Abstract: This paper considers procedural justice and distributive justice as a means of examining equity in tourism development. The geographical focus of the paper is Mongolia - historically a unitary sovereign socialist state in East Asia that, in common with Central Asian republics and in contrast to other parts of the eastern sub-region of the Asian continent (China, Korea, Japan and Taiwan), has been shaped by Stalinist Soviet Union policies. This particular context is interesting, not only in terms of consolidation of power, and economic, political and social transition, but also with respect to the nature of material wealth and livelihood options. Equity in tourism development in two rural Mongolian regions is explored with specific reference to the concepts of procedural justice and distributive justice. Drawing on political ecology and actor-oriented approaches, the paper considers equity from the perspectives of five actor groups: local grassroots people in two geographical areas; private sector tourism operators; Government officials; International Development Organizations and academics; and NGOs. Three periods of fieldwork were conducted, providing qualitative interview data, complemented by non-participant observations, and secondary data. Framework analysis is applied as an analytic induction tool. Five emergent themes are discussed here relating to procedural (in)justice and distributive justice. Inequity was perceived to be rooted more strongly in the processes of tourism development rather than in the outcomes but the inter-related nature of process and outcome, linked to opportunities and capabilities, is noted (Sen 1984; 1992; 1999).

Keywords: procedural justice, distributive justice, tourism development, rural tourism, Mongolia, Amartya Sen
Introduction

According to the environmental political theorist David Schlosberg (2007, p. 25), procedural justice implies that ‘*justice is defined as fair and equitable institutional processes of a state*’. Distributive justice, alternatively, concerns the fairness associated with decisions over outcomes and the distribution of resources, often in relation to economic burdens and benefits (Walker 2012). In its consideration of issues of resource equity in rural tourism development, this paper discusses the political governance system in Mongolia, power and the participation of actors in tourism-related policy making. Procedural justice and distributive justice are considered as key conceptual ideas through which to consider local perceptions of equity. Political and governance systems appear to provide an umbrella, overarching the relations between actors and distributive justice in tourism development. This analogy may help to understand inter-relations among different actors in the accessing of natural resources in tourism development in Mongolia.

Issues of power are central to our analysis. The study combines a political ecology approach with actor-oriented analysis (Long 2001) to examine local responses to resource equity in the context of tourism development. A need to acknowledge the geographical and societal nature of fairness and justice is considered to be paramount given the policy paradigm, labelled as ‘human development approach’ (Ul Haq 1988; Sen 1992; 1999) linked to the Human Development Index (HDI) and persistent, if not growing, emphasis on human indices of wellbeing in sustainable development (UNDP 2016) and, by nature, in sustainable tourism development.

Justice and equity in ecotourism and sustainable tourism development

There has been an increased interest in issues of justice and fairness around tourism development. Yet, there remains a research gap in terms of understanding local views of poverty measurement, quality of life, standards of living and the implications of these for Pro-Poor Tourism (PPT) development strategies. The efficacy of taking an outsider perspective of development aid and technical assistance from the North to the South (or from West to East) remains open to debate and challenge. Jamal and Camargo (2014, p. 11) have argued that:
While a strong knowledge base has developed in sustainable tourism, theoretical links to justice and ethics have been slow to emerge at the destination level, especially about fairness, equity and justice for disadvantaged local groups, including poor, minority and indigenous populations.

Studies of justice in relation to tourism development have tended to focus on notions of fairness and ethics of care in relation to development and marketing and disadvantaged local groups (Jamal and Camargo 2014), in the context of inhibitors to host community participation (Saufi et al. 2014), linked to empowerment (Ramos and Prideaux 2014). It is notable that justice has often been approached in the context of the ‘social contract’, predominantly focused on Rawl’s ideas based on Kant and Hume and the advocating of a social moral context where all members of society are treated fairly on liberty and equality grounds. There is an underlying premise that an equal claim on their society’s goods (including natural attributes) may be made by each member of society and that inequality may only be acceptable to the advantage of those who are ‘worse off’.

Critics of this approach have challenged Rawl, namely on the basis of a belief in the existence of ‘natural rights’ and ‘ownership rights’ in relation to resources. The political economist Amartya Sen (1984; 1992; 1999) has, furthermore, specifically argued a need to not only consider resource distribution (in relation to ‘primary goods’) but also the ability of people to use these goods effectively ‘to pursue their own ends’, with ‘what happens to the people’ as a central theory of justice concern. It is his pragmatic ideas, aligned to Marxist thought, that have to a lesser extent been applied by tourism scholars - notably those following a neo-liberalist stance. Essentially, Sen’s approach is founded on two issues: opportunities/functionings and capabilities. He (Sen 1984; 1992; 1999) argues that the quality of one’s living or Standard of Living can be best seen as the reflection of the person’s capabilities rather than by how much money they earn. Capabilities refers to the abilities of an individual to function, to use opportunities, to make choices, and to take actions. These ideas may be identified to be relevant when exploring justice in relation to tourism development, particularly in the context of a country that has faced post-communist (socialist) transition, is largely rural, and lesser developed...
Economically. Each of these characteristics arguably holds implications for societal practices around resource distribution, justice and equity. The idea of ‘functionings’ as being or doing, and the notion of ‘capabilities’ linked to real freedoms or opportunities to facilitate or enable being or doing, link to Sen’s (1999) notion of ‘development as freedom’.

