



Informal microfinance institutions and development-led tourism entrepreneurship



Michael Z. Ngoasong^{a,*}, Albert N. Kimbu^b

^a Department of Public Leadership & Social Enterprise, The Open University, Walton Hall, Milton Keynes, MK7 6AA, United Kingdom

^b School of Hospitality and Tourism Management, University of Surrey, Guildford, GU2 7XH, United Kingdom

HIGHLIGHTS

- Informal microfinance institutions promote development-led tourism entrepreneurship.
- The theoretical framework integrates resilience, social capital, collective action and entrepreneurship concepts.
- Collective action in informal microfinance institutions enable entrepreneurial members to create small tourism firms.
- Social capital and collective action are key predictors of development-led tourism entrepreneurship.
- Legislating informal microfinance institutions does not guarantee development-led tourism entrepreneurship.

ARTICLE INFO

Article history:

Received 13 January 2015

Received in revised form

15 July 2015

Accepted 18 July 2015

Available online xxx

Keywords:

Development-led tourism entrepreneurship

Informal microfinance institutions

Resilience

Social capital

Collective action

Cameroon

ABSTRACT

This paper explores how informal microfinance institutions (IMFIs) support development-led tourism entrepreneurship through providing microcredit and development opportunities to small tourism firms (STFs), as well as undertaking communitarian projects and outreach activities that promote the business activities of STFs. Drawing on resilience and social capital as central concepts, the paper argues that the form of collective action found in IMFIs can be examined to understand their impact on development-led tourism entrepreneurship. Using Cameroon as a case study important policy challenges in destinations where regulatory constraints cause many STFs to become dependent on IMFIs as opposed to formal (regulated) financial institutions in development-led tourism are highlighted.

© 2015 Elsevier Ltd. All rights reserved.

1. Introduction

Informal microfinance institutions (IMFIs) are recognized as attractive alternatives to formal (regulated) financial institutions for enabling new business creation (Ayyagari, Demirgüç-Kunt, & Maksimovic, 2010; Seibel, 2000), with the potential to contribute to development-led tourism (Kimbu, 2010). Development-led tourism occurs when small tourism firms (STFs) and community groups are empowered through enterprise policies that support tourism businesses and community projects that promote tourism (Brown, 1998a; Kwaramba, Lovetta, Louwb, & Chipumuroc, 2012).

IMFIs pursue a similar empowerment goal, with members/clients seen as both contributors and beneficiaries of community development (Ayyagari et al., 2010). STFs are important for “providing a wide range of tourism and hospitality services” (Zhao, Ritchie, & Echtner, 2011, p. 1573) despite insufficient state-supported funding and governance mechanisms (Kimbu & Ngoasong, 2013). Given that many owners of STFs in Sub-Saharan Africa are members of IMFIs (Kimbu, 2010), the role of IMFIs can be crucial in supporting development-led tourism entrepreneurship.

The tourism-development thrust of this study reflects the interdependence, linkages, and complementary relationships that tourism has with different economic sectors and localities. Previous studies have examined the development potential of STFs (Steel, 2012) and community tourism projects (Jones, 2005; Kwaramba et al., 2012). Recently there have been calls for more research that articulate the complementary relationships (Ohe & Kurihara, 2013)

* Corresponding author.

E-mail addresses: michael.ngoasong@open.ac.uk (M.Z. Ngoasong), a.kimbu@surrey.ac.uk (A.N. Kimbu).

between STFs, communitarian projects (Martí, Courpasson, & Barbosa, 2013) and the tourism industry. In response to these calls, this study critically examines the complementary relationships between the direct effects of IMFIs (e.g. through providing microcredit and development opportunities to STFs), and indirect effects (e.g. communitarian projects and outreach activities) on development-led tourism. This research contributes to the literature debating the impacts of IMFIs on development (Banerjee & Duflo, 2011; Mayoux, 2001; WTO, 2005) by uncovering the nature of the collective action that enables IMFIs to impact on a specific economic sector, in this case development-led tourism entrepreneurship.

Collective action reflects the mobilization and use of social capital by a microfinance institution (Woolcock, 1999) to achieve its goals and to adapt to risks/threats in the environment (Woolcock, 2010). Social capital constitutes the shared trust, reciprocal exchanges, and rules that shape the collective action that organizations need to be resilient (Adger, 2003). It does not always produce desired outcomes (Pretty & Ward, 2001). In the face of threats that may prevent desired outcomes, resilience enables the organization to adapt by improvising (Coutu, 2002) and utilizing indigenous resources to respond to these threats (O'Brien & Hope, 2010). This adaptive ability, in the case of IMFIs, provides opportunities for individual entrepreneur members (Jones, 2005) to create resilient STFs (Biggs, Hall, & Stoeckl, 2012; Sullivan-Taylor & Wilson, 2009).

As organizations, IMFIs and most of the STFs they support “engage with tourists and the tourism industry, [but] are not members of any formal association or trade organization, are not recognized by the local tourism boards, and their legal goods or services are often unlicensed or unregulated by local, regional, or national governments” (Slocum, Backman, & Robinson, 2011, p. 45). This informality exposes them to market uncertainties and the threat of government sanctions requiring them to be resilient to sustain their activities. This leads to two research questions explored in this study: 1) How does the collective action found in IMFIs enable an understanding of their impact on development-led tourism entrepreneurship? 2) In what ways can STFs depend on IMFIs to contribute to development-led tourism?

