reflections on the destination.

### **CONCLUSION**

The "tourism development plan" of Fenghuang County has experienced a lot of revisions, which have resulted in a range of developments. Economically, it appears that people and families have more possibilities for creating money.

There, the PATT has monopolised the most picturesque portion of the Tuo River and prohibits local boatmen from significant involvement in the business of tourism on a vessel. Tourism in "Fenghuang has had a severe influence on local residents' access to and usage of the natural resources that are available. " People in Yellow Silk Village may be compelled to abandon their houses because of the economic "interests" of PATT. As infrastructure and real estate building" developed, many peasants lost their land. PATT's economic "interests" A small number of people (such as those who own stilt houses) have been able to transform their land holdings into other kinds of productive capital for more productive enterprises as the land's values have increased over the past several decades. Property values in Tuo River Town have increased substantially over the past few years, particularly in the "downtown riverfront areas." Because of the significant increases in land prices, a large "number of people, including the majority, with minor land holdings have been badly impacted." Fenghuang is now beginning to witness the improvements that it has been expecting after a protracted period of time.

### **LIMITATIONS OF THE STUDY**

When economic growth is unevenly "divided, the benefits might be more fairly distributed by implementing new economic policies and allowing the disadvantaged people to participate more actively in the development process. Theory suggests" that local governments may take on two roles: regulating the economic operations of major businesses (Brown 2001) and guiding and supporting local citizens in developing, for example, a self-reliant community tourism economy (Curtis 2003)

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