The work of Saufi et al. (2014) and of Ramos and Prideaux (2014) contends that local level involvement in tourism is required as part of creating a ‘just destination’, but this is often frustrated by institutional factors, knowledge, resources and skills that affect participation and empowerment processes. Carbone (2005) has noted that there has been recognition of the existence of ethical issues surrounding equity in sustainable tourism in lesser developed contexts. However, he argues that a knowledge gap exists in relation to notions of fairness associated with resource distribution (distributive justice). Puhakka et al. (2009, p. 529) have advocated a need to ‘monitor the distribution of benefits and burdens of park development holistically to multiple stakeholders’. Despite promotion of alternative forms of development pre-dating the 1987 Bruntland Report (Holden 1984; De Kadt 1992), the exploration of ‘just processes’ has further scope to emphasize environmental justice and environmental equity as ‘missing links to sustainability’ (Lee and Jamal 2008).

Issues of local participation, interests and benefits, have surfaced consistently in the literature on sustainability in tourism. The interaction between different interest groups has also been a focus in actor-network theory (see for example, Cohen and Cohen 2012). Yet, there is a danger in attempting to make assumptions about local views on equity and fairness and there remains scope for increased local level, qualitative approaches to investigations of equity in tourism development, particularly in an Asian context. In their focus on Thailand, Southeast Asia, Palmer and Chamuangphan (2017) have argued that notions of fairness and equity, in relation to the distribution of tourism benefits, need to be recognized to be reflective of local, geographical contexts and societal mores. There remains a lack of understanding of local reactions to development processes and outcomes and the concepts of procedural justice and distributive justice from the perspective of community. With respect to exploring equity in tourism development this paper argues that there is a need to consider process and outcome concomitantly.
Political ecology of equity

One of the common key areas covered in political ecology is the question of distributive justice. As acknowledged at the start of this paper, this concerns the equity of unequal distribution of the burdens and benefits of environmental changes among actors affected by development processes. It results in either reduced or increased social and economic inequalities that potentially have political implications through altering the social and economic distributions of power among actors. This perspective helps us to appreciate how environmental change and ecological conditions can be associated with complex and dynamic political processes. Political ecologists tend to be very interested in the distribution of the benefits and burdens of environmental degradation, and they often consider these to be unequal among actors because the outcomes tend to be power-dependent.

Market-driven capitalist economies often result in environmental burdens, which sometimes affect people disproportionately and, in this, the tourism sector is no exception. Yet, there has been only a limited evaluation of political ecology and distributive justice issues in tourism studies. Few studies have considered tourism’s environmental impacts within a political ecology approach (Stonich 1998; Gössling 2003; Cole 2012). Those that have, often emphasize a macro-level, structuralist stance, while they tend to lack a detailed, micro-level actor perspective, and they have often focused on coastal and former colonial regions.

Our paper extends the discussion in tourism studies; firstly, by introducing an actor perspective in combination with political ecology. Secondly, it applies political ecology perspectives to tourism development in a developing, East Asian country experiencing political and economic transition. Thirdly, the study explores tourism development in a continental landscape with a pastoral nomadic culture where the environment is regarded as both a resource for livelihoods and also as a part of the native culture and social practices.

Mongolia

Mongolia’s political and economic transition since the early 1990s and a lack of tourism academic study of this country, make the area worthwhile exploring in relation to equity in tourism development. The researcher Dorjsuren is a
native Mongolian with substantial experience, living and working as a tour leader in the remote rural regions of Mongolia. This was important as it provided a level of familiarity with the society and culture of the area, in contrast to Palmer’s position as a western ‘outsider’. Dorjsuren’s familiarity with the studied locations was also important in terms of risk assessment and researcher safety during fieldwork, in line with research ethics protocol.

Mongolia is a former communist country, landlocked between Russia and China, and since the dissolution of the USSR in 1990, it has experienced one of the most dramatic stages of its development: a political and economic transition from an autocratic, communist governance with a state planned economy to democratic governance with a free market economy. The transition has emerged as a result not only of international political economic forces in the former communist countries in Eastern Europe, but also due to various youth movements within Mongolia. Since political and economic transition from communism began, Mongolia has experienced severe economic crises and achievements in the health and education sectors during socialism began to decline. Due to economic hardship and soaring unemployment rates, alternative means of livelihoods have been sought. Modern tourism development in Mongolia may be recognized to have begun in 1954 with the establishment of Mongolia’s first state run tourism corporation of Juulchin (Juulchin 2013). However, tourism has only been recognized as one of the country’s promising economic sectors since the mid-1990s via the establishment of the first Tourism Department in Mongolia within the Office of President in 1993. Following restrictions on international travel being lifted, Mongolia has experienced a growth in international tourism. The privatization of Mongolia’s state-run Juulchin Corporation in 1991 (Juulchin 2013) encouraged a growth of private businesses in the tourism sector. Mongolia’s communist past, the preservation of its ancient nomadic ways of life, and its undeveloped landscapes have begun to attract tourists from mainly developed countries. International tourism has been growing since the early stage of Mongolia’s transition in the 1990s when the country was lacking foreign hard currency (see Table 1).
Table 1. International tourism to Mongolia, number of arrivals 1995-2016

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Arrivals</th>
<th>Year</th>
<th>Number of Arrivals</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>108,000</td>
<td>2006</td>
<td>386,000</td>
</tr>
<tr>
<td>1996</td>
<td>71,000</td>
<td>2007</td>
<td>452,000</td>
</tr>
<tr>
<td>1997</td>
<td>55,000</td>
<td>2008</td>
<td>446,000</td>
</tr>
<tr>
<td>1998</td>
<td>165,000</td>
<td>2009</td>
<td>433,000</td>
</tr>
<tr>
<td>1999</td>
<td>138,000</td>
<td>2010</td>
<td>456,000</td>
</tr>
<tr>
<td>2000</td>
<td>137,000</td>
<td>2011</td>
<td>460,000</td>
</tr>
<tr>
<td>2001</td>
<td>166,000</td>
<td>2012</td>
<td>476,000</td>
</tr>
<tr>
<td>2002</td>
<td>229,000</td>
<td>2013</td>
<td>418,000</td>
</tr>
<tr>
<td>2003</td>
<td>201,000</td>
<td>2014</td>
<td>393,000</td>
</tr>
<tr>
<td>2004</td>
<td>301,000</td>
<td>2015</td>
<td>386,000</td>
</tr>
<tr>
<td>2005</td>
<td>338,000</td>
<td>2016</td>
<td>404,000</td>
</tr>
</tbody>
</table>

Source: UNWTO 2016.

Because of Mongolia’s potential for tourism development, the government has begun to actively promote growth in the tourism sector, primarily for its foreign exchange earnings potential. The government of Mongolia foresaw tourism’s potential and it has attempted to provide policy and legislation in order to provide for its long-term development. In 2013, Mongolia received 417,815 international tourists (-12.2% less than the previous year: National Statistical Office of Mongolia [NSOM] 2014). In 2005, at its peak, the income from the tourism sector was estimated at US$ 181 million, accounting for 10% of Mongolia’s GDP (Ministry of Road, Transport and Tourism 2005). By 2011, the income from tourism reached US$ 239.61 million or 3.4% of the country’s GDP (Oxford Business Group 2013). Tourism sector statistics for Mongolia show that there are 18,000 personnel employed by the tourism sector (NSOM 2010). However, the people who are involved in tourism activities to supplement their primary sources of income seem to be unrecorded in the official tourism statistics mainly due to under-developed tourism statistical recording mechanisms in Mongolia. Therefore, it is difficult to measure accurately how much tourism contributes to rural livelihoods in Mongolia.
The development of the tourism sector in a free-market economy with democratic governance does not seem to have produced results that are always positive. Less-known poverty problems have emerged during Mongolia’s transition, with poverty persistently affecting over 35% of the total population - since 2009, almost half of Mongolia’s rural population have been considered as poor (NSOM 2010; IFAD 2016). Inequality in Mongolian society has seemingly been expanding since the start of transition in 1990, and the major inequality measurement of the Gini index1 (of 0.32 - 0.33) suggests that it is an average (NSOM 2010; UNDP 2016). Thus, it is perhaps unsurprising that poverty alleviation became a part of the Mongolian Millennium Development Goals (MDGs) agenda, and the government of Mongolia, together with a number of IDOs and NGOs, have started to implement poverty eradication programmes. In spite of these efforts, latest figures suggest that, according to the 2016 Household Socio-Economic Survey, Mongolia’s poverty rate has declined to 29.6% at a national level (World Bank 2017). In the context of neo-liberal political and economic policies, development is often measured in terms of GDP growth, with equity and environmental issues hardly being questioned. The present study, however, recognized a need to explore and contribute to a deeper understanding of equity in tourism development.

Despite the Mongolian government’s aim of economic diversification, a contrast between urban and rural Mongolia must be noted. Rural to urban migration rates increased from 9% in 1990 to 24% in 2011 (Purevdorj 2014) as a result of the collapse of the soviet union and, with the loss of soviet subsidies, rural populations have become increasingly dependent on additional household income to supplement agriculture. Thus, our study explores the rural context of Mongolia.

**Methodology**

Two geographical areas were selected for the case study: The Lake Hovsgol National Park in Hovsgol province (northern Mongolia) and the Govi Gurvan Saihan National Park in Umnugovi province (southern Mongolia). These areas were selected on the basis of possessing comparable stages and limited levels of tourism development. The researcher Dorjsuren was familiar with the case study areas from his previous work-related visits (as a tour guide). Drawing on the local knowledge of the researcher Dorjsuren, it is observable that tourism development has penetrated both geographical case areas relatively earlier.
than in other parts of Mongolia. Therefore, it was anticipated that the people in both areas may have had substantial awareness of tourism development and its consequences. Both National Park areas possess internationally-recognized tourism resources: The Lake Hovsgol and the Gobi Desert. This appears to be reflected in levels of tourism arrivals and investment. In 2009, Umnugovi and Huvsugul provinces received approximately 13,000 and 11,987 international tourists respectively. In the same year, there were 22 ger camps in Umnugovi, while Hovsgol had 52 ger camps in total. In recent years, both areas have experienced substantial growth of domestic tourists in addition to international tourists (personal communications with Govi Gurvan Saihan National Park and Lake Hovsgol National Park 2017).

Tensions around natural resources are often a central feature and consequence of tourism development. In this context, the research adapts Long’s actor-oriented perspective that explores “how social actors (both ‘local’ and ‘external’ to particular arenas) are locked into a series of intertwined battles over resources, meanings and institutional legitimacy and control” (Long 2001, p. 1). Therefore, it was important to identify the actors, both local and non-local, that are important to tourism development and its consequences in the geographical case contexts. Further, as part of the research design and execution process, their interests and roles were evaluated, together with their power relations and the many processes affecting and involved in the actor interactions.

The specific groups of actors for consideration (identified in Table 2) began to emerge during a literature review of the tourism development context in Mongolia and when developing conceptual thinking in relation to the study. One vital task was to define the sampling frame and the appropriate information sources from which the interviewees were selected. These sources included administrative records (encapsulating records held in villages at governors’ offices and reports from IDOs), supplemented by internet websites belonging to the organizations targeted. In addition to the initial sampling frame, snowball sampling was used.²

In total, interviews were conducted with: 17 grassroots people³ from Hovsgol province, representing 12 households; 19 grassroots people from Umnugovi province, representing 15 households; 17 representatives of Government, IDOs, academics and NGOs; and 8 actors from the private tourism sector (see
Table 1). In total the views of 61 actors were captured during 52 interviews, as household-level interviews with grassroots people sometimes included joint interviews. This is reflected in the discrepancy between number of interviews conducted and number of interviewees presented in Table 1. The data was collected, recorded, stored and analyzed in line with university ethics procedures.

Table 2. List of actor groups, and number of interviews and interviewees

<table>
<thead>
<tr>
<th>Actor Groups</th>
<th>Number of interviews conducted</th>
<th>Number of interviewees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Government officials from:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ministry</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Province</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>District</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>National Park</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Subtotal</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>2 International Development Organizations &amp; Academics:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>World Bank</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Asian Development Bank</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>GTZ</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Academic institutions</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Subtotal</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>3 NGOs:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Involved in tourism (national &amp; local)</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Involved in capacity building &amp; poverty alleviation</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Subtotal</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>4 Private sector in tourism:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tour operator managers &amp; directors</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Ger camp operators</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Subtotal</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>5 Grassroots people:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hovsgol province</td>
<td>12</td>
<td>17</td>
</tr>
<tr>
<td>Umnugovi province</td>
<td>15</td>
<td>19</td>
</tr>
<tr>
<td>Subtotal</td>
<td>27</td>
<td>36</td>
</tr>
<tr>
<td>Total</td>
<td>52</td>
<td>61</td>
</tr>
</tbody>
</table>
Interviews were conducted in the official local language of the actors and the first language of the researcher, Dorjsuren - the Mongolian language. Translation from Mongolian to English took place during the transcription process, enabling Palmer to participate in the process of confirmability in line with the pursuit of a ‘trustworthy’ qualitative research study (Guba 1981; Shenton 2004). Ritchie and Spencer’s (1994) Framework Approach to analytical induction was applied. The data was transcribed firstly by actor group or ‘cases’, and themes were identified, before cross-case data themes were considered. This paper focuses on cross-case data themes relating to perceived fairness and unfairness in relation to processes and outcomes where issues of procedural justice, procedural injustice, distributive justice, and distributive justice were observed to intersect. Figure 1 provides a visual representation that was emergent during the analysis of actor group case themes pertaining to equity in tourism development.

Figure 1. Visual representation of actor group case themes pertaining to equity in tourism development. Source: the authors.

**Findings and implications**

The data revealed five key discourses relating to equity in tourism development in relation to procedural and distributive justice: ‘procedural injustice in local economic distribution’; ‘procedural injustice in tourism involvement’; ‘procedural injustice and free market competition in tourism’; ‘distributive
Procedural injustice in local economic distribution

The first theme that we explore which emerged from the interviews and the reports of various NGOs concerned with governance in Mongolia is procedural injustice in relation to the local economic distribution of tourism revenue. In the case of Mongolia, bureaucratic governance and conflicts of interest at all levels of government administration seem to result in greater corruption (USAID 2005; Rossabi 2005; Ganbat 2008; Ganbat 2012), and exclusion of some members of the public from decision-making (USAID 2005; Transparency International 2011). Thus, the execution of the governance system appears to allow officials to take advantage of legal loop-holes and financial returns for their friends and relatives’ private interests. Such procedural injustice in governance and unfairness in the judicial system were observed to result in grassroots-level perceptions of distributive injustice in tourism development.

The views of different actors during fieldwork carried out in both of the rural geographical case areas revealed insights into how the political system and governance operate in Mongolia from the perspective of grassroots level communities. Although it was acknowledged across all interviewee actor groups that Mongolia had made significant progress towards a democratic political system with a market economy, governance was often criticized for being excessively centralized and non-transparent.

Centralized governance was particularly visible via the distribution of financial power across administrative divisions. In Mongolia, it is notable that the state budget is collected for the state treasury from all administrative divisions in the country and, subsequently, re-distributed to the provinces by the central government. It is noteworthy that all rural affairs often require financial resources, while rural administrative divisions have little power to collect tax and finance the local initiatives in their area (Open Society 2009). Since, the central government has “legal power to assign tax, define the amount of tax, levy and free the tax while local administrative divisions are only responsible for collecting tax and reporting to the central government” (Open Society 2009, p. 105). As a consequence, within the current legislative environment, there is little incentive for the local (district level) administrative office to take initiative on expanding its tax base (and promoting economic growth).
At district level, tax revenues accrue from twelve types of sources, of which only four account for the majority of the revenues of the village, including income tax, 10% of mineral resources tax, fees for a special license for mineral resources and state stamp fees. In the case study areas, the local government was able to earn tourism-related tax revenues from land leasing, taxes on income, water and mineral springs, game hunting, logging, utilizing natural resources other than mineral resources, ownership of guns and National Park entrance fees. These moneys were collected by the state central treasury and redistributed to the local areas. As a consequence, some interviewees held the (accurate) view that tourism tax revenues do not seem to get spent locally relative to the amount generated in the main tourist destinations, and this was perceived to be unfair. One senior manager of a ger camp in the Gobi Desert, for instance, reported:

…we have paid 70-80 million tugrugs [USD 63,600-72,700] for individual and company income tax and VAT. All these moneys must be spent locally… We have 15,000 tourists a year [in the National Park] whom generate 45 million tugrugs [USD 40,900] supposedly. This money should be spent for the National Park. All moneys go to the ministry…

His comment indicates a belief that the monetary benefit accrued from tourism in a destination should be spent or invested relative to the acquired tourism benefits. A similar view was expressed by a central government Ministry employee:

…tourism may only benefit certain areas in the country. Therefore, tax revenues and other earnings from (the) tourism sector should be encouraged to be credited in the local treasury

The idea that tourism revenue should be re-spent locally, relative to its benefit to the local economy, was commonly shared amongst the range of stakeholder groups interviewed. However, current legal arrangements do not allow local government bodies to collect and spend tourism-related tax revenues locally.

Although tourism businesses themselves believe that they have generated certain economic benefits for the local economy, it is clearly evident that some
local people do not tend to see or receive tourism’s economic benefits from the tourism businesses. Furthermore, a sense of unfairness was expressed in relation to this. A resident in the Lake Hovsgol area, for instance, commented that “…ger camp tour operators’ money goes to their pocket… any resources from a certain area should benefit its residents”. It suggests that revenues from tourism businesses benefit these businesses rather than bringing wider benefits to the local economy, as desired. Further, it suggests that people believe that they should collectively gain benefits from their local natural resources in a tourist destination. This view contrasts with studies of fairness and equity in relation to tourism benefits in other parts of Asia (see for example, Palmer and Chuamuangphan 2017, and the context of Thailand where individualistic rather than collective values were found to be prominent). Thus, a societal distinction between views on equity and fairness should be acknowledged.

So, it can be seen that because of the current centralization of budget, the local administrative divisions may be less proactive to achieve better financial performance. It seems that limited financial power in rural areas minimizes the motivation of local administrative divisions to increase their tax base in the area. In the case of Lake Hovsgol, revenue from the entrance fee decreased between 2010 and 2013, before picking up again in 2014 (see Table 2). Yet, it greatly fluctuates over the period while the revenue increased 2.4 fold in 2017 in comparison to the previous year. A local tourism officer anecdotally reported that National Park staff are reluctant to collect all entrance fees, in order to avoid to receiving a higher fee limit on their entrance tax collection plan for the following year. It was also stated by a different interviewee that, in one of the case study areas, some National Park staff purposefully avoid issuing entrance tickets to tour group leaders, instead offering a reduced entrance fee and taking the fee for himself or herself. Such practices of bribery at a micro-level appeared to affect the macro-level financial performance of the National Park.

Consequently, tourism-related revenue spending is dis-proportionate to the scale of tourism development. Although tourism business operators generate certain tax revenues from their business, the grassroots people or local community tend to negate these benefits to the local economy. It may be the result of malfunction and inefficiency in governance and its budgeting policy, one example of where procedural injustice was identified. This is illustrated in Tables 3 and 4.
Table 3. Entrance fee revenue from the Lake Hovsgol National Park and state budget finance, 2010-2017

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrance fee revenue (in Mongolian Tughrik -MNT)</td>
<td>17,422,300</td>
<td>14,542,400</td>
<td>16,066,821</td>
<td>12,698,276</td>
<td>20,237,920</td>
<td>26,190,390</td>
<td>20,719,100</td>
<td>50,056,130</td>
</tr>
<tr>
<td>State budget finance</td>
<td>137,499,000</td>
<td>154,092,800</td>
<td>216,952,800</td>
<td>231,458,180</td>
<td>259,427,100</td>
<td>310,361,690</td>
<td>307,200,200</td>
<td>285,794,700</td>
</tr>
<tr>
<td>Total</td>
<td>167,439,779</td>
<td>168,635,200</td>
<td>234,020,641</td>
<td>254,251,791</td>
<td>284,427,100</td>
<td>341,552,080</td>
<td>339,415,120</td>
<td>344,134,830</td>
</tr>
</tbody>
</table>

Source: Personal communication with an official at Lake Hovsgol National Park 2017.

As Table 4 indicates, the majority of the proposed budget of Lake Hovsgol National Park is spent on staff salaries (between 77.2%-82.8%) while little is allocated to environmental protection (between 0.9%-10%) during the period of 2012 and 2017. This suggests that a centralized budget leaves less incentive to the National Park staff to expand its tax base and there has been little spent on tourism’s core resources of the environment and its conservation.

Table 4. Budget revenue and expenditure for Lake Hovsgol National Park, 2012-2017

<table>
<thead>
<tr>
<th>Year</th>
<th>Self revenue</th>
<th>Revenue from auxiliary operations</th>
<th>Funding from the State</th>
<th>Total income</th>
<th>Wage percentage in total expenditure</th>
<th>Other current expenditure in total expenditure</th>
<th>Environmental protection expenditure in total expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>8,638.4</td>
<td>7,668.4</td>
<td>216,952.8</td>
<td>233,259.6</td>
<td>77.2%</td>
<td>21.9%</td>
<td>0.9%</td>
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<td>2013</td>
<td>18,003.6</td>
<td>4,790.0</td>
<td>231,458.2</td>
<td>254,251.8</td>
<td>82.8%</td>
<td>13.7%</td>
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<td>2014</td>
<td>20,387.9</td>
<td>4,612.1</td>
<td>282,393.1</td>
<td>307,393.1</td>
<td>80.2%</td>
<td>15%</td>
<td>4.8%</td>
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<td>2015</td>
<td>26,190.4</td>
<td>5,000.0</td>
<td>310,361.7</td>
<td>341,552.1</td>
<td>81.0%</td>
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<td>2016</td>
<td>20,719.1</td>
<td>11,495.8</td>
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<td>2017</td>
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<td>285,794.7</td>
<td>344,134.8</td>
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</table>

Source: Personal communication with an official at Lake Hovsgol National Park 2017.

Procedural injustice in tourism involvement

Government officials and IDOs appear to be reluctant to acknowledge the importance of grassroots people’s participation in tourism policy making according to some interviewees. The interests of elite groups of the community
or public often seem to be favored in tourism policy. Vivid examples were observed in relation to the land tenure of tourism infrastructure development and distribution of access to other natural resources in the case study areas. Tourism policy making appears to rely on elitist views, not unusual with other studies of tourism development, paying little attention to the grassroots people’s aspirations despite the lives of the grassroots people often depending on natural resources and casual employment opportunities from tourism. During the field work, for instance, a tourism NGO employee in Ulaanbaatar remarked:

> The provincial governor has greater influence on tourism’s policy making while the local people have no involvement. Provincial governors and local “atamans” have greater influence. The governance in Mongolia is like an upside down pyramid.

This suggests that governance and power are allocated to ministries and state agencies at a central level of government while limited power is allocated to people in rural areas. Supporting this argument, an IDO representative commented:

> Rural people, in general, do not get involved in tourism policy planning. The government and donors go out to districts to ask rural people about the government’s policy on tourism: I am not sure that it is a necessary thing to do.

This suggests that IDOs seem to be less supportive of consultation with the grassroots people on the government’s policy on tourism. It appears that rural governance in a transition economy such as Mongolia does not seem to be mature enough to prioritize the aspirations of its citizens. This can further be supported by a United States Agency for International Development (USAID) report on Mongolia that notes:

> A lack of transparency and access to information that surrounds many government functions and undermines nearly all aspects of accountability by contributing to an ineffective media and hindering citizen participation in policy discussions and government oversight (USAID 2005, p. 3).
In such governance, tourism sector policy and planning seems to take place without consideration of the grassroots people’s views, thus wakening local voices in tourism policy planning.

The aspirations of the grassroots people on tourism infrastructure development, including their views about a ger camp⁵ establishment, are seemingly less considered by local governors in the case study areas in the Lake Hovsgol region. These problems of procedural injustice affect the distribution of tourism’s benefits. Although there is a legal requirement to gain consensus from local residents on ger camp establishment in the areas where they live, this appears to be less practiced in reality. According to the Law on Management for Administrative Divisions of Mongolia, for example, “to construct a building… in a catchment area, the views of the local residents must be considered before proceeding”. In relation to practice, one farmer near the Bayanzag in the Gobi Desert argued that:

[The] district governor and parish governor seem to decide where to allow ger camp establishment…Residents must not be restricted in their access to natural resources whereas people with money took land and established their ger camps. They promise to hire local people but they don’t fulfil their promises.

His comment provides an example of how the private sector is able to obtain common land to establish a ger camp and avoid fulfilling the promises made at planning proposal stage. The grassroots people supported a ger camp development hoping that employment opportunities become available for the local people. Yet promises made at planning proposal stage often do not appear to be realized. It was suggested by a ger camp director in the Gobi Desert that having a district governor as a friend facilitated land permission to establish his camp.

This suggests that connections in the local administrative office may be important to start a tourism business. Obtaining the consensus of local residents seems to be a rhetorical process involving many promises being given by tourism businesses in order to ease the obtaining of the public consensus. This is an example of how some actors maneuver under certain constraints, exerting their agency.
Having a *ger* camp near nomadic herders often does not seem to be beneficial to local people because of reported false promises made by tourism businesses. In the Lake Hovsgol National Park, one head of a local NGO commented that:

> National Park officials don’t listen to us. Tourism policies including National Park management, and conservation of biological species, must be relied on local residents’ [opinions] which are considered as good governance. But it is vice versa in the National Park.

The views of the residents may be vital to tourism policy making but the views of the grassroots people appear to be ignored. Without collective participation of the grassroots people, there may have been unfair outcomes, as exemplified through this interviewee quote:

> A land the size of 13,000 hectares, along 100km of coastline of the Lake Hovsgol, was given to a resort development project by a private company by the National Park authorities, which had a hidden intention of privatizing the land in the future... So we opposed this decision and got together, to let the top officials know. Eventually the ministry, residents and the company agreed to test the initial project in a small area of land.

**Procedural injustice in free market competition in tourism**

Several interviewees suggested that some of the officials have a conflict of interest when their private interests tend to be prioritized over wider public interest. It was observed that a number of the officials had their own businesses and this created power imbalances, frustrating any ideal of free market competition.

In corroboration of these perceptions, an independent report by USAID on corruption levels in Mongolia identified “a profound blurring of the lines between the public and private sector brought about by endemic and systemic conflict of interest at nearly all levels” (USAID 2005, p. 3). More recently, Transparency International (2016) ranked Mongolia as the 86th (out of 176) country in its “Corruption Perceptions Index 2016”. This seems to have negative consequences for grassroots people, suggesting that their opportunities to increase their Standard of Living is linked to social capital in the form of social networks.
A further observation to note is that tourism-related business initiatives by the grassroots people do not seem to be supported by the authorities, or are at least slow to be realized, partly because they may conflict with officials’ private businesses interests.

Grassroots people expressed concern that they seem to experience unprecedented bureaucracy and perceive inequity in the ways in which local authorities appear to prioritize improvement of their own lives above the lives of residents. One local herdswoman who ran a guest house in the Lake Hovsgol area bemoaned, ‘…I had to travel to the capital city to get land permission from the ministry at the National Park…’. Travelling over 800km to get a land leasing permission in the National Park can only be seen as bureaucracy. This case was also supported by a comment from the head of a local NGO:

…now the National Park director decides who should build a *ger* camp and where in the National Park, which is unlawful. Residents must decide where to allocate these *ger* camps. They don’t ask local residents and push them from their pastoral land due to unlawful decisions by the officer.

It suggests that there exists governance malfunction, and that the aspirations of grassroots people are of less concern. However, responsibility of the government may be misunderstood by the public sector workers and a former communist mind-set seems to be persistent despite the transition made to a democratic governance system. USAID (2005, p. 3) describes this as “an inadequate civil service system that gives rise to a highly politicized public administration and the existence of a ‘spoils system’.”

The efficacy of governance is questionable in that it may adversely affect the development of tourism and the standard of living of local grassroots people. The interviewees seek good governance because they feel that it may enhance citizens’ lives, in the belief that people will pursue better lives under supportive governance.

Procedural injustice seems to have broader consequences for distributive justice in relation to environmental burdens. A common discourse emerged around how free market competition between tourism businesses seems to
be less possible because bribing of public sector workers by some tourism businesses was practiced. The notion of free market competition being in existence as a result of transition from soviet control was questionable. It was noted that some of the ger camps with links to actors holding positions of authority in local administration tended to avoid fines for their failure on service quality monitoring by a state-level agency. In contrast, other ger camp operators reported having to spend a fair share of their revenues to meet official environmental standards of safety and sanitation.

As a consequence, higher risks of environmental pollution and less competitive wages for the grassroots people seem to be the outcomes. In brief, it can be seen that corruption appears to be weakening the efficiency of the market economy and it may further result in a deprived standard of living among the grassroots people. For example, one ger camp operator in the Lake Hovsgol area argued that:

There was a rumor among local people about the waste discharge by some enterprise… Inspections by the government agency are very fake. The sewage container from the neighboring ger camp did not lay a cement layer underneath the container but they got the permission, whereas our disposal container was buried after their inspections. They require us to dig it out and relay cement beneath it now…. It [inspection] may depend on who you know and this [the ger camp next to her ger camp] was established by someone who was a minister. Inspection is not equal to everyone. This causes unbalanced relations.

Failure to meet basic environmental safety measures and unfair treatment of the tourism businesses by the state inspection agency seems to result in unequal competition among supposedly freely operating tourism businesses. Thus, some businesses may be less competitive on the market and, subsequently, have to reduce wage levels to compensate for the costs spent on the fines or bribes. This may further affect the wage levels of the employees in the area. Unfair treatment of the businesses by the state inspection agency may be seen as an example of procedural injustice which appears to result in distributive injustice - unfair outcomes in the form of environmental burdens and minimal economic benefits.
Distributive justice in tourism benefits and burdens

The discussion now moves onto discourses about distributive justice that concern environmental burdens and benefits distributed among different actors in tourism development processes (Walker 2012). It is difficult to illustrate a degree of environmental injustice in terms of single numbers or indicators because of its complexity and possible multiple interpretations. The views of those who have been affected by the distribution of environmental burdens and benefits may reveal discourses about distributive injustice.

Tourism development in rural areas is heavily reliant on natural resources, by nature. Access to natural resources is frequently noted as a contentious issue by local grassroots people during tourism development. In many cases, tourism tends to be viewed as a pathway to destination development but local people are often aware of the potential benefits and dis-benefits of tourism development, particularly longer term consequences. In the case study areas in Mongolia it was noted that some grassroots people were unprepared for the exclusion from their traditional grazing land that materialized when tourism companies with business ideas and money were allowed by officials to operate on their land. There are spatialities of power in evidence here (Gorbunstova et al. 2018) - with local grassroots actors reporting that they faced oppression if they did not possess high level (authority-based) social connections.

In the Lake Hovsgol area, in particular, it was noted that the local herders complained about unfair distribution of access to land in the National Park territory. In one interview with a nomadic herder who worked as a local horse wrangler, it was argued that leasing permissions for ger camps often resulted in ‘closed’ (fenced off), reduced herding space and this was viewed as a discriminatory practice.

The authorities were perceived to neglect the grassroots people’s aspirations and were considered to serve primarily tourism businesses with little regard for the displacement of nomadic herders from traditional grazing land. This signifies unjust distribution of natural resources, suggesting that governance is poorly managed by the authorities and demonstrates how understanding the ability of people to use goods effectively “to pursue their own ends” raises the central theory of justice concerns over “what happens to the people” (Sen 1984; 1992; 1999).
National Park authorities appeared to negotiate with private businesses over land access without considering local needs. The level of uneven distribution in accessing natural resources can be described as ‘severe’, where, in some instances, grassroots people are moved towards physical conflict with developers:

…there are over 30 herders whose summer camp areas were taken by the people, who have money and they negotiate “above us”… I was thinking of shooting the ger camp developers when I felt no other way to go around. A large number of ger camp establishments aren’t quite right.

Land lease permission processes seem to take place ‘under the table’, away from open discussion and consultation - in the words of one respondent, in the context of Lake Hovsgol, “above us”. Thus, some grassroots people seem to feel powerless and angry about the decisions made in the areas where they live by some of the authorities. It seems that local authorities demonstrate little care about what the grassroots people aspire to. The rights and needs of private businesses appear to have been accorded greater emphasis in comparison with those of grassroots people, who seem to be less powerful in terms of power of influence.

Similar observations emerged in parts of the Gobi Desert. Here there were reports of ger camp operators exploiting the imbalance of power of influence through restricting access to resources. This was supported by field observations. Grassroots people generally opposed tourism companies for limiting herder access to a water-well near a ger camp in the Gobi Desert, despite the well being vital to the watering of herders’ livestock. The herders felt that this violated their basic rights for pursuing their traditional way of living. The monetary power of the developers was recognized to influence conflicting access to resources. Overall, the grassroots people appeared to be rather modest in their responses against ger camp development decisions. On at least one occasion, it emerged that an officer who was supposed to regulate private and public relations in tourism development processes in rural areas ignored these emerging issues in tourism-related development.
Distributive injustice in access to natural resources

Consequences surrounding conflicts in conservation practices may relate to distributive injustice. Tourism-related regulations and conservation practices seem to indirectly influence the Standard of Living of the grassroots people. One herdswoman, for example, in the Lake Hovsgol area, argued that:

Big ger camps are influential… There are a lots of things out of regulations at these ger camps. They do illegal logging… But National Park officials try to fine us in large sums and restrict the grazing of animals. It seems that we’re losing the land where we have been living. Protection policy of the National Park is no good and is unjust. You may encounter the logs prepared in the mountains in the protected area.

This suggests that a ban on local people using natural resources in the National Park seems to be unfair and conservation policy appears to result in various impacts on local livelihoods. It was reported, for example, that the ger camps can still undertake illegal logging without penalty but local people appear to be unfairly penalized for allowing livestock grazing in the National Park.

Having to be given permission to access natural resources is perceived to be ‘unfair’ and the process is often dependent on personal contacts with the officials. A female souvenir seller in the Lake Hovsgol area reported:

We need to get permission from environmental protection unit upon payment of tax of 10,000 tugrugs [USD 10]. Net fishing is mostly available for those who have money. In the spring and autumn, people who have money can get 10-20 house logging permissions. But, for us, it takes 5 years to get logging permission for our own house. We requested logging permission in 2005 but still could not get it at the moment because of a queue.

This suggests that there was unfair access to natural resources and people with money appeared to be prioritized. The existence of corruption in the public sector in relation to accessing natural resources was recognized. Although the respondent does not mention monetary bribes, her expression “people with
“money” may indicate financial power possibly being exercised. The National Park conservation policy appears to leave grassroots people with the choice of travelling long distances to undertake logging (at a cost to their livelihoods) or to act illegally by logging locally in order to save money. The existence of different rules for different social groups of actors here, questions the abilities of an individual in this context to function, to use opportunities, to make choices, and to take actions. It affects their ‘capability’ (Sen 1999).

Conclusions

This paper has considered local experiences and perceptions in its exploration of equity in tourism development, in relation to fairness in both process (procedural justice) and outcome (distributive justice). Expectations of local grassroots people in particular may be seen to reflect the geographical and social context of Mongolia’s political and economic transition from state-led soviet socialism. Notions of ‘fairness’ here appeared to be grounded on an expectation that equity should be driven by state institutional processes. The state was very much viewed as an instrumental actor in the production of inequity.

Lack of equity in tourism development in a rural Mongolian context is found to be heavily defined by unfair and inequitable state institutional processes, in particular. This procedural injustice appears to be heavily influenced by social networks and opportunities of access. This supports the idea of inhibitors to host community participation in tourism development (Saufi et al. 2014) and the importance of the abilities of an individual to function to use opportunities to make choices and to take actions (Sen 1984; 1992; 1999). It questions the extent to which there exist real freedoms or opportunities to facilitate or enable being or doing, particularly in a lesser developed, transitional context.

The present study illustrates that when procedural justice is taken to be ‘unfair’ at an institutional level, often in the public sector, this tends to affect and contribute to perceptions of distributive injustice. At this macro-level, we found that unfairness in the judicial system and in governance, often had knock-on effects for distributive injustice at grassroots level during tourism development. It was observed that governance in Mongolia was highly concentrated at the central government institutional level, while relatively little power was assigned to provincial and district level government institutions. As a result of this inverse governance structure, tax revenues from the utilization of natural
resources by tourism businesses were collected by the state treasury but only a little money was returned to the tourist destination areas. One consequence of this was that the grassroots people were less likely to acknowledge tourism’s actual economic benefits to their local region. In fact, due to state policies, the host destination could only gain minimal economic benefit.

Another example of procedural injustice was recognized to be related to the limited aspirations of grassroots people in tourism policy and planning. Financially powerful tourism businesses were often influential in these policies. Thus, land resources were often ‘captured’ in leases held by business elites, while grassroots people were marginalized from their traditional animal grazing land. Although there were legal requirements to reflect the views of local people in relation to the establishment of a new ger camp in an area, in reality, business people with their networks in local government offices often secured the lease permissions.

Also nepotism seemed to be common, and this appeared to result in long-lasting environmental consequences. It seemed often to have been the case that tourism businesses with networks in the inspection agency managed to avoid fines despite failing to meet environmental safety standards. This had two major consequences. First, free market competition was prevented, with other competing tourism businesses being placed in a disadvantaged position, and possibly it could have led to the entrenchment of minimal wages and reduced economic benefits for local people. Second, the ger camps which discharged sewage directly into the soil placed the local people at risk in the long term.

The present study, therefore, revealed complex interactions of diverse actors associated with some seemingly unjust procedures of the government institutions, with some quite far-reaching unjust distributive outcomes, particularly around natural resources and environmental pollution. Notably, the grassroots people in a country undergoing transition seemed to take a disproportionately large share of such adverse tourism consequences, burdened by environmental pollution and an associated unfair distribution of natural resources. The study provides much needed information on local changes arising from tourism development in a setting like Mongolia. This contextual focus is important. The value of the research should not be under-estimated in line with a need to acknowledge the geographical and societal nature
of fairness and justice within the human development policy paradigm and persistent, if not growing, emphasis on human indices of wellbeing in sustainable development (UNDP 2016) and, by virtue, sustainable tourism development.

Notes

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1. Measure of the deviation of the distribution of income among individuals or households within a country from a perfectly equal distribution. A value of 0 represents absolute equality, a value of 100 absolute inequality (UNDP 2013).

2. Snowballing is a technique whereby the researcher finds interviewees by asking people who have already been interviewed to identify other people they know who fit the selection criteria. Ritchie and Lewis (2006) suggest that there may be a risk of losing sample diversity, and this may be avoided through asking interviewees to identify people who fit the selection criteria but are dissimilar to them (non-friends or non-family members).

3. Grassroots people refers to ordinary local people from the case study areas who are involved in various forms of livelihood activities in the area.

4. US$1=MNT 2,445

5. *Ger* camp refers a travellers’ accommodation in Mongolia made up traditional felt dwelling of *gers* as an accommodation, dining restaurant and modern facilities.
References