To answer the above questions, this paper provides a micro-ethnographic study (Kwaramba et al., 2012; Mitas, Yarnal, & Chick, 2012) of three types of IMFIs, namely: hometown associations, rotating savings and credits associations, and accumulating savings and credits associations in Cameroon (Tche, 2009) in supporting development-led tourism entrepreneurship. If well supported STFs can be crucial private actors in the provision of tourism and hospitality services, especially in regions not served by large firms (Kimbu & Ngoasong, 2013). Our findings contribute to knowledge of the role of IMFIs, as complementary to state-regulated programmes, in providing such support.

Section 2 presents a theoretical framework for understanding the forms of collective action in IMFIs that determine their ability to be resilient in the face of uncertainties and threats in their operating environment. Section 3 presents our study method while section 4 presents an empirical analysis of the role of IMFIs in supporting development-led tourism entrepreneurship. A discussion is provided in section 5 while section 6 concludes the study.

2. Theoretical framework

2.1. Microfinance institutions and development-led tourism entrepreneurship

Development-led tourism entrepreneurship is a process where small private firms and local communities (Brown, 1998a, 1998b) are encouraged and supported to use tourism to promote local

development and vice versa (Akama & Kieti, 2007; Brown, 1998a; Ramukumba, Mmbengwa, Mwamayi, & Groenewald, 2012). Notable examples are duration-specific IMF/World Bank-funded state-run initiatives on nature tourism in the 1980s (Brown, 1998b); and recent state-regulated funding, business training, and marketing support to small tourism firms (STFs) (Kwaramba et al., 2012; Ramukumba et al., 2012). However, state-regulated programmes are not entirely successful due to unsustainable funding and poor infrastructure (Kimbu & Ngoasong, 2013; Kwaramba et al., 2012). Furthermore, STFs struggle to “secure credit from commercial banks” due to lack of collateral (Zhao et al., 2011, p. 1573). It is from this context that this study contributes to understanding how informal microfinance institutions (IMFIs) can complement state-regulated development-led tourism entrepreneurship initiatives.

As organizations, IMFIs provide micro-credit loans and development opportunities that facilitate the creation of businesses by their members (Banerjee & Duflo, 2011; Lyon, 2005). This combination of a development and banking logic (Battilana & Dorado, 2010) can enable IMFIs to provide direct and indirect support to development-led tourism entrepreneurship. Direct support may include funding for creating STFs that in turn serve the tourism industry value chain (e.g. Slocum et al., 2011). Any member of an IMFI who creates, owns and/or manages an STF is a tourism entrepreneur, defined as “a prominent actor” that sees “windows of opportunity in chaotic environments” (Strobl & Peters, 2013, p. 63). STFs include accommodation (B&Bs and hotels) and ancillary businesses (cafes, pubs, visitor centers, village shops, galleries, street vending) (Bosworth & Farrell, 2011; Rogerson, 2005; Steel, 2012). Indirect support in this context take the form of IMF-led projects that represent what Crowe (2013) calls outreach and enrichment activities that attract and retain tourists.

Another important reason for studying IMFIs is the significance of the informal sector, which accounts for the largest share of domestic economic activities in Sub-Saharan Africa (Rogerson, 2005; Slocum et al., 2011; Spring, 2009). Our focus is on microfinance institutions (MFIs) and some STFs that operate in the informal sector, widely acknowledged as the norm among the poor (Slocum et al., 2011; Spring, 2009; Yotsumoto, 2013). While the internal operations of formal MFIs are well researched (Banerjee & Duflo, 2011; Woolcock, 1999), there is a relative neglect of IMFIs. By operating outside direct government control, success depends not on profit maximization, but a sense of community and individual circumstances (Thomas, Page & Shaw, 2011). Examining such informal relationships through what Thomas, Shaw, and Page (2011, p. 970) call “novel conceptual and methodological approaches” is necessary for understanding how IMFIs promote development-led tourism entrepreneurship.

2.2. Collective action in IMFIs: the role of resilience and social capital

To understand forms of collective action that enable IMFIs to support development-led tourism entrepreneurship, we draw on the literature linking resilience, social capital, and community development. IMFIs and STFs are exposed to a number of vulnerabilities, threats, and/or risks that require them to be resilient to sustain their operations. The very fact of operating in the informal sector is risky due to the difficulties of scaling up operations, operating in unregulated competitive markets, limited government support through investments in infrastructure, and lack of support from local tourism boards (Slocum et al., 2011; Spring, 2009). The possibility of government sanctions on their unregistered businesses and the “poverty of their everyday lives” (Bruton, Khavul, & Chavez, 2011, p. 723) also threatens the sustainability of their

activities (Banerjee & Duflo, 2011). Resilience is relevant here because it describes the ability of an organization to respond and/or adapt effectively to uncertainties and threats in the micro and macro environment (Coutu, 2002; Ruiz-Ballesteros, 2011).

Existing research has utilized the concept of resilience at firm and community levels. Breukel and Go (2009) argue that many STFs may lack resilience due to unpreparedness and isolated (as against group level) decision-making processes. To be resilient such firms “meticulously prepare for the worst and establish routines enabling them to improvise rapid responses to crises” (Sullivan-Taylor & Wilson, 2009, p. 255). Others rely on informal networks to identify and pro-actively respond to threats (Sullivan-Taylor & Branicki, 2011). For community organizations, the availability of capital (social, financial, human, natural, physical and technological) (Emery & Flora, 2006) and the system of governance are major enablers of resilience (Strickland-Munro, Allison, & Moore, 2010). Without proper systems of governance, managers of MFIs come under pressure to develop their own standardized requirements and procedures to serve community members. Some bend or ignore legal rules in an effort to better address organizational and client needs (Canales, 2011). Others rely on trust and power relations to mobilize membership, and use group resources to reduce the extent and risk of poverty amongst group members (Banerjee & Duflo, 2011; Lyon, 2005).

Our focus in this study is examining how the organizational mechanisms created by IMFIs directly support STFs through the benefits of membership, credit extension, and group practices (Anderson, Locker, & Nugent, 2002), and indirectly through outreach and enrichment activities that promote tourism. This is where the interconnectivity between resilience, social capital and community development becomes crucial as it enables us to articulate the mutual benefits of collective action for the community organizations, their individual members and the local communities as a whole (Adger, 2003; Pretty & Ward, 2001; Woolcock, 1999). Social capital combines shared trust, reciprocity, and co-operation to create development opportunities (Zahra & McGehee, 2013). For example, social capital shapes the collective action that allows communities to be resilient and adapt to extreme phenomena such as climate change (Adger, 2003). Understanding the form of collective action in an IMFI involves examining the components of social capital that it mobilizes, and exploring how social capital facilitates adaptation processes within the IMFI.

We follow Emery and Flora (2006) argument for multiple forms of capital approach in understanding collective action. However, we focus on social capital, defined as “the sum of the actual and potential resources embedded within, available through, and derived from the network of relationships possessed by an individual or

social unit” (Nahapiet & Ghoshal, 1998, p. 243). Fig. 1 presents four components of social capital that are used to analyze the collective action that shape the resilience of IMFIs and the STFs they support: incentives, lateral trust, vertical trust, and authority. The finance-oriented (micro-credit and loans) and development-oriented opportunities (Levenson & Besley, 1996) are important components of social capital because they serve as incentives for individuals to join and benefit from IMFIs (Anderson et al., 2002; Lyon, 2005). Shared trust exists as lateral and/or vertical trust, both of which enhance cooperative behavior. Lateral or horizontal trust (Adger, 2003) can be found among individuals at the same level or situation (e.g. same profession, ethnic group, and/or position within an organization), while vertical trust exist among individuals at different levels (e.g. manager-subordinate, tribal heads-community members) (Coleman, 1990; Lyon, 2005).

Social capital also includes authority in the form of management and decision-making processes exercised by executive committees and community leaders (Lyon, 2005; Strobl & Peters, 2013). In this case “mutually-agreed sanctions ensure that those who break the rules know they will be punished” (Pretty & Ward, 2001, p. 211). The four components of social capital enables members of an IMFI to collectively build and sustain a close-knit community that is capable of initiating communitarian projects while collectively empowering individual members (Jones, 2005). Members can access any of the four resources “reactively and proactively” in order to “develop increased competence (i.e. positive outcomes) in dealing with a threat” (Obrist, Mayumana, & Kessy, 2010, p. 289), and for social support (Lee, Sudom, & McCreary, 2011) in relating and coping with their day-to-day tasks (Wieland & Wallenburg, 2013).

3. Study methods

3.1. Research site

The emergence as an attractive tourism destination, the institutional evolution of tourism development (Kimbu & Ngoasong, 2013), and the potential for IMFIs to contribute to tourism development (Kimbu, 2010) makes Cameroon an appropriate case for this study. For the same reasons our empirical analysis focuses on the Western and North Western Regions of the country. The intricate mixture of traditional palaces, colonial architecture, artworks and artefacts on display at the palaces of the *fons* (kings) of Bafut, Bali, Banson (North West Region), Bandjoun and Foumban (Western Region), the rich folklore and numerous cultural festivals are attracting both domestic and international visitors (Kimbu, 2010). These have increased the demand for and creation of many STFs

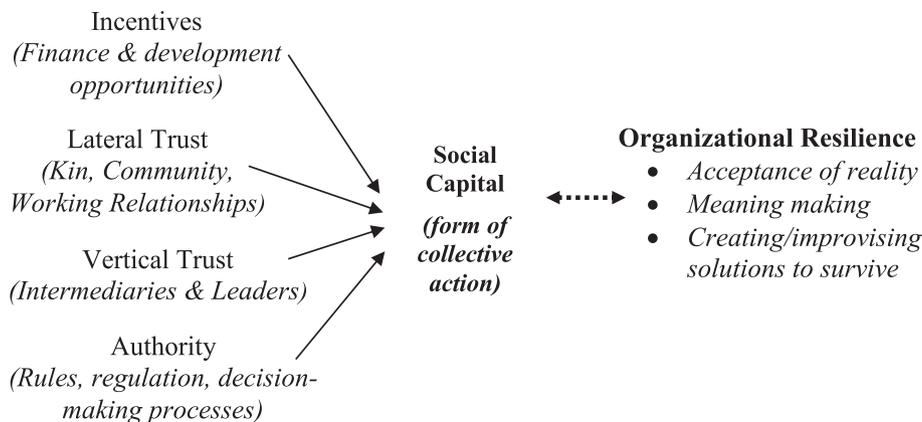


Fig. 1. How collective action shapes organizational resilience.

(Fowler, 1997; Kimbu, 2010).

Alongside this history of cultural and heritage tourism, IMFIs have existed in Cameroon for over a century with an estimated 80% of the adult population in both rural and urban regions being active in IMFIs as at 1992 (Bouman, 1995). They are commonly known as “*njangis*” and “*tontines*” in the English-speaking and French-speaking regions respectively (Kimbu, 2010). They are rooted in strong ethnic traditions founded on the promotion of individual success but with the moral and financial support of the whole community. Succession patterns in the two regions under investigation are such that inheritance is not always evenly distributed but rather one “anointed successor” inherits everything to the detriment of other siblings. Consequently, *njangis/tontines* provide avenues for individuals to access capital and development opportunities beyond the generosity and inheritance of their parents (Bouman, 1994; Maguerat, 1983).

In addition to being embedded in the social structure of society, IMFIs have become important attractive alternatives to formal sources of finance. The banking and economic crisis of the late 1980s and early 1990s saw the collapse of several banks, the loss of trust and confidence in commercial banking, and the formal legislation of IMFIs (COBAC, 2007; Zangue, 2009). Those micro-finance institutions (MFIs) that did not meet legislative requirements were declared illegal and shut-down by the government, while those that qualified struggled to survive due to weak infrastructure, low population density, and loan delinquency (Zangue, 2009). Consequently, the number of formal MFIs has steadily declined (from a peak of 652 in 2000 to 452 in 2012) while IMFIs have proliferated (APA, 2012; Tche, 2009). The informal relationship suggests “fuzzy process characteristics” and justifies the adoption of a case study approach (Strobl & Peters, 2013, p. 63).

Using purposive sampling, twelve IMFIs drawn from hometown associations (HTAs), rotating savings and credits associations (ROSCAs), accumulating savings and credits associations (ASCAs), and their members who own STFs were selected for empirical research (Table 1). Purposive sampling ensured that we selected only those IMFIs that have members who own STFs. As depicted in Table 1, ASCAs and ROSCAs are typical IMFIs in that the funds provided by members are often exclusively used only by contributing members, and membership could be made up of persons from the same or different ethnic/professional/age groups (Bouman, 1994; Lyon, 2005). HTAs focus primarily on raising funds for developing their places of ethnic origin. However, some also manage “collective capital investment for income generating projects” (Portes & DeWind, 2007, p.166) making them similar to

microfinance initiatives. Trusted and active members could leverage/borrow HTA funds to undertake self-managed projects for entrepreneurial development, where such funds are not immediately needed for hometown development projects (Portes & DeWind, 2007; Torres & Kuznetsov, 2006).

3.2. Research instrument, data collection and analysis

We adopted a micro-ethnographic approach based on focus group discussions, informant interviews, and participant observation. A micro-ethnographic approach has been effectively implemented in time frames of three months or less (Mitas et al., 2012). Fieldwork was conducted in June and July 2013. Both authors grew up and were partially educated in Cameroon, and had a history of membership and close contacts with IMFIs, which made it feasible to complete the fieldwork during two months. While this creates a potential for expectancy effects, our data collection, triangulation and coding process explained below ensured quality and trustworthiness.

Ethnography is used to examine the structures, patterns, and procedures to uncover social meanings and behavior of people in a given setting, situation, or context (Kwaramba et al., 2012; Mayoux, 2001; Ruiz-Ballesteros, 2011). We conducted one focus group workshop with each of the IMFIs, attended by 15–20 members including those members who owned STFs. All meetings and focus groups discussions were conducted in French (Western Region) and English (North West Region). Access was gained through the coordinator/president or other “influential” IMFIs members. It was also agreed that the anonymity of participants will be respected. Questions were asked about the motivation for joining and benefiting from membership (incentives), decision-making and conflict resolution processes (authority), nature/choice of membership (trust), relationships with government-related agencies and other external organizations (links to resilience).

To corroborate themes from focus group discussions (Kwaramba et al., 2012; Lyon, 2005) we observed one group meeting for each of the twelve IMFIs, each lasting an average of 2 h. The HTA meetings in the Western Region took place in French but on a few occasions it lapsed into the local Bamileke dialect, which was translated to us by a volunteer member. The HTA meetings in the North West Region were conducted in English and Pidgin English but sometimes lapsed into the Mmen dialect which is the mother-tongue of the second author. During ASCAs/ROSCAs meetings we noted how the collection and distribution of funds were collectively negotiated and in HTAs how community projects were identified and planned.

Table 1
Characteristics of IMFIs and STFs studied.

Type of group	HTAs	ROSCAs	ASCAs
No. of cases observed	6	2	4
Average no. of members per group	40	15	30
Main activities	Mobilize resources for hometown development, fosters socio-cultural unity among members	Manage savings; financial intermediation; networking	Manage savings & loans; financial intermediation; networking
No. of IMFIs executives interviewed	6	2	4
Categories of STFs whose owners are members of IMFIs	B&B, home-stays, bars, restaurants, art & craft, souvenir shops; car rental, dry cleaning services	B&B, hotel, Travel/tour operator, casino, farm produce supplies	B&B, hotels, public transport, bars, restaurants, art & craft, souvenir shop; car rental
No. of tourism entrepreneurs interviewed	4	3	3
Geographic location	- West Region: Bafoussam (Urban), Foumban & Foubot (Rural) - North West Region: Bamenda (Urban), Bafut, Bali & Mmen (Rural)		

The STFs studied fall under “accommodation providers” and “ancillary services” (Bosworth & Farrell, 2011, p. 1479). Taking into account geographic location (rural-urban differential), bilingual heritage, cultural heritage, and ease of access, IMFIs and STFs studied were drawn from the West Region (French-speaking) and North West Region (English-speaking) of Cameroon. Despite having arguably the most popular and attractive culture/heritage tourism destinations in Cameroons, both regions have received relatively little attention from the government in terms of support for tourism development (Kimbu, 2011) and STFs largely depend on family finance and IMFIs to undertake business activities (Kimbu, 2010).

Table 2
Features of collective action in the observed IMFIs.

	ROSCAs	ASCAs	HTAS
Incentives for membership	Rotating savings, interest-free loans, networking and marketing activities	Accrued savings & interests, low-interest loans, networking & marketing activities	Socio-cultural networking, community development of hometown (ethnic region)
Lateral trust	Equal chance hosting meetings and collecting lump sum contribution, equal rights to introduce new members at end of savings cycle	Mutual respect as professionals, equal rights to apply for a loan and introduce new member at end of savings cycle	Kinship and ethnicity-based relationships and exchanges
Vertical trust	Informal and led by rotating savings collector; treasurer is elected in open ballot	Formal structure with elected executive committee; rules for use of <i>sureties</i>	Formal structure with elected executives; ceremonial powers of traditional rulers
Authority	Rules on membership, amount/frequency of savings contribution, rotating order of savings collection and hosting meetings	Rules on membership, amount/frequency of savings contribution, setting interest rates, granting loans, holding elections	Rules on membership, resource mobilization & allocation for communitarian projects, holding elections

From each we identified culturally-relevant informants for follow-up interviews.

Focus groups and participant observation may prevent participants from discussing sensitive and controversial issues in the presence of other group members (Mayoux, 2001). However they enabled participants to understand the rationale of the research, thereby facilitating their willingness to participate. Based on the focus groups and observations, in-depth follow-up interviews were conducted with twenty-two informants (Table 1). The interviews lasted on average of 1 h and focused on the ways in which the activities of IMFIs generated opportunities for members to create STFs (mobilization of funds, initiation/realization of communitarian project, outreach and enrichment initiatives), and further clarification on specific claims raised during focus groups discussions and IMFIs meetings.

The interview data were tape-recorded, manually transcribed, coded, and content-analyzed using the framework developed in section 2.1 (Fig. 1) to isolate themes and patterns that could be used to examine the collective action used by IMFIs to support development-led tourism entrepreneurship. In so doing, “focal actors, choices and events that were woven into an empirically based story” (Ruiz-Ballesteros, 2011, p. 259) were noted and potential sections of scripts were isolated and used to support the empirical analysis as direct quotations (Bosworth & Farrell, 2011). We validated our data analysis using the four criteria recommended by Decrop (2004): credibility, transferability, dependability, and confirmability. By combining focus groups, observations, and interviews all of which involved the two authors, we were able to confirm membership, clarify researcher bias, provide a thick description (Mitas et al., 2012), and cross-validate overlapping data (Decrop, 2004). Our use of purposive sampling opens up our findings to external appraisals and transferability of our approach to other settings (Decrop, 2004).

4. The role of informal microfinance institutions in development-led tourism entrepreneurship

The aim of the study is to analyze the forms of collective action found in IMFIs that enables them to support development-led tourism entrepreneurship. Collective action is seen in the mobilization and use of social capital (incentives for membership, lateral and vertical trust, and authority) to collectively and individually respond to the threats of operating in the informal sector. In addition to the features of collective action (Table 2), we observed how IMFIs organize their activities as a combination of business (e.g. financial contributions/transactions) and leisure (e.g. refreshments, song and dance). The notion of informality, based on mutual trust and reciprocity, implies that there is limited emphasis

on written contracts. In analyzing collective action, we focus on instances in which the internal working arrangements of each type of IMFI provides entrepreneurial opportunities for small tourism firms (STFs) and communitarian projects that promote tourism.

4.1. How collective action in ROSCAs/ASCAs support development-led tourism entrepreneurship

As mentioned earlier ROSCAs and ASCAs are similar in that their primary objective is financial intermediation. In the two ROSCAs and four ASCAs studied, the savings contribution of each member in each round ranged from 100,000 to 2,000,000 francs XAF.¹ Unlike ROSCAs in other countries (e.g. Eroğlu, 2010) changes in inflation are not accounted for in savings contributions. At the end of each cycle and depending on member numbers, the ROSCA is disbanded and almost immediately reconstituted if the members have an interest in continuing. In addition, all savings collected in each round is handed to a designated member drawn on secret ballot. All these are collectively agreed by members, based on trust and with no written contracts. According to a ROSCA Member (Western Region), “... we are popular because people no longer trust the banks and formal MFIs as many people have either lost their savings in banks or the government is not always able to help due to poor management and bureaucracy.” This flexibility enables ROSCAs/ASCAs to sustain the incentive for membership.

Unlike ROSCAs, ASCAs create a fund from all money collected which is then used to grant low-interest loans to interested members, the interests of which are shared by members in addition to their accrued savings at the end of each cycle. This means that ASCAs have to deal with a further threat of operating in the informal sector, namely safeguarding money that is not given out as loans to members. In two focus group discussions with ASCAs, members explained their approach to safeguarding money. They open a savings account in a “reputable” commercial bank in the name of individual executive members, usually the President or Treasurer. To ensure accountability, deposits and withdrawals contain two signatories, the designated bank account owner and another executive member. This arrangement is agreed with the local bank manager when the account is opened. This is related to trust-based rule bending (Canales, 2011) and improvisation (Coutu, 2002), because the ASCAs adapt to the risk of avoiding government regulations by not opening a bank account in the name of the ASCAs. An ASCA Executive (North West Region) commented: “We have made our own rules and regulations and any member who does

¹ Francs XAF is the currency used in Cameroon. The exchange rate was 1 USD = 516 XAF at the time of fieldwork.

Table 3

Example of benefits of ROSCAs and ASCAs to STFs.

STFs	IMFI	Benefits obtained from IMFIs
Hotel, Bafoussam	ROSCA	<ul style="list-style-type: none"> • Access to start-up and working capital to create tourism businesses • Access to a wider customer base, including incoming visitors • Access to marketing channels for advertisement products/services • Development of business skills through informal networking
Bed & Breakfast, Bamenda	ROSCA	
Public transport, Bafoussam	ASCA/ROSCA	
Bar/restaurant, Melong	ROSCA	
Bar/restaurant, Bafut	ASCA	
Automated games/casino operator, Bafoussam	ASCA	
Food-crop farmer, Foubot	ASCA	

not abide by them is excluded. We have a savings account under the name of our member(s) with a bank where excess money that has not been borrowed during meeting days is saved.”

Our study participants described the ways in which the above collectively agreed mechanisms enable ROSCAs and ASCAs to provide entrepreneurial opportunities for STFs to thrive in the form of food and beverage, accommodation, leisure, transportation, and souvenir businesses (Table 3).

Membership enables potential entrepreneurs to see what Strobl and Peters (2013, p. 63) call “windows of opportunity” from which to secure access to interest-free funds and low-interest loans in ROSCAs and ASCAs respectively. ROSCAs and ASCAs thereby provide start-up and/or working capital that the entrepreneurs would otherwise not be able to access from formal financial institutions. This enables private participation in tourism development (Kimbu & Ngoasong, 2013) through the creation of STFs. A bar/restaurant owner (Melong) described this direct benefit along the following lines: “A sizeable part of my start-up and initial working capital came from our *njangi* [ROSCA]. My salary as a civil servant is not enough to sustain my family, but membership of this meeting has enabled me to open this business [bar/restaurant] which is managed by my son.” Additionally, a hotel owner in Bafoussam noted that: “More than 50% of the money to finance my hotel [20 room hotel] came from our *tontine* [ROSCA]. Without this loan, I would not be able to complete this hotel which is now my main source of income.”

For both tourism entrepreneurs quoted above, the receipt of funds changes their status from creditors to borrowers “which, in the absence of a legally binding contract, increases the risk of default” (Eroğlu, 2010, p. 461). In such a situation they rely on lateral trust as the basis for guaranteeing that they will not default from making their financial contribution in subsequent rounds that are to be collected by other members.

ROSCAs' flexibility, which considers individual circumstances alongside rules defined by secret balloting, can be seen as a resilient solution to the threat (Coutu, 2002) of providing funds to members who may default from contributing to subsequent rounds. Based on the meetings and interviews a common theme evidencing this resilience emerged which is clearly articulated by a ROSCA Member who owns a B&B in Bamenda in the following quote: “We had to alter the normal order because one member had a serious [life-threatening sickness] problem in his family and we had to come to his assistance by giving him the collected funds even though it was not yet his turn to get the [money] pot.”

In another ROSCA, a member who owns a Transport Company in Bafoussam stated that: “I was normally supposed to be the last person to get the funds. But a very good opportunity to buy a bus for my new passenger transport business came up. I explained my situation to A [name withheld] who agreed to switch his position with mine. Without his support, I will not have bought the bus.” The two quotations show how ROSCAs flexibility and associated kinship relationships (Lyon, 2005) provide informal communication channels that enable entrepreneurs to pursue entrepreneurial opportunities (Bosworth & Farrell, 2011) through creating STFs.

While lateral trust appears to be more important in ROSCAs,

vertical trust seem to play a more crucial role in the resilience of ASCAs. Personal relationships in ASCAs are shaped by *sureties*, a term used locally to refer to ASCA members of high moral (highly respected in and outside ASCAs) and financial (payment of membership fees and dues) status. In two ASCAs, we observed how *sureties* provided assurances verbally rather than through documentary evidence, yet were accepted by the committee based on trust. As the following ASCA member who runs a Bar/Restaurant in Bafut (a semi-urban town near Bamenda) illustrated, *sureties* act as important intermediaries between tourism entrepreneur members seeking loans and the executive committee that approves loans: “I have been trying to get a loan since January to buy new furniture for my bar but they [executive] will not grant my request because I couldn't convince them that I will pay back in time [collateral] and I did not have a surety. Until Mr. B [influential ASCA member] accepted to be my surety that I was given the loan.”

The above quotation illustrates another example of rule bending, which enables ASCAs to deal with the threats of losing members without collaterals by ensuring that such members secure and repay loans without the types of collaterals demanded by formal financial institutions. This rule bending also enhances the resilience of STFs, such as the Bar/Restaurant in Bafut mentioned above, whose owner depends on an ASCA for operating capital. Lateral trust between loan seekers and *sureties*, and vertical trust between loan seekers and executive committees are equally important considerations in evaluating members' loan applications. An ASCA President (Bafoussam) described this consideration when stating the following: “We have to ensure that the loans given out are duly repaid and all contributing members get their money back at the end of the year plus interest. ... we ask for *sureties* who are trustworthy and respected members and can vouch for them in case they fail ... because of this some members say we are strict and favor some over others.”

Apart from access to flexible sources of finance, membership in ROSCAs and ASCAs also enables STFs to increase their market size and marketing channels, enabling them to deal with certain local constraints beyond access to finance. This is possible through informal networking with fellow members during meetings and events. As illustrated in the following quotation by a bar/restaurant owner (Bamenda), this takes the form of referrals to incoming visitors and free word-of-mouth advertisements.

“Being in that *njangi* they know I have a bar. When they have events they come to me. They also recommend their family and friends from other parts of the country to come to organize their occasions [death ceremonies, weddings, birthday parties] at my bar. This boosts my source of revenue. They [ROSCA] not only attend to me financially, I can turn to them to attract customers too.”

The above events and ceremonies are similar to what Crowe (2013) calls outreach activities that market tourist activities. The tourism entrepreneurs also explained that informal networking within IMFIs enhances their business knowledge. They all spoke

along the lines of the following owner of an automated games/casino operating in Bafoussam: “I used a loan from this tontine (ASCA) to purchase gaming machines for my casino. But it is not just about money. We sensitize and educate ourselves on simple book keeping, business analysis and things like that before we approve the loan. We learn a lot from this informal interaction about how to start a business.”

While supporting casinos may not be considered a desirable form of development-led tourism entrepreneurship, it is seen as a possible solution to addressing social exclusion in some developing countries if well managed. An example is a casino programme that was used to promote the development of black-owned and operated STFs in South Africa (Rogerson, 2003).

4.2. Hometown associations, collective action and development-led tourism entrepreneurship

Table 4 presents the results from analyzing how collective action within HTAs support development-led entrepreneurship, through facilitating market access for STFs and through communitarian projects that promote tourism. In the six HTAs studied, membership is tied to the payment of a modest membership fee, volunteer services, attendance at meetings, and participation in traditional and cultural events. We observed meetings in which participants discussed new development projects during meetings, put in place mechanisms for mobilizing resources, and sought the blessing and authorization from traditional rulers (who are highly revered and entrusted with intermediary roles in supporting HTAs). The following quotation by an HTA Honorary President & Traditional Ruler (North West Region) clearly illustrates this: “No project takes place in this community without my approval. I have to scrutinize it to ensure that it fits with the development goals of my people and that they can actually benefit from it ... it should not also cause any harm to our customs and traditions.”

To understand how HTA-led communitarian projects directly promote development-led tourism entrepreneurship, we use the case of annual and biennial cultural festivals, such as the *Nguon* (Foumban), *Abinenfor* (Bafut), and *Lela* (Bali). These are organized by HTAs in the main village/town (ethnic region where members originate) in collaboration with branches elsewhere. One of our focus groups discussed how the parent-branch of the Bamoun HTA in Foumban organizes the *Nguon* festival. This festival showcases Bamoun culture and tradition and is organized on a biennial basis. This branch also plays a major role in the running of the palace museum. A Bamoun HTA Executive-cum-Festival Coordinator and museum curator described the festival planning process as follows:

“Once we agree on a date, the Sultan [Traditional Ruler] writes to the Minister of Culture declaring our intentions to hold the festival. It is only after agreement with the minister that the final dates are fixed to ensure that the *Nguon* festival does not coincide with the national festival of arts and culture (FENAC) which is also a biennial festival. Our [HTA] branches at home and abroad collaborate to solicit and select companies to act as

sponsors. We carry out sensitization, moralization, and conscientisation campaigns especially among the villagers [ethnic population] to ensure that we maintain our image and reap the benefits of the presence of the tourists. ... Sometimes we expect about 10,000 but end up receiving say 15,000 visitors on our festivals. ... For the museum when we receive about 70 visitors from overseas there will be about 500 Cameroonians.”

The festival's ritual phase which lasts for three days and festive phase which lasts for seven days are marketed through leaflets, information sheets, and magazines prepared by the organizing committee. The festive phase includes sporting and cultural activities, arts and cultural fair, music and dance evenings. These are examples of outreach and enrichment activities (Crowe, 2013) that increase visitor numbers and encourage visitors to spend their entire stay within close proximity to the festival area. Most of the local people in the region depend on trade in arts and sculptures for subsistence, and the festival is the boom period for the artisans due to the influx of tourists. Talking informally to street vendors of art, crafts, and souvenirs, they describe how they take advantage of the informal market mechanism to charge high prices. One vendor explained how “tourists arriving for the first time do not know how pricing works and some can pay double and even triple the usual price”. The quotation below by a Foumban-based HTA Member and Author also illustrates how membership in the HTA provides opportunities for selling published books about Bamoun culture and tradition:

“At the end of every *Nguon* festival, I take a break of 5 months and then start writing about the next edition of the festival. Members of our society are always willing to provide information for my book. I publish one or two books during each *Nguon* festival which are usually sold-out during the three-day ritual phase. As I don't have enough resources, I print just 500 copies. The printing firms have confidence that I will sell all copies so they print and get paid after the festival. I have two houses and they were built with money generated from the festival. In just three days of festivities during the *Nguon*, I can realize personal profits of 2–4 million FRS XAF. Demand and sales are very high.”

As entrepreneurs, owners of STFs can be seen as resilient because they develop a strategy (Sullivan-Taylor & Branicki, 2011) for using their HTA membership to advertise and market their tourism-related services. This includes word-of-mouth adverts and distribution of leaflets during HTA events and activities at little or no financial costs. Without HTA membership such marketing channels are hard to access. In addition, by increasing visitor numbers, outreach activities within HTAs enhance the creation and survival of STFs. Both the owners of a car rental service and travel/tour operator (Table 4) described how they collaborated with HTAs to provide transport services to visitors during cultural festivals and events. Similarly, a Foumban-based arts & craft dealer remarked that:

Table 4
Example of communitarian projects that promote tourism.

Small tourism firms	IMFIs	Benefits to small tourism firms	
		Market access/marketing	Communitarian projects
Bar/restaurant owner, Mmen	HTA & ASCA	- Members as customers and channels for referral to incoming visitors/customers - HTA outreach activities as marketing channels to reach customers in other regions of the country	- Infrastructure that enables business creation - Trigger for increased tourism & hospitality activities (festivals and social events that increase visitor/customer numbers)
Art & craft producer/shop, Foumban	HTA		
Souvenir-curious shop, Bamenda	HTA		
Car rental service, Bafoussam	HTA		
Travel/Tour operator, Bamenda	HTA		
Author and Book Seller, Foumban	HTA		

“It is not just selling to visitors who come to the festival. Members of the association recommend me to new customers. For example when I wear a new pair of slippers that I designed with traditional motifs to our association meetings some members will say ‘oh I like it, make for me, make for my sister, make for my father ...’ Suddenly just from a small group I start to receive orders from other parts of the country that I cannot even supply. Everybody wants this service of yours and that is really encouraging. When I joined the group I never knew this would happen.”

The above examples typify one-way relationships where the mobilization and use of social capital supports development-led tourism entrepreneurship. To understand whether a two-way relationship exists, we examined those microfinance institutions that had not mobilized sufficient social capital (Woolcock, 1999) using the *Lela* festival in Bali (North West Region). Compared to the *Nguon* Festival discussed earlier the *Lela* festival is also ritual-related, takes place over four days but is comparatively less successful. As the following quotation by an HTA Executive from Bali (North West Region) suggests, those HTAs that have not developed a strategy for mobilizing and using social capital find it challenging to support development-led tourism entrepreneurship:

“We have not been able to attract huge visitor numbers. I think there is just one or two hotels in Bali, no nightclub. Our cultural association has branches in USA, Germany, etc. They are out to promote the tradition and culture of Bali Nyongha as a whole and not the *Lela* festival alone. We are trying to get this message across through this magazine [hands over a copy to the researcher]. A second version will go online to try and sell our festival to the rest of the world.”

To examine how entrepreneur members of HTA spot and pursue entrepreneurial opportunities (Bosworth & Farrell, 2011) through outreach activities (Crowe, 2013) we analyzed two HTA-initiated communitarian projects in the North West Region. With approval from the traditional rulers, an HTA in the North West Region successfully obtained planning permission from the local government authority to construct a village community hall. The traditional ruler was also used as the main signatory in request for funds from HTA members and the wider community. This is related to the role of authority in IMFIs. The HTA President described the tourism-related significance of the hall as follows:

“The hall is the main events venue in the village and generates revenue for the association. The money generated is used to maintain the hall and support other activities of the Association. Individuals rent the hall for weddings, parties and so on. Before the construction of the hall people would travel to Bamenda [nearest town] to organize any major occasion [ceremony] due to the lack of a convenient local venue.” (HTA President, Bafut sub-Division)

The second project is an HTA-initiated rural electrification project. A member of the HTA who is also an ASCA member described how the electrification project complemented the start-up capital obtained through the ASCA.

“I opened my bar 3 years ago with money partly borrowed from our *njangi* [ASCA] when electricity finally came to the village. ... I noticed that many visitors were staying here longer than previously and they were complaining that there is no good place for them to eat and drink so I decided that people cannot

be coming here and complaining. I opened my bar/restaurant for these people.business has been really good since then because many strangers [visitors] now spend the night in the village and we can stay open till late at night.” (Bar & Restaurant Owner, Mmen)

The above communitarian projects promote development-led tourism entrepreneurship by creating opportunities for outreach activities that provide STFs access to visitors attending the events and festivals (seen as clients by STFs). Thus, communitarian projects (cultural festivals) provide direct contributions while development projects (community town hall and rural electrification) provide complimentary contributions to development-led tourism entrepreneurship (Ohe & Kurihara, 2013) as they generate entrepreneurial opportunities for the creation of STFs.

5. Discussion

This study makes three contributions to recent debates concerning the tourism-development nexus. Firstly, it integrates social capital and resilience (Adger, 2003; Woolcock, 2010) to explore a framework for analyzing how the collective action found in IMFIs supports development-led tourism entrepreneurship. This support takes the form of access to finance for creating small tourism firms (STFs) and communitarian projects that increase tourist arrivals. Previous studies on the role of social capital in tourism entrepreneurship (Bosworth & Farrell, 2011; Zahra & McGehee, 2013; Zhao et al., 2011) have not considered the importance of resilience. Similarly, most studies on resilience in tourism research have focused on community-based tourism development projects (Kwaramba et al., 2012) and small firms in western (Sullivan-Taylor & Wilson, 2009) or Asian (Biggs et al., 2012) destinations. By focusing on collective action, the study articulates the complementary relationships (Ohe & Kurihara, 2013) between the tourism industry and the informal microfinance economy of Cameroon.

Although the main objective of IMFIs is not to develop the tourism industry per se, our findings suggest that they promote a development and banking logic through “social prescriptions” that guide members’ behavior (Battilana & Dorado, 2010, p. 1419) and thereby enable development-led tourism entrepreneurship. As informal community organizations, they thrive on collective action, which is based on incentives, lateral and vertical trust among members, and are kept together by adherence to a set of shared and often flexible rules of authority. The mobilization and use of social capital helps resolve conflicts and challenges among members (see also Eroglu, 2010; Lyon, 2005), and increases the capacity of IMFIs to adapt to the threats of operating in the informal sector. In both ASCAs and ROSCAs, tourism entrepreneurs who lack the required collateral use informal negotiations that are based on either lateral or vertical trust relationships with their kin (e.g. *sureties*) to secure access to entrepreneurial finance. In HTAs, tourism entrepreneurs who lack resilience due to unpreparedness and isolation (Breukel & Go, 2009) use group processes within IMFIs to keep up-to-date with upcoming communitarian projects and outreach activities that represent market opportunities.

Secondly, this study gives voice both to IMFIs and the receivers of IMFI support, in this case owners of STFs in the tourism-development debate. Previous studies on Sub-Saharan Africa have focused on how the (financial) structures and policy practices of governments promote tourism (Kimbu & Ngoasong, 2013; Kwaramba et al., 2012). IMFIs can also be seen as key stakeholders capