

Developing Tourism: The Path out of Poverty for Uzbekistan

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Abstract: Ending poverty in all of its forms by 2030 is the top priority goal of the United Nations Sustainable Development Goal (UNSDG). It is well known that the tourism industry can play a vital role in eradicating poverty. While the decline of global poverty is obvious, progress has slowed and even reversed because of COVID-19 and is expected to grow in the coming years. In recent years, tourism development in Uzbekistan has seen unprecedented growth. Modern Uzbekistan history can be divided into two, both with very different political and economical approaches under the presidency of former president Islam Karimov and current leader Shavkat Mirziyoyev. Since 2016, Uzbekistan has begun an unprecedented political, economic and social transformation. The reforms the new president has started have been remarkable and are being seen as an opportunity to unlock the country's potential. In 'New Uzbekistan', poverty is a new term following the President's address to the parliament of Uzbekistan, in which he became the first Uzbek president in history to openly admit the existence of poverty in the country. In Uzbekistan, the population living below the poverty line accounts for about 12 to 15 percent, nearly 4 to 5 million people in the country are living for less than 10 to 13 thousand UZS a month. Considering the challenges the world is facing with climate change, uncertain epidemic situations, countries with conflict (e.g. extremists taking over the government in Afghanistan in 2021), and authoritarian regimes (e.g. Kazakh protests in early 2022), it looks challenging to eradicate poverty by 2030 in Central Asia, particularly in Uzbekistan. This research will initiate an exploration of both the present and potential future impacts of tourism on poverty alleviation in Uzbekistan. The overall aim of the research is to create a model for developing countries to reduce poverty by maximising the benefits of the tourism industry. The academic resources related to the topic of interest are sparse. Most studies seem to focus on tourism only and there is little or almost no evidence on the impacts of tourism on the poor in Uzbekistan. This paper has important implications for academics and proposes practical recommendations which will be beneficial to policymakers and tourism governance.

Keywords: tourism, poverty, sustainable development, Uzbekistan, Central Asia

1. Introduction

Ending poverty in all of its forms by 2030 is the top priority goal of the Sustainable Development Goal (UNSDG). It is estimated that about 9.2 percent of the global population (nearly 700 million people) are currently living below the international poverty line of \$1.90 per day as defined by the United Nations (UN), to be more specific, they are the poorest of the poor (World Bank, 2021). However, there is growing support for the claim that the numbers are actually much higher than estimated by the UN. The data gathered in the UNDP (2021) report suggests that when poverty is measured by the Multidimensional Poverty Index (MPI), there are approximately 1.3 billion people trapped in poverty. While the decline of global poverty is obvious, progress has slowed and even reversed because of COVID-19 and is projected to grow in the coming years. According to the World Bank (2021b) additional 150 million people are expected to be on the poverty list because of the pandemic by the end of 2021.

There is a large volume of published studies describing the role of tourism to eradicate absolute poverty in developing countries (Ashley, Roe and Goodwin, 2001; Zhao and Ritchie, 2007; Scheyvens, 2012; Spenceley and Meyer, 2012). In most developing countries, the tourism sector is widely acknowledged as playing a vital role in the economy through its creation of jobs, construction of new and modernization of existing infrastructure, contribution to investment, foreign exchange, and government revenue (Ashley, Roe and Goodwin, 2001; UNTWO, 2002; Barasa, 2010). According to the UNWTO (UNWTO, 2021), the tourism industry is the world's largest export category and for many developing countries, a major source of foreign exchange income, which accounts for up to 90 percent of the total country's export. The tourism industry is a key sector of the economy, as it generated \$1.7 trillion in export earnings in 2019. Developing countries, particularly the poorest regions around the world offer unique experiences as they are rich in natural and cultural resources. The tourism sector poses a great opportunity to redistribute wealth from the rich to the poor if adequately planned. As tourists travel to poor regions for different reasons, tourists tend to spend money on food, drinks, shopping, and accommodation. The uniqueness of these tourism destinations is in their opportunity to provide jobs, income for the poor through various employment schemes, allowing locals to provide products and/or services to the tourist (Spenceley and Meyer, 2012).

