

The Socio-Economic Impact of Tourism and Entrepreneurs in Luang Prabang Province, Lao PDR

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Abstract

This study examines the Socio-Economic Impact of Tourism and Entrepreneurs in LPB province, Lao PDR by conducting the field survey of 100 entrepreneurs who related to tourism. A questionnaire was designed in form of closed-end in order to collect data. Descriptive method of research was used in this study. The results of the study found the most informants addressed that the development of tourism in LPB force them to improve their entrepreneurs' skills. Most entrepreneurs posited that tourism influence them to improve their skills in managing businesses, in which were increased their income and personal improvement. Therefore, tourism has impact on their businesses and society changes. However, entrepreneurs' perception extents to which tourism and entrepreneurship have addressed their socio-economic goal have been achieved to high extent. Furthermore, the study also illustrated that the most entrepreneurs are facing with both of positive and negative impacts of tourism. However, some of them do not want to change their own life-styles and society. They have agreed to promote and develop tourism in order to support local economic growth and local resident's income. On the contrary, they need to maintain their traditional society. In short, entrepreneurs' perception extents on tourism and entrepreneurship have enhanced their socio-economic condition.

Keyword: Entrepreneurs, polarization, life style change, tourism development and consequence

1. Introduction

In many countries, tourism is a fast growing industry and a valuable sector. Tourism contributes significantly to the countries' economy. Moreover, tourism plays an increasingly important role in the development of communities. The benefits of tourism include both tangible (e.g. job creation, state and local tax revenue, etc.) and less tangible (e.g. social structure, quality-of-life, etc.). In addition, tourism can, and often does, result in less desirable effects on the socio-economic (Aref & Redzuan, 2009). These benefits and costs provide ample opportunity for creative public policy debate (Yamauchi and Lee, 1999). In other words, tourism affects the economy and lives of communities. There are real and perceived fears that are sometimes attributed to tourism. These impacts of tourism on socio-economic could influence the communities' effort to develop the industry.

The impact in the social and economic development in Luan Prabang has its consequences and advantages affecting the lives of the people in terms of money and relationship to other people. Therefore, the development of ventures that seeks to improve the lives of the townfolk is wanting. In Luang Prabang, tourism has evolved into an entrepreneurial climate, both for the existing and newly established business. Not only has tourism provided legitimate income for most businesses, it has also created a socio-economic impact into the townspeople once simple lives.

Tourism-entrepreneurship practice's first responsibility to the society is to operate at a profit. Business is the wealth creating and wealth-producing organ of society, but what is most important is that management realizes that it must consider the impact of every business policy and business action upon society. It has to consider whether the action is likely to promote the public good, to advance the basics beliefs of society, to contribute to its stability, strength and harmony is the ultimate responsibility of tourism-entrepreneurship practices to itself, to the enterprise, to the world heritage, to their society and to their way of life. The key concept to entrepreneurship

is innovation. It refers to new or different ways of doing things when an individual creates a new product or when he sells a current product in a different approach (Fajardo, 1994). Thus, the tourism would be established to develop skills and entrepreneurial practices that may improve the lives of people, the business prone individuals in particular. Accordingly, the main focus of this paper is to identify the perception of tourism-entrepreneurs on the impacts of tourism to socio-economic and entrepreneurship in Luang Prabang province.

The rest of the paper is organized as follows. The next section provides Literature review. The third section describes the methodology. The fourth section reports empirical results. The last section covers the discussion and conclusions.

2. Literature Review

2.1 Economic Impact

Luang Prabang's population had a very strong self and town identity before 1995. Now the town has been economically and rapidly developing since its registration of World Heritage Site in 1995 and the number of tourist to Luang Prabang has been dramatically increased. Overall local residents and entrepreneurs in Luang Prabang and most interviewees perceived economically and socially positive and negative impacts of tourism. At the first view anybody points out of the money inflow with the tourist that it would generate the income of the Luang Prabang people. Any studies on the impacts of tourism have shown that a destination's population recognizes economic and social benefits and costs of tourism on its community and live (Tomoko Tsundoda & Samuel Mendlinger, 2009) and most of interviewees have perceived positively the economic impact of tourism rather than other economic issues. Tourism business development of Luang Prabang is fast growing.

