



Consideration on the Effects of Increase in Foreign Tourists on the Region

—From Cases in Tsushima City, Nagasaki Prefecture—

Hiromi Kataoka

Abstract In Japan, inbound tourism has been promoted since the establishment of the “Welcome Plan21” in 1994, and various efforts for welcoming foreign tourists are being made across Japan. An increase in foreign tourists has significant economic effects on the region that receives them. On the other hand, however, there is a possibility that ethnic conflict might also occur in the region. In order to encourage foreign tourists, therefore, it is essential to establish social infrastructure on the tourist site side, as well as an appropriate receiving system in the intangible aspect. The establishment of such a receiving system in the intangible aspect tends to be behind, resulting in a significant economic loss in some regions. In this study, we will consider the effects of an increase in foreign tourists in Tsushima city of Nagasaki prefecture, which is one of the leading regions where Korean tourists have rapidly increased in recent years. The following aspects will be considered: (1) activity space for tourists and local residents; (2) the post-colonial; and (3) the center and periphery. A potential receiving system for the future will also be looked at.

Key words Foreign Tourists, activity space, Post-colonial, center and periphery, Tsushima City

January 15, 2009 accepted

1. Introduction

1-1. Background of the study

In Japan, inbound tourism has been promoted since the establishment of “Welcome Plan21” in 1994. In 2003, as part of the strategy to be a Tourism Nation, the “Tourism Nation Action Plan” was established, aiming to double the number of foreign tourists.

As part of its specific promotion measures, international tourism measures have been promoted, including the Visit Japan Campaign, and various efforts toward receiving foreign tourists are being made across Japan. The number of foreign tourists who visit Japan annually as of 2006 is 7,334,000. Among them, tourists from Asia account for almost 70%. In particular, the number of tourists from Korea is the largest at 2,117,000 (Japan National Tourist Organization (JNTO) 2007).

Increase in foreign tourists has significant economic effects on the region that receives them. On the other hand, however, there is a possibility that major ethnic conflicts might also occur in the region. In order to entice foreign tourists, therefore, it is essential to establish social infrastructure on the tourist site side, as well as an appropriate receiving system in the intangible aspect. The establishment of a receiving system in the intangible aspect tends to be behind, indicating a significant economic loss in some regions.

1-2. Purpose/Composition of the Study

With this background in mind, the purpose of this study is to consider the effects of an increase in foreign tourists on the region and study the receiving system of the tourist site side, by analyzing the consciousness of local residents and foreign tourists in the region where foreigner tourists have rapidly increased. In this study, Tsushima city of Nagasaki prefecture, which is one of the leading regions where Korean tourists have rapidly increased in recent years, was selected for analysis.

In this study, we will first take a general view of the state of increase in foreigner tourists in Tsushima city, in Chapter II. Next, in Chapter III, we will clarify the effects of foreigner tourists in Tsushima city on the region, by analyzing their economic effects on the region, local residents' consciousness, and foreigner tourists' consciousness. Based on these, in Chapter IV, we will consider the effects of an increase in foreigner tourists in Tsushima city on the region, from the following contexts: (1) activity space of tourists and local residents; (2) Post-colonial; and (3) center and periphery; and examine a potential receiving system for the future.

2. Increase of Foreigner Tourists in Tsushima City, Nagasaki Prefecture

2-1. Outline of the target region

Tsushima city of Nagasaki prefecture is a city with a population of 38,481 (October 2005). The city was established in March 2004 through the merger of six former towns including Izuhara-cho and Mitsushima-cho. Tsushima city faces the Korean Peninsula across the Korea/Tsushima Strait (Western Channel) to the north, and faces Kyushu mainland across the Korea/Tsushima Strait (Eastern Channel) to the southeast. While Fukuoka is 138 km away from Tsushima city, Pusan is only 49.5 km away and is much closer to Tsushima.

The population of Tsushima city has been continually decreasing since 1960, and the decrease in the younger generation in particular has been significant (Fig. 1). The percentage of elderly citizens in Tsushima city, according to the 2000 census, is 22.8% , which is higher than the average of Nagasaki prefecture (20.8%) and the average of the entire nation (17.3%). All the towns of Tsushima were designated as depopulated municipalities in 2000, and Tsushima city after their merger has continually been designated as a depopulated city (Nagasaki prefecture 2005).