2. Background to tourism, poverty and development in Uzbekistan

Uzbekistan is the most populated state in Central Asia with rich resources such as gold, natural gas, and other mineral resources (Chapman, 2011; Library of Congress, 2014). Uzbekistan is one of the five 'stans' in Central Asia and with approximately 34 million people is considered the most populous country in the region. Today's territory where Uzbekistan is located has a long history and with its famous UNESCO listed cities such as Bukhara, Khiva, and Samarkand (UNESCO, no date; Kantarci, 2007), the country has everything to become world-leading destination when COVID-19 is over. Despite Uzbekistan being a double land-locked country, it has a great potential to attract tourists for various tourism activities, such as mountain-related activities, hunting, skiing, and Islamic pilgrimage. Rich in historical sites of which there are as many as 8000 and another 10 towns that were part of Ancient Silk Road (Airey and Shackley, 1997), Uzbekistan is unique and exotic with natural beauty and extraordinary hospitality (Kantarci, Uysal and Magnini, 2014).

The tourism industry in Uzbekistan is booming amid the opening up of political, and economic reforms, and a new visa relaxation policy. Despite Uzbekistan's tremendous efforts in recent years, poverty remains the country's biggest problem. As the president mentioned in his address to the parliament, much of 12 to 15 percent of the population is living below the poverty line (President.uz, 2020). However, there is no clear definition of poverty within the Uzbek government and numbers might be much higher than the actual number that the government estimates. Nearly half of the population, around 49 percent, live in the rural area, which makes the agricultural sector a key for economic growth. Uzbekistan has set a goal to halve the poverty rate by 2026 and there is much more opportunity for the tourism industry to lead this ambitious goal.

In early 2016, Mirziyoyev, in his first days in the presidency, announced that the tourism industry would play a key role in the development of the Uzbek economy (President.uz, 2017). Surprisingly, a once closed country to most outside countries took a bold step and announced a transit visa-free for 101 countries, E-visas for 51 countries and foreign citizens under 16 were included in a visa-free list in 2018 (United Nations, 2018). As a result, the outcome of the reforms has led the boom in the tourism industry in Uzbekistan. According to statistics, periods 2016-2019 can be considered a golden era in the history of the tourism industry in Uzbekistan as the country that once hardly could attract over 2 million until 2016, since its independence in 1991, managed to welcome nearly 6.75 million in 2019 (World Bank, no date), but due to COVID-19 the number has dropped to 1.5 and 1.7 million in 2020 and 2021 (Buscardini, 2021).

3. Research methodology

This research will be inductive, exploratory and qualitative. The initial stages of the research will involve a literature review of the impacts of tourism on poverty alleviation from a global perspective. The primary research will use semi-structured interviews to gather data from government officials, the tourism industry and host communities in Uzbekistan. Saunders et al. (2019, p. 476) noted that using a semi-structured interviews in an exploratory research will help to collect important background or contextual information for the study. The researcher estimates to conduct in the region of 10 government and policy interviews, 10 industry interviews and to spend approximately 3-6 months on ethnographic data collection in the region. Interviews with policy makers and government agencies will be conducted until a saturation has been reached. Analysis of data will include transcribing the interviews, developing a data coding system and identify common concepts which may lead to propose a model for good practice tourism poverty alleviation in Uzbekistan (Morse and Richards, 2002).

4. Implications and directions for future research

While there is tremendous potential for Uzbekistan to create a sustainable, accessible, and well-known tourist destination that can help to fight against poverty, there is little evidence of whether policymakers understand the potential for tourism to alleviate poverty in Uzbekistan. Therefore, the future research will focus on close collaboration with the government officials and researchers, currently a field work is being scheduled to study the impacts of tourism on poverty reduction in Uzbekistan's Samarkand, Bukhara, and Khiva regions.

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