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Factors influencing social capital in rural tourism communities in South Korea

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ABSTRACT

This study aimed to identify the factors influencing social capital as it affects community conflict management for community residents in rural tourism villages. An on-site survey consisting of self-administered questionnaires was conducted with residents of rural tourism communities. These self-administered surveys were obtained from 380 community residents in the study area. A factor-clustering method identified distinct segments: high social capital (52%) and low social capital (47.7%). The estimation of a binary logistic regression model determined the characteristics of community residents who were most likely to be associated with each type of social capital. Results indicated that fruit, vegetable and rice farmers who also operated farm-stay businesses and rural activity programmes for tourists had the most social. We suggest that certain types of government policy programmes are helpful for increasing social capital and managing community conflicts by means of involvement in the tourism business.

1. Introduction

The decline of traditional rural industries, such as agriculture, mining, and forestry, over the past three decades has required many rural communities to explore alternative means of strengthening their economic base (Andereck & Vogt, 2000; Reeder & Brown, 2005). As a result, rural communities have investigated alternative industries to strengthen and diversify their economies. Rural tourism has been identified as one of the primary industries that may assist local communities in developing economic diversity (Davis & Morais, 2004; Hassan, 2000; McGehee & Andereck, 2004).

In recent times, rural communities in Korea have also been subjected to noteworthy social and economic changes as they respond to the pressures of the global economy. Consequently, rural tourism development has been implemented as a policy method to activate rural economies. In addition, global market liberalisations, such as FTAs, have heightened the sense of crisis in rural areas in South Korea. To overcome these problems, the Korean government has adopted a tourism development project as a method of increasing farm income and promoting rural tourism. However, this increasing interdependence between rural communities and the outside world has raised community conflicts, undermined traditional communities, and reduced social capital (Flora, Flora, Spears, & Swanson, 1992; Pavey, Muth, Ostermeier, & Davis, 2007). Therefore, the development of successful rural tourism has emphasised the need for conflict management between local residents and interested parties and the importance of social capital (Belsky, 1999; Cho, 2003; Johannesson, Skaptadottir, & Benediktsson, 2003; Jones, 2005; Kim & Ko, 2008; Macbeth, Carson, & Northcote, 2004; Park & Kerstetter, 2002; Park, Yoon, & Lee, 2007; Taylor, 1995; van der Ploeg et al., 2000; Wyllie, 1998; Yoon & Park, 2008; Zhao, Ritchie, & Echtner, 2011).

Tourism development is always associated with an intrinsic probability of harming the environment, and such destruction can result in resource loss (Kousis, 2000) and conflicts of interest between various stakeholders (Kuvan & Akan, 2005). In the United States and other developed countries, although the interdependence and association between different rural communities have been strengthened, the autonomy and cohesion of rural communities have weakened. As a result, the matter of job losses and social capital loss has emerged as an important issue (Flora et al., 1992).

Within the context of development, social capital generally consists of three features: trust, reciprocity, and cooperation (Flora, 1998). When these three elements are strong within communities, community residents are more likely to be able to take advantage of economic, community-building, and capacity-enhancement opportunities. Huang and Stewart (1996) indicated that tourism development may change the relationships of residents to one

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another and to their community. A significant portion of the literature on the social effects of tourism suggests that stakeholder involvement and community-based planning should be incorporated into the early stages of tourism development (Jamal & Getz, 1995). Robson and Robson (1996) have argued that when the residents of a community are involved in the planning process, tourism development will be perceived as appropriate by the host community. All of these studies indicate that social capital affects tourism development. Although this effect has been examined in the general context of development, few studies have specifically targeted rural tourism development.

In general, local people are aware of the importance of social capital, but they do not know how to improve social capital or to determine which factors increase social capital because a systematic study of what is lacking has not been performed. Recently, the government-led development of rural tourism has caused conflicts among local people in communities and has had negative effects that have prompted criticism. Rural tourism development necessitates close interaction between local residents through mutual trust, networks, norms and social relations. It is important to identify the factors affecting the formation of social capital. The basic assumption of this study is that groups with low social capital in the development of rural tourism can cause significant conflict.

In this study, social capital is defined as the dependent factor. We wanted to identify factors that affect social capital. Social capital in rural tourism communities is a stock by nature, a propensity for mutually beneficial collective action that some tourism communities possess to a higher extent than others. The origins of social capital are shrouded in uncertainty. Why some communities have a higher stock of social capital than other communities is not yet clear. However, investigations that have been conducted in different contexts and diverse countries clearly show that communities with high levels of social capital act collectively to achieve superior development results over multiple sectors and diverse activities (Grootaert, 1998; Krishna, 2001; Narayan & Pritchett, 1997; Putnam, 1993).

As an outcome of investigating the characteristics of people who possess social capital, we can create an effective strategy for rural tourism development. In addition, we wanted to be able to manage and suggest an effective method for resolving conflicts between local residents. Although social capital as an independent variable measured the effect of social capital, this social capital model emphasises the importance of a single aspect of this role. In contrast, this study considers the social capital that has already been emphasised in the context of the research results. When social capital is measured as dependent variables, some relationships between the types of social capital that affect improvement indicate methods that may increase social capital in more effective ways. Particularly, when we consider various types of social capital, the increase of each type of social capital affects the independent variables and enables us to find more effective ways of increasing social capital.

2. Literature review

Although conventional models for rural tourism development focus on tourists' expectations or stakeholders' interests, alternative models emphasize community asset, involvement, and collaboration. They still ignored the broader community social relations such as social capital. Even social capital is a contested concept; in the social sciences, social capital is understood as the features of social organisation, such as networks, norms, and social trust, that facilitate coordination and cooperation for mutual benefits (Bourdieu, 1986; Coleman, 1988; Fukuyama, 1995; Portes, 1998; Putnam, 1993, 2000). The importance of social capital in rural development and managing conflict for local people has been emphasised in previous research (Castle, 2002; Cho, 2003; Kim & Won, 2003; Krumholz, Keating, Star, & Chupp, 2006; Liu & Besser, 2003; Magnani & Struffi, 2009; OECD, 2001; Rupasingha, Goetz, & Freshwater, 2006; Ryan, Agnitsch, Zhao, & Mullick, 2005; Savage, Isham, & Klyza, 2005).

In the field of tourism development, there has been a significant amount of research pertaining to the reactions of local residents to tourism development (Akis, Peristianis, & Warner, 1996; Ap, 1992; Cho, 2003; Hernandez, Cohen, & Garcia, 1996; Johannesson et al., 2003; Jones, 2005; Jurowski, Uysal, & Williams, 1997; Kim & Ko, 2008; Lankford & Howard, 1994; Liu & Var, 1986; Park & Kerstetter, 2002; Park et al., 2007; Yoon, Gursoy, & Chen, 2001; Yoon & Park, 2008). This substantial amount of research has been conducted because the social competence of local residents is crucial to pursuing the effective support of local residents and promoting successful tourism development.

Examining the topic macroscopically, we find three directions in the research. First, some studies investigate the actual concept of social capital. The research can be divided into those studies that utilise a theoretical approach (Castle, 2002; Portes, 1998; Wall, Ferrazzi, & Schryer, 1998) and an empirical study on social capital (Paxton, 1999). Second, some research uses social capital as the independent variable to determine how it influences community involvement (Liu & Besser, 2003), regional development (O'Brien, Raedeke, & Hassinger, 1998), and employment. Third, some research is conducted with the aim of defining the attributes of people who possess high social capital (Park et al., 2007; Yoon & Park, 2008).

What is social capital? According to Putnam, the distinctive appearance of social organisation is when people have mutual trust, mutual norms, and social participation (Putnam, 1993, 1995, 2000). Bourdieu (1986) defined an alternative concept of social capital as a potentially substantial sum of resources in networks. Coleman (1988) on the role of social capital in the creation of human capital defined social capital functionally as a variety of entities with two elements in common. That is, social capital was anything that facilitates individual or collective action, generated by networks of relationships, reciprocity, trust, and social norms. In Coleman's conception, social capital was a neutral resource that facilitates that facilitates any manner of action. Both Bourdieu and Coleman understood social capital as an asset of individuals or small groups and defined it broadly as the resource inherent in social relationships that could be used by its owner to gain access to other resources. They emphasised that although social capital cannot be divided into different types, its manifestation depends on the members of an organisation. Flora (1998) explained the differences between social capital and infrastructure based on the characteristic of an entrepreneurial spirit. He asserted that social infrastructure depends on the entrepreneurial and social capital that a community contributes either collectively or independently. Jeong, Sim, and Choi (2006) posited that social capital has a specific mechanism for social exchange, compensation, and cooperation. They suggested that higher levels of compensation with high degrees of exchange cause higher levels of cooperation. Groups that experienced problems associated with conflicts, profit sharing, or operational leadership showed lower social capital with regard to social exchange, compensation, and cooperation. Additionally, these groups also showed higher levels of social conflict. Woolcock (1998) defined social capital as a network that promotes cooperation between organisations that share norms, values, and understanding. In the community development unit, three types of social capital were defined as 'bonds,' 'mechanical cycles,' and 'linking.'

What is the effect of social capital as an independent variable? Some positive contributions include fostering entrepreneurship