As for the employed population of Tsushima city, the rate of employment in the primary industry is high at 23.9%. As its key industry, the fisheries indus-

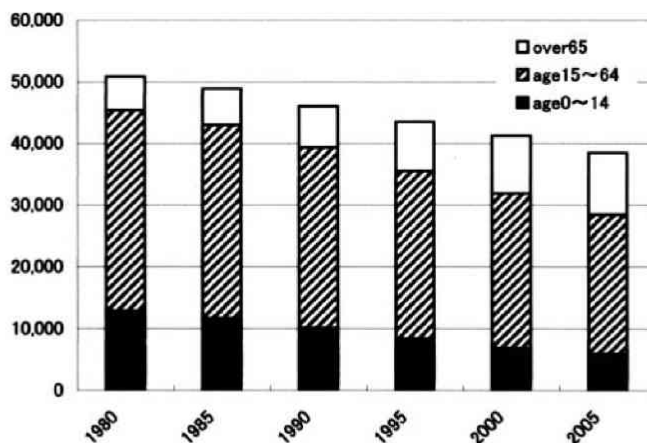


Fig. 1 Change in Number of the population of Tsushima city
(Source: census)

try, including squid fishing and pearl farming, has an important place. However, the situation surrounding the industry is severe because of aging of workers engaged in fisheries, sluggish sales prices of seafood, and other factors. The slump in the fisheries industry, which is the key industry, has resulted in an outflow of workers from the island, rapid progress of depopulation, and aging of the population. As such, Tsushima has been working to invite various businesses, including the textile industry. However, 12 business establishments attracted to Tsushima since 1976 have pulled back one after another since 1992, and only Dae-a Hotel, a Korean-affiliated company which came to the city in 2002, is in business as of 2006. The effective demand-supply ratio of the labor force in Tsushima city as of December 2006 is the lowest in the prefecture at 0.19. In such a severe employment environment, the young workforce is rapidly leaving the island (Tsushima public employment security office 2006).

2-2. Increase in foreign tourists in Tsushima city and related factors

In terms of tourism, Tsushima city does not have good tourist resources such as hot springs, and the holding capacity of visitors who stay on the island is small at 2,063 persons (as of April 2004). It is difficult to secure an inflow of many Japanese tourists from the mainland, such as students on school excursions. Un-

Consideration on the Effects of Increase in Foreign Tourists on the Region (Kataoka)
der such circumstances, Korean tourists are rapidly increasing in Tsushima city.

Between Tsushima and the Korean Peninsula, economic and cultural exchanges have been actively conducted since ancient times, due to the geographical conditions. Because of this influence, there remain many cultural assets, such as books, building structures, and Korean-style fortresses. In May of 1986, a sister-island relationship was established between Tsushima Island and Yeongdo-ward, Pusan. In 1994 an “agreement on administrative exchange” was concluded between Tsushima town/village assembly and Yeongdo-ward, Pusan. Since then, active exchanges have been conducted between the two regions, such as “administrative exchange seminars,” sports exchange activities, and home stay activities. Also on a private level, various exchange activities, such as the ARIRAN Festival hosted by Izuhara-cho’s Tsushima ARIAN Festival Promotion Organization, Tushima “CHINGU” Music Festival, and National Border Marathon in Tsushima, are conducted.

Under such circumstances, one factor for a rapid increase in Korean tourists is the opening of a liner route between Pusan and Izuhara in July 1999. On this liner route, a high-speed boat called “Sea Flower”(passenger capacity of 240 persons) began service. And as a large boat called “Sea Flower II”(passenger capacity of 376 persons) started service in August 2004, Korean tourists visiting Tsushima city have significantly increased. Presently, the boat runs a round trip between Pusan and Tsushima (Izuhara Port • Hitakatsu Port) once per day (2 round trips a day in summer), connecting in about 2 hours. Also, on every Thursday, the boat runs according to schedule that enables a day trip from Pusan, so Thursday is a popular day for day trips. In addition, through synergetic effects with Korea’s economic growth in recent years, the social background, such as establishment of a five-work-day system, Tsushima city’s advertising on sightseeing in Korea, and simplification of visa procedures for Korean tourists through “recognition of Tsushima as a specific area for island population expansion,” the number of visitors to Tsushima city increased to 37,924 in 2006 (Fig. 2).