2.1.1 Positive Economic Impact

Generally the people involved of tourism is quite happy to see the inflow of tourist into its living area where many organized activities were settled up and would be improved in quality to welcome the tourists who would spend their money out. Tourism not only increases foreign exchange income, but also creates employment opportunities, stimulates the growth of the tourism industry and by virtue of this, it triggers overall economic growth and poverty reduction in Laos (Vilayphone, 2010). So tourism is generally acknowledged as an international economic, social and cultural activity, effected by and contributing to globalization. Likewise, tourism is perhaps a concept of economic activity with great impacts on society as it is an instrument of development.

The tourism increases income generation, tax revenue and improved standard of living. The tourism sector is remarkably generating of strong currency income and employer has with the ability to spread its economic benefits to every community (Vilayphone, 2010). The economic development in Luang Prabang like other places where tourist destination is streamlined to, has significantly driven the area on infrastructure development. Tourism significantly creates new and increases demands on the water, electric power, sewage and solid waste disposal and telecommunications (Vilayphone, 2010) that the expenditure of construction and management of all facility buildings would be spread out to the hands of the local workers. Most of the Luang Prabang people have been gradually improved the living standard to the better condition and other tourism infrastructures like roads, transportation facility, restaurants, hotels, resort, home stay, hawker and vendor's places, entertainment facility, daytime and nighttime markets, overall local authority officials and private sectors supporting all tourism activities are become better as drivers to tourist business.

New tourism infrastructures and facilities like boutique, small and luxurious hotels, natural and historic touristic spots like waterfall of Thad Khouasy with the new asphalt access road to and its new physical and natural environment and Tad Sead are become more attractive and absorbable for the tourists. The small local restaurants and gift shops not only in downtown tourist area, but around the natural, religious and historic touristic places were newly and properly implemented a number of activity stalls that reflect the newly nice live with better living condition of the surrounding, local residents and the entrepreneurs in Luang Prabang indeed. Most tourists come to Luang Prabang were asking for staying in good accommodations with good green and friendly environment with reliable price according to their tourist budget, eating proper local and safe foods, shopping the typical products and goods.

Luang Prabang tourism market has increasingly absorbed the number of tourist each year, nearly one third of total visitors flown inside Laos. In 2011, tourist arrivals into Laos reached 2.7 million, which generated over USD 450 million in revenue, a good percentage of which flows into the hands of local people. Laos is targeting 2.8 million visitors and income of USD 470 million by the end of 2012. In the first half of this year over 1.7 million people visited Laos, which represents a 17 percent increase on the 2011 figure. (Vientiane Times, 2012, p. 3).

Generally speaking, the positive contributions that tourism can make include revenues and additional employment the provision of hard currency, which may help to alleviate a gap in foreign exchange and finance imports of capital goods, increases in personal income, higher tax opportunities.

Tourism is commonly used as a tool to stimulate marginal economies and to promote development through the jobs and incomes that it can foster. Although not always explicitly stated, it is often hoped that it will reduce hardships through the promotion of upward labor mobility (Abby & Geoffrey, 2005).

The above arguments illustrate how tourism generates positive outcomes for a country's economy. They also provide some methods to investigate economic benefits from tourism. Conversely, however, tourism may also cause negative economic impact to the host communities.

2.1.2 Negative Economic Impact

In general Luang Prabang people have recognized tourism's benefit to the town's economy but less so to the economic situation of some local resident who have no enough potential to build up the own tourism business to high edge like foreigner investors. Day by day the tourism Foreign Service investors develop their outlets in the main tourism area while paying the local employees with very low wages compared to imported workmanship. Working locals expressed worry regarding the town's gradually polarized economy and divided social classes and regard tourism as one of the causes. Wealthier members generally view tourism at its present level as beneficial. For further tourism development Luang Prabang's population will need to solve this dilemma (Tomoko Tsundoda & Samuel Mendlinger, 2009).

Several locals had a negative attitude towards tourism due to the economic costs of tourism. Tourism drives up prices. The high price of restaurants was often mentioned by interviewees as a consequence of tourism. Some residents do suffer because foreign invested restaurants are overpriced. They can't go to restaurants. Even though tourism is positive for the economy, it's bad for authority officials, people with low income, self substantially living with the farm and home products. On the other hand, some interviewed local people mentioned that the increased option of different restaurants is good for the tourists and some official visitors, but not for the locals who complaint of high dishes prices. Most consumable goods are not produced locally, they were imported from other provinces and oversea that would impact badly the local economy, people earning and prosperity of local residents in the future. Earning hard currency from the tourism was spend off and spoiled out for imported consumable goods that could be produced and manufactured locally. No bodies were really concentrated to properly and intensively solve this economic issue so far.

Several comments regarding increasing housing costs and rents due to "outsiders" buying property were made by interviewees. Housing cost is increasing dramatically compared 10 years before. Students and workers from rural areas and other provinces suffer of high rental of private dormitory and collective-one-floor houses located near their education buildings and working places. There are people who are definitely not making a lot of money and live here. It's hard for people who work here to live here.

In the main tourist area in Luang Prabang some local residents almost the elderly and the student and the young without job suffer a lot of the high economic cost which force them to move out off their properties by lending or selling them to investors who will transform into services outlets. Some interviewees emphasized that tourism creates jobs which are not sustainable, do not require professional skills and do not provide a sufficiently high salary to afford having a family. Some locals say that tourism is obviously economical in wide range. It's a double edge sword. Some people directly involved of tourism benefits to some extent because it brings lower level jobs here like housewife, landscaping worker and guards. It creates unsustainable jobs on which jobs workers cannot really live on and have a family with a kid (Tsundoda & Mendlinger, 2009).

The locals who are working in tourism service sector with low education, unskilled job, low salary making them to live day by day, won't have enough budget to afford the higher education for better job and becoming the entrepreneurs. Most of hard currency inflows were flowing out for imported consumable goods who's a few remain strong money left with most foreign traders and investors in Luang Prabang. If this is believable and true, does tourism play as a stigma in Luang Prabang.

2.2 Social Impact of Tourism

Luang Prabang is the most richness of social town of Laos and it has been worth of its glory for World Heritage Site and continuous awards as the ten top destination announced by the Wander Lust magazine since 1995. Many social identities reflect the charm of the town site and its environment such as the kind, polite and friendship Luang Prabang's people with selected custom, hair dressing, word sounding, habit, personality, behavior, food, religion performance, living style, thinking, singing, entertainment, even the architectural Lao-colonial buildings,

infrastructure and the location of the town in the peninsular of confluence of two rivers. When there are visitors and tourists in a big number with continuous inflow the disadvantage points can be avoided that tourists do not respect Lao law, harm the Lao culture. Vendors cheated the price. Many natural tourist sites of greenness of forest, mountains, caves, streams, rivers, waterfalls and historic places are for tourism and the good wellbeing of the local people. Those valuable belongings of Luang Prabang have been facing since many years ago to the challenge of the tourism impact both positive and negative impacts on social side.

2.2.1 The Positive tourism impact on Social

The socio-cultural impact of tourism is brought about by the direct contact between local residents and visitors (Ogorelc, 2009). Tourism contributes to a mutual understanding and respect between peoples and societies. De Kadt (1979) suggested that there are three different types of contact between local residents and visitors. The first occurred when tourists bought goods and services from the residents. The second took place when tourists and residents shared a facility, and the third kind of contact came into play when tourists and residents meet for cultural exchange.

Tourism motivates local people to preserve their culture and heritage, and promote social stability through the realization of positive outcomes for the local economy. Archer, Cooper and Ruhanen (2005) drew attention to the fact that differences in nationalities and differences in cultural behavior among visitors and hosts were able to stimulate a great mutual understanding. They further highlighted that tourism can encourage the preservation of ancient cultures and ways of life.

Social benefits include the maintenance of traditional cultures, increased intercultural communication and understanding, improved social welfare, quality of life, improved shopping and increased recreational opportunity. In addition, the Lao people is another important tourism asset and reputation as warm and hospitable, there are many ethnic minority groups that maintain traditional ways of life. Many skilled artisans produce high-quality handicrafts, especially textiles. Laos has a large number of cultural attractions including archaeological, historic and religious sites. Tourism is a multi-dimensional activity affecting natural, fabricated, cultural, and socio-economic environments. It is commonly characterized as an industry that consumes the resources on which it relies on for its very existence. The presence of tourists brings to local residents not only the financial and economic benefits, but it brings also a great attention to the local authority to recognize the value of tourism by regulating the socio-cultural care to preserve the distinct cultural atmosphere of the place.

2.2.2 The Negative Tourism Impact on Social

Where there are tourists, visitors and immigrants the bigger supplies to extra needs for them to living, to accommodating, working, enjoying and entertaining during their staying are required. Most of them are not care so much of local socio-culture impact in the destination site. Tourism for most of them is enjoying and entertaining the most as possible.

The social benefits include the maintenance of traditional culture increased intercultural communication and understanding, improved social welfare, quality of life and intercross-culture are occurred. In contrast with the above positive arguments, tourism can also be a destructive vehicle which damages local socio-culture. Tourism is a 'total social event' which may be conducive to structural changes in communities (Tsundoda and Mendilinger, 2009).

Many socio-cultural changes have been mostly occurred in the gender ages so far. The foreign fashion is spread out easily and quickly like color hair dyeing, body tattooing with nontraditional art, obnoxious-rude and short pants mostly worn by young ladies in place of Lao traditional skirt, ugly and bizarre dances in village party events like at night dancing in Boat racing festival, popularity of neighboring country's songs to fading and minimizing enormously Lao traditional songs and dance and some word speaking language change.

In some religion event in Luang Prabang most of foreign tourists take the most important part of alms offering to monks in the main tourism areas because the former residents left the places by selling or renting their properties to the foreign investors. Drug abuses, increased crime rates, prostitution, friction between tourists and residents change traditional cultures and host's way of life (Tsundoda & Mendilinger, 2009). Prostitution would be durably and sustainably existed because of more local demand than the tourists need in the present time. Many stalls (called small shop) along the road in the suburb area, multifunctional restaurants, karaoke, pub, nightclub, massage service spots were mostly frequented by the locals. The issues of culture encompass the commercialization of culture, religion and the arts, with the inappropriate use of indigenous cultures as tourist attractions (Cohen, 1979). There are several cultural objects in tourist destinations or local areas which may become commodities.

Lao Tourism authority has published and delivered to public, tour agency and tourist a series of Cartoon of Does and Don't that the tourist would have to pay more attention not to harm Lao livelihood, culture and tradition. Moreover, tourists not only bring with them their purchasing power, but also their cultures and traditions, values, and expectations. These elements may lead to changes in social structures at these destinations (Lickorish & Jenkins, 1999). Therefore, tourism may also be detrimental to social habits, damage local culture, beliefs and tradition.

Nevertheless, many residents mentioned that the social impacts of tourism were less important in comparison to economic impacts. Some interviewees expressed their opinion: "Socially I don't think it affects much. It's not a place people come for a week. They are either here for a day so we don't have much interaction or they are here for the whole summer and go within the community. It will be no much affects in the region of high education like in European country, but in developing country like Laos and especially in Luang Prabang, even in short time but frequently they affect slowly and socially penetrate into local live and culture.

2.3 Entrepreneur

2.3.1 Entrepreneur in Positive Impact

The tourism plays an important role to encouraging the establishment of new entrepreneurs and develops the existing shops or entrepreneurs of various sectors and services in order to welcome the tourists and the tourism development. The tourism enterprises can be categorized into four main groups: (1) accommodation, (2) food and beverage, (3) transportation and excursions, (4) crafts and shopping items.

The local residents and entrepreneurs have experiences to mostly develop their small business initiated from family business cater selling Noodle soup, Papaya salad, Dessert dishes, Café, Fruit juices, Handicraft, Wood carving, Pottery, Family liquor production, Guest house, Home stay, Bar beer, Karaoke and so on. Some with high financial resources combined tourism knowledge started with hotel services, tour travel agency, elephant riding, ecotourism tracking. Some are invested with foreign copartners that had more experience and network in oversea connection. The tourism entrepreneur sector is remarkably generating of foreign exchange income and employer has ability to spread its economic benefits to every community in form people participatory. Excursions in remote village of within some days and forest tracking have both generated the income to the local rural people. The tourism entrepreneurship has been the important major industry in Luang Prabang and it is rapidly growing in recent years. Tourism entrepreneurs make the town more developed, livable in daytime and early night time with different fancy colors in any service facilities. People included entrepreneurial resident and tourists move in day and night time that makes significantly the town and the touristic spot moving in term of dynamic tourism and economic benefit to the local residents.

2.3.2 Entrepreneur in Negative impact.

Interviewees mentioned that the stores and restaurants along the main roads that catered mostly not to the needs of the local population, only to the services as businesses catering to tourists caused significant inconvenience when people need basic products. The day time market with basic products is only the one and best price place where to buy what they need. There is a sacrifice of most businessmen, owners of the stores and services facilities are changing towards serving tourists more than locals because of higher price and margin. A high-brow affluent restaurant with very expensive price is not awarded for the locals sitting and enjoying drinking like the tourists relatively affluent. For those people identifying themselves as working class, it is really difficult.

Some small and medium entrepreneurs with friend loan financing of high interest rate have actually experienced having a business closed because it is not survived. While some interviewees mentioned that tourism was not an essential industry for the town's economy, others pointed out that Luang Prabang has been transformed into a town which cannot be economically sustained without tourists. It has become tourist dependent. Luang Prabang could not survive without that kind of tourist influx.

Economically, many high ranking person think tourism is necessary. Luang Prabang is a small town; it needs that influx of tourists. If we look into of polarization, several interviewees, especially the younger generation, mentioned that due to tourism polarization was occurring between affluent people who earned money outside Luang Prabang or from the foreign investors and settled in the town and working class residents whose families have been in Luang Prabang for generations. Although tourism may not be the only reason for polarization in Luang Prabang but also disparity in wealth among locals is real and interviewees emphasized tourism as one of the major reasons for economic and social polarization between the affluent and the working residents.

4. Methodology

4.1 Data and Sample

In this paper, we used primary data from field survey of 100 owners of businesses that related to tourism in early August, 2012. The field survey was conducted by researcher and four research assistants which three from National University of Laos and one from Souphanouvong University, Luang Prabang Province. The questionnaires were designed based on literature of the impact of tourism on socio-economic. We used a simple random for sample selection methods. Face to face interviews and questionnaires distributed to informants are both methods of our survey strategies.

4.2 Data Analysis and Interpretation

To analyze the impact of tourism on socio-economic and entrepreneurs in Luan Prabang Province, this study use descriptive statistics methods by calculating Mean and Standard Deviation. Statistics Package for Social Science was used as analytical tool. Since Likert Scale questionnaires were designed for collecting information tourism impact on the socio-economic, this study measures the level of impact as following:

5= Very Severe impact;

4= Major impact;

3= Moderate impact;

2= Minor impact;

1= Very minor impact;

Therefore, we can interpret the results based on the wide of the impact level, which can calculate as follow:

$$\text{Wide of impact level} = \frac{5-1}{5} = 0.8$$

Thus, we can interpret the result based on wide level of Mean value as following:

4.21 to 5.00 = Very severe impact

3.41 to 4.20 = Major impact

2.61 to 3.40 = Moderate impact

1.81 to 2.60 = Minor impact

1.00 to 1.80 = Very minor impact

5. Results

5.1 Basic Information

Table 1 provides basic information of informants who are entrepreneurs of the businesses that related to tourism. There are female entrepreneurs more than male entrepreneurs which accounts for 63% and 37%, respectively. The age of entrepreneur is young, which age between 25 to 30 years old are biggest group and account for 31%. The second group is age less than 25 years old which accounts for 24%. There is 27% of entrepreneurs whose age between 31 to 40 years old and 18% for more than 40 years old. The information suggests that 70% of tourism entrepreneurs are in marriage status, which has education levels from primary school to university level. However, entrepreneurs who hold education in secondary school is largest group which account for 58%. The entrepreneur finished education in primary school level is 21%. On the contrary, there is only 6% of entrepreneur graduate bachelor degree. Based on this, we note that the education level of tourism entrepreneurs in Luang Prabang is very low. They are trader, hotel and guesthouse, restaurant and tour agent entrepreneurs, which account for 43%, 24%, 16% and 17%, respectively.

Table 1. Descriptive statistics

Variables	Frequency	Percentage	Mean	Std. Deviation
SEX:				
- Female	63	63.00	1.37	0.48
- Male	37	37.00		
AGE:				
- < 25 Years old	24	24.00		
- 25-30 Years old	31	31.00	2.68	1.42
- 31-35 Years old	16	16.00		
- 36-40 Years old	11	11.00		
- > 40 Years old	18	18.00		
STATUS:				
- Single	30	30.00	1.70	0.46
- Married	70	70.00		
EDUCATION:				
- Primary School	21	21.00		
- Second School	58	58.00	2.06	0.77
- Vocational	15	15.00		
- Bachelor degree	6	6.00		
ENTREPRENEUR TYPE:				
- Trader	43	43.00		
- Hotel and guesthouse	24	24.00	2.07	1.13
- Restaurant	16	16.00		
- Tour Agent	17	17.00		

Source: Researcher's field survey, July 2012.

5.2 Positive Impact of Tourism on Economic

Regardless of category and theory, most informants perceived positive benefits of tourism. Some expressed their views like "Definitely tourism helps all, beggar to high-end businessmen relatively connected to tourism business and development", "Economically it affects local people wonderfully", "Tourism created jobs in town", "Definitely tourism is a big factor in the economics of LPB town", "It's very important for the health of the community", "Most of the businesses in downtown and specially the main center area of LPB rely on tourism, without the tourists they would not survive", "The tourism is the top priority for the LPB residents on income which generate the most part of revenue of LPB authority who dealt on LPB economic development", "Good for any development of tourism facilities including the infrastructure", "To have regulation to control the site", "To have income and disseminate the culture", "Keep cleanliness and rite and culture", "Training the tourist staffs", "Facilitate the student to having good income", "Want to have more tourist in order to have more income".

Table 2. Positive impact of tourism on economic

Variables	N	Min.	Max.	Mean	SD.
Create more jobs	100	2	5	4.41	0.71
Entrepreneur has developed more businesses	100	3	5	4.55	0.57
People has more income	100	3	5	4.59	0.66
There are more developed infrastructures	100	3	5	4.19	0.54
More investment in various areas	100	2	5	4.04	0.82
Living standard is more improved	100	3	5	4.38	0.69

Source: Researcher's calculation based on the field survey, 2012.

The mean of all questions replied by the 100 interviewees is in the high range from 4.04 to 4.59 as shown in the table 6 below. Every informant fully perceived that tourism brings more benefits to the people and the community than the disadvantage side affected on a few part of the local residents.

5.3 Negative Economic Impact

Apparently the negative economic side of tourism would not be consciously seeable in short time if most people were encroaching to the income everyday of their entrepreneurial business. The interviewees had provided some information that could be taken into account for any deeper study in the future to preventing any overwhelmed affectation of the bad side. The informants gave some significant and remarkable signals of the negative tourism affects that had been occurred in Lao community as the result tabulated in the table 3.

Most of entrepreneur show their opinion on the high goods price relatively caused by the tourism. The mean of 3.17, as indicated in Table 3, is the highest Mean. The Mean value of 6 variables shown in the table 3 is perceivably few remarkable from 2.66 to 3.17.

Some entrepreneurs claim of the tourism caused like “Goods and food price in LPB are higher than other town that suffered the low income labors and the student here in LPB”, “Tourism increased cost of land and housing, immigration of labors, over commitment of resources and development budgets to tourism”, “Concession of any public area caused conflict with the people”, “Thief make tourist in trouble”, “Tourist do not respect Lao law, harm the Lao culture”, and “Vendors cheated the price toward tourists”.

Table 3. Negative impact of tourism on economic

Variables	N	Min.	Max.	Mean	SD.
More foreigners relatively occupied tourism assets	100	1	5	2.66	1.14
No real freedom and privacy of the entrepreneurs	100	1	5	2.99	1.30
Higher goods price	100	1	5	3.17	1.07
Disparity of people's income	100	1	5	3.01	1.12
Loss of land property	100	1	5	2.65	1.24
Low wage of local employees	100	1	5	2.61	1.10

Source: Researcher's calculation based on the field survey, 2012.

5.4 Positive Impact of Tourism on Social

LPB's tourism industry is based on the charming social community laying in the old town with traditionally old Lao-colonial designed housing, temples with fascinating performance of alms giving to monks, the original local residents them self, natural touristic resources and cultural tradition with their unique identity. All cited elements have creatively harmonized into one unique social home of LPB town.

Any LPB people dialogued with they are very proud, strong self, and seemingly fierce of them self for being and residing in the World Heritage Site. Most entrepreneurs are happy of the positive economic side as reflected in the table 4. The mean of 6 types of impact is from 3.15 to 4.51 that represent the satisfaction of LPB traders and involved entrepreneurship. Social interaction and more diverse taste in town are more active.

Table 4. Positive impact of tourism on social

Variables	N	Min.	Max.	Mean	SD.
The residents' behaviors and attitudes are changed in positive way	100	1	5	3.91	.944
Making the local resident more proud	100	3	5	4.49	.659
Making the local residents recognize the important of education	100	2	5	4.40	.765
More security and stability in life	100	3	5	4.44	.625
Create more jobs to women	100	2	5	4.51	.745
Reduce the migration of the locals to other places	100	1	5	3.19	1.398
Thieving and robbery are reduced	100	1	5	3.15	1.480
Agro and handicraft products are more enhancing	100	1	5	4.45	.903

Source: Researcher's calculation based on the field survey, 2012.

5.5 Negative Impact of Tourism on Social

More foreign investments are making local residents entrepreneurs weaker that can be led to closure of their business. The local resident sells out his property. The downtown youth who had no experiences of tourism services' profession, like waiters and runners in restaurants, would feel shame to working in four tourism entrepreneurial groups. So they would quit their home town for working in other provincial sites. The immigration of the rural youths happened by leaving the home village for going working in downtown with mini salary compared to skill labors and imported ones. In any tourism entrepreneurial service sectors in LPB many minority tribe youths are working in with no other choices.

All youths, especially the young ladies, are quite sensible to tourist fashion and behavior that they think anything performed by the foreigners is modern and right for them to adapt and imitate the invaded- fashionable style. There were no time for them to carefully thinking of the consequence of foreign costume style imitation that would fade Lao costumes and identity of the regional people. High benefit made by only non local resident creates gap in socio benefits. The working locals expressed worry regarding the town's gradually polarized economy and divided social classes and regard tourism as one of the causes. Social gap and jobless would allow happening of social phenomena such as increase of crime rate, prostitution, drug and human trafficking in wider range. Regarding to the mean of figures tabulated in the table 9 below has shown no high score varied from 2.09 to 2.75 that reflect the negative social impact of the tourism is not yet significant compared other provoked issues responded by the entrepreneurs. The mean is showing the acceptable toleration of the negative tourism impact toward the community of LPB in the present time.

Table 5. Negative impact of tourism on social

Variables	N	Min.	Max.	Mean	SD.
The Poor has to move from their own land	100	1	5	2.32	1.145
More mixed of inter socio-cultural	100	1	5	2.31	1.277
The locals imitated more the tourist behaviors	100	1	5	2.20	1.318
Social issues and disorder are more increased	100	1	5	2.46	1.381
Create more larger gap in the community	100	1	5	2.75	1.274
The volume of human –drug trafficking and prostitute are more increased	100	1	5	2.09	1.138
Local language and wording are apparently Changing	100	1	5	2.29	1.365
Local independence and identity are reduced	100	1	5	2.15	1.282

Source: Researcher's calculation based on the field survey, 2012.

6. Discussion

The goal of this paper was to study how and why the tourism impacted eco-socially the LPB local residents and the community of the town and how the entrepreneurs in LPB had involved in 2 side-effects, positive and negative, to the growing up of LPB tourism. The interview was conducted with working locals of four entrepreneur types such as trader, hotel and guesthouse, restaurant and tour Agent. The study found that people in LPB perceive both side effects of positive and negative socio-economic impacts of tourism. The high majority of interviewees, regardless of business type, has a strong feeling speaking attachment to their local community and living town of LPB, and do not want to change their traditional- social town for increased tourism development even if it results in satisfactory increased revenue. There are not only entrepreneurs, but also the LPB authority care a lot by feeling, speaking and regulating how the town is developing. While the importance of the LPB tourism industry is significantly recognized, they do not want LPB town image and tourism businesses to be relatively and fully dominated by the foreign investors and businessmen. But in the main tourism area during this transitory- open- market business of the government policy since 1986 to the present time, the foreign investors take it as a biggest stakeholder of the business affairs and become the leader of high-end business players of tourism sector of today.

7. Conclusion

Although tourism industry in LPB was recognized both the positive and negative impacts of tourism on their present living hood and entrepreneurship, they perceived the positive as larger than the negatives. This study found that the potential for economic gain has a direct and positive effect on resident support for tourism and influences the way residents evaluate the impacts of tourism. Nevertheless the survey revealed that the LPB

entrepreneurs largely benefited from the foreign visitors. Tourism helped promote the value of local-social identity, aroused peoples' consciousness to keep properly their socio-cultural-traditional live style and to save local identity and their premises and town clean, charm and safe. The adverse affects of tourism on crimes such as drug and human trafficking, prostitution, burglary, friction between the tourists and local residents, polarization leading the division of living classes and other negative ones are believed to be minimal.

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