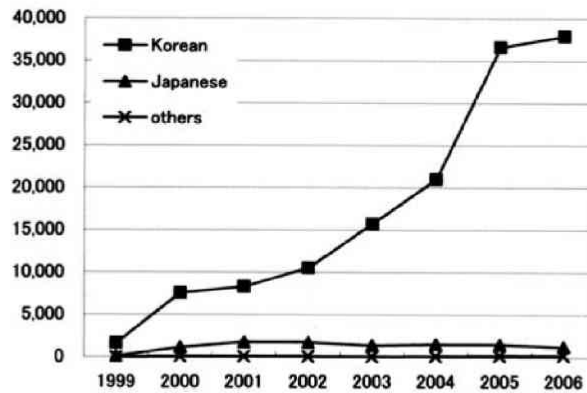


Fig. 2 Change in Number of Users of International Sea Routes
(Based on Entry into the Country)

3. Effects of Foreign Tourists in Tsushima City on the Region

3-1. Economic effect on the region

According to interviews with 23 entrepreneurs who are related to the shopping area in Izuhara-cho, the commercial center in Tsushima city, 52.2% of shop owners said that the economic effect of Korean tourists on shops, both direct and indirect, has been increasing. Under such circumstances, an increasing number of shops take measures for Korean tourists (Fig. 3).

In recent years, however, Japanese tourists have been decreasing in Tsushi-

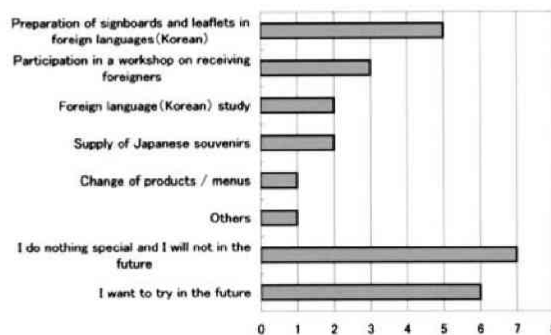


Fig. 3 Measures for Korean tourists at shops (Source: Based on interview survey targeting entrepreneurs in Izuhara)

Consideration on the Effects of Increase in Foreign Tourists on the Region (Kataoka)

ma, and these shops are simply compensating the loss with tourists from Korea. In terms of sales proceeds, many owners say the economic effect resulting from the increase in foreign tourists is not much, and only a small number of shop owners desire to aggressively receive foreign tourists. As such, future tourist measures that shop owners commonly desire include “the city’s establishment of measures to receive foreign tourists” (20.9%) and “aggressive measures to entice Japanese tourists” (19.4%). In addition, some shops post notices saying “no foreign tourists welcome” and some shop owners even close their shops during times that boats from Korea arrive, due to language problems and unwillingness to deal with foreigners’ price negotiations. Lodging industry-related people tend to make favorable comments, such as “we have a job thanks to Korean tourists,” although more than a few had complaints, such as their making noise in lobby and rooms, due to differences in living habits.

3-2. Local residents’ consciousness

In a survey of 36 local residents, 86% said that they are interested in an increase in Korean tourists. As for the effects of Korean tourists on the region, however, 42% said “I consider the effects to be negative.” The reasons are shown in Fig. 4. In addition, a common consciousness among local residents is the

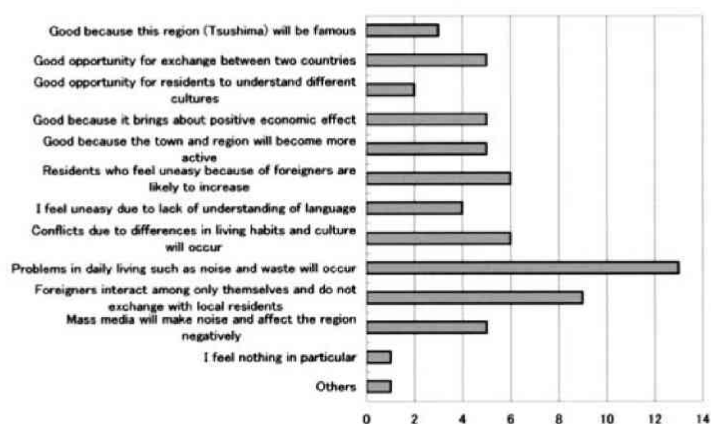


Fig. 4 The effects of Korean tourists on the region (reasons)
(Source: Based on interview survey targeting local residents)

“small economic effect on the local area,” and in the survey, many local residents said that “Kankoku-sans (often used nickname for Korean tourists in Tsushima) do not spend much money in our area.” Also, many residents say that “Korean people do not eat in restaurants, but instead buy lunch boxes and eat them elsewhere,” “they don’t buy drinks,” and “they buy souvenirs only at 100-yen shops and supermarkets.” Furthermore, the local government receives complaints about Korean people from local residents, saying “Cars cannot pass because they walk spread out across the entire street,” and that “They enter private property without permission and put water into their water bottles.”

Clearly, as far as this recent survey is concerned, an increase in Korean tourists in Tsushima city is not received favorably in many ways by the people in shopping areas and local residents. The related factors often noticed were “little economic effect” and “problems due to different living habits and culture.” This is due to insufficient exchange with local residents, because 80% of Korean tourists are participants in group tours. In recent years, however, independent tours are increasing centered on repeat visitors, and mutual understanding with local residents filled with “possibilities for detailed knowledge,” which was presented by Brown (1995) as a condition for Contact Hypothesis, is expected to progress further in the future.

3-3. Foreign tourists' consciousness

In the survey conducted in 2005 by Shizuoka Research Institute targeting 1,002 residents in Seoul, Korea, regarding the monetary amount they are willing to spend during their travel to Japan, the rate for 100,000 to 190,000 yen was the highest at 41.7%, followed by the rate of 21.2% for 200,000 to 290,000 yen (Shizuoka Research Institute 2006). According to the survey conducted by Tsushima Tourism Products Association on 1,067 Korean tourists in Tsushima city, regarding the amount of money used by Korean tourists for souvenirs, the rate was the highest for amounts from 5,000 yen to less than 10,000 yen, at 31%, followed by the rate for less than 5,000 yen at 26% (Tsushima Tourism Products Association 2007). According to this data, the amount of money spent by Ko-

Consideration on the Effects of Increase in Foreign Tourists on the Region (Kataoka)

rean tourists in Tsushima is quite insignificant, even after subtracting 35,000 yen, which is the average cost to travel to Tsushima (for 2 days, 3 nights).

According to interviews with Korean tourists and Korean hotel operators in Tsushima city, 60% of Korean tourists who come to Tsushima are 50 years old or older, and most tourists are wealthy people who have traveled overseas other than Tsushima several times. They don't come to Tsushima for shopping and they don't place much emphasis on shopping; however, pearls at gift shops in Korean hotels in Tsushima are popular, and even necklaces that cost 200,000 yen or more are sold. Also, the question tourists often ask is where to buy souvenirs, and they cannot find appropriate gifts at gift shops run by Japanese on the island, so many tourists use attractive gift shops in the Korean hotels. Therefore, Korean hotels in Tsushima plan to expand their gift shops in the future. Furthermore, many among tourists who come to Tsushima as a resort destination request the establishment of golf courses.

On the other hand, a survey of tourist consultants of Korean nationality who live in Tsushima also revealed that they frequently receive questions on where to buy souvenirs. Frequent questions include "I want to buy an attractive Japanese confectionery as a souvenir but where can I buy it?" and "I came all the way to Japan, so I want to eat Japanese cuisine – are there any high-class restaurants that serve tea-ceremony dishes?" Because there are no such stores in Tsushima, the consultants have to introduce 100-yen shops and supermarkets as a place to buy souvenirs. Furthermore, when asked about tourism in Tsushima, many Korean tourists complain about not being able to use a credit card at many stores on the island.

These current conditions indicate the presence of a significant gap in awareness between Korean tourists who say, "We want to spend money but there is no place to spend" and local residents who say, "Korean tourists do not spend money at all." The idea that there is "no economic effect on Tsushima" is actually a presumption of the local residents and in fact, the inadequate receiving system of tourist sites, especially in the intangible aspect, was found to be leading to great economic loss. In the future, the tourist industry, including restaurants and gift

shops, should establish a system that fully responds to tourist needs.

4. Consideration on the Effects of Foreign Tourists on the Region

—Factors from the three contexts that lead to “ethnicity problems” rather than “positive economic effect”

In Tsushima city, as previously discussed, a rapid increase of foreign tourists, which is supposed to bring about major economic effect, is not considered to be a merit for the region, but instead has brought to focus their ethnic problems, partially due to the inadequate system of tourist sites that receive them. In Tsushima city, new efforts are starting, such as a survey on Korean tourists and the addition of Korean business owners in the city to conferences on tourist strategy. In the future, the establishment of a local system that receives tourists as important regional resources is desired.

In promoting the establishment of such a system, however, attention must be paid to many points. Between Tsushima and Korea, there is a historically and geographically complicated background, so the recent rapid increase of Korean tourists also needs to be interpreted from a deeper context. Therefore, we aim to understand the factors behind the recent rapid increase of Korean tourists in Tsushima city that leads to more “ethnicity problems” rather than “positive economic effect,” from the following three contexts.

4-1. From the context of “activity space” for foreign tourists and local residents

Though Korean tourists come to Tsushima seeking nature, buying souvenirs as part of overseas travel is one of their pleasures. In Tsushima, however, there are few well-established places for buying souvenirs, and tourists must buy small items in supermarkets and 100-yen shops in Izuhara-cho, which is a commercial center in the city. On such occasions, what matters is whether it is made in Japan or not, and it often happens that products are later found to be made in other

countries and they are returned to the stores. On the other hand, the supermarkets in Izuhara-cho represent an important space for the daily living of local residents. The number of stores is limited so they are often crowded in the evening. Under such circumstances, some local residents do not have favorable impressions of tourists who take time paying because they don't speak Japanese and often have problems with store personnel in returning small items.

In this way, tourists' space for sightseeing and local residents' space for daily living frequently overlap, and the possibility of friction increases. Residents' complaints about traffic as mentioned earlier also occur due to the overlapping of sightseeing and daily living space, as well as the lack of sidewalks. Of course, this overlapping of space is commonly seen in small-scale and underdeveloped tourist sites – it is not unique to Tsushima city, but in this city's case, ethnic factors such as “language difference” and “difference in daily life culture” are added, creating the possibility for misunderstanding and friction.

In recent years, Korean people who live in the city have been employed and a consultation booth exclusively for Korean tourists, which is installed in the shopping center in the center of Izuhara-cho, provides information on souvenirs and sightseeing. In addition, emphasis has been placed on solving language problems by holding Korean language classes for store personnel and staff in hotels and Japanese inns in the city. Korean is also used on road signs, tourist information, signboards, etc., in the city (Photo 1). Many ethnicity-rooted problems can be solved by overcoming differences in language and daily living culture. In the future, the government, business-related people, and residents need to make greater efforts toward making improvements in the intangible aspect, including addressing differences in language and daily living culture, in addition to improvement of “sightseeing space” and “daily living space.”

4-2. From the “Post-colonial” context

In order to discuss the effects of the recent increase of Korean tourists in Tsushima city on the region, interpretation from another important phase, “Post-colonial” is also essential. Tsushima and Korea have a deep historical connection



Photo 1 Signboards for Korean tourists in the Tsushima city

Consideration on the Effects of Increase in Foreign Tourists on the Region (Kataoka)

and they have exchanged with each other since ancient times. In history, however, there are various problems related to colonial rule and many residents, especially among the elderly, have ill feelings toward it. The recent survey with local residents also showed that 27% of them said they “have not friendly feelings toward Korean tourists because of historical reasons.” (Fig. 5). Some in the media even use sensational expressions such as “Korea will occupy Tsushima” when talking about the recent year’s increase of Korean tourists in Tsushima city. Local residents’ prejudice saying “Korean tourists do not bring much positive economic effect to the region,” which has been clarified in this study, also needs to be analyzed to some extent from this context of Post-colonial.

In recent years in Tsushima city, various events associated with Korea, such as sports exchange, home stay, and cultural exchange have been conducted, and a senior high school in the city newly established the international cultural exchange course in 2003. As such, grass-roots exchange centered on the young generation has been making progress. In this research also, opinions like “I don’t like how the recent increase of Korean tourists is seen with a historically biased perspective,” was heard among many in the young generation. In the future, it is necessary for the government and educational institutions to work to remove ill feelings due to historical reasons between residents and tourists, to widely communicate Korea’s current situation, and further promote measures toward mutual understanding.



Fig. 5 The consciousness of local residents toward Korean tourists in Tsushima city (Source: Based on interview survey targeting local residents)

4-3. From the context of “center and periphery”

Regarding the consciousness of local residents in Tsushima city toward Korean tourists, a commonly heard remark was “I don’t know their purpose to visit Tsushima and I feel anxious,” as well as “they don’t spend much money in our area.” This consciousness is due to the idea of many local residents who think Tsushima has no tourist resources to attract many foreigner tourists. On the other hand, travel to Tsushima is advertised in Korea as an “accessible resort” and “an island to fully enjoy nature,” with emphasis on nature as its tourist resource (Photo 2). In a survey in Korea, what many Korean tourists seek in traveling to Japan is “play and shopping in a big city,” “hot springs,” and “beautiful rural, coast and mountain scenery”(Shizuoka Research Institute 2006). Also in this research, a frequently heard comment was “because Korea (Pusan) is a big city, the ocean is very dirty. I want to see beautiful nature.” Considering this and the geographical location that enables a day trip from Korea, Tsushima is an attractive destination.

Considering this situation from the context of center and periphery theory, it is possible to think that Tsushima, which used to exist as a periphery in Japan, is also being incorporated as a periphery of the Korean economic sphere, accompanying the relative shortening of time resulting from recent years’ progress of transportation means and expansion of the Seoul and Pusan center sphere, which resulted from progress in the Korean economy. However, because many local residents in Tsushima do not recognize this change of center and periphery concerning Tsushima, they have come to form the perception toward tourists that “I don’t know the purpose of their visit to Tsushima and I feel anxious.” Especially regarding elderly people, many cannot recognize this change in the paradigm of center and periphery accompanying the economic progress of Korea, because of inhibition by Post-colonial consciousness.

In order to reduce the gap in consciousness between Tsushima citizens and Korean tourists, it is necessary to communicate the way travel to Tsushima is considered in Korea and the needs of Korean tourists who come to this island to local residents in Tsushima city. In this research, a Korean travel agency said there is



Photo 2 Advertisements for traveling to Tsushima in magazines in Korea

a plan to build a resort hotel in Tsushima city. Tsushima city as a whole needs to recognize that it has a possibility of new regional activation with “resort” as a keyword.

5. Conclusion

We have seen change in the region accompanying a rapid increase of foreign tourists in Tsushima city, Nagasaki prefecture. Despite the increase in foreign

tourists, there is still a large gap in consciousness between local residents and tourists, and it has been clarified that the increase of tourists is not considered a merit to the region. This is very regretful considering the severe economic circumstances that surround Tsushima city, such as a decline of industries, depopulation, aging of society and decrease of employment opportunities. It is certain that a tourist area that depends on an inflow of tourists only from one country is unstable. If something that inhibits good terms between the two countries, or if Korea's economic situation deteriorates, Korean tourists who visit Tsushima might decrease rapidly. Because of such uncertainty, it is understandable that Tsushima city hesitates to engage in various large-scale developments for Korean tourists.

As seen in this research, however, it is clear that the gap in consciousness between local residents and foreign tourists results in significant economic loss. What will be needed in the future is the perspective to consider rapidly increasing foreign tourists as local resources to be effectively used for activation of the region, in addition to establishment of a receiving system in the intangible aspect, which can be done without large prior investment.

References

- [1] Brown, Rupert (1995) *Prejudice: Its social psychology*, Oxford: Blackwell.
- [2] Japan National Tourist Organization (JNTO) (2007) *International Tourism White Paper 2007*, JNTO.
- [3] Shizuoka Research Institute (2006) *Research on Building an International Tourism Strategic Model in the Region*, Shizuoka Research Institute.
- [4] Tsushima branch office, Nagasaki prefecture (2005) *Tsushima Encyclopedia*, Tsushima branch office, Nagasaki prefecture.
- [5] Tsushima public employment security office (2006) *FY 2005 Annual Work Report*, Tsushima public employment security office.
- [6] Tsushima public employment security office (2006) *FY 2006 Monthly Work Report*, Tsushima public employment security office.
- [7] Tsushima Tourism Products Association (2007) "Questionnaire Survey Targeting Korean Tourists", Tsushima Tourism Products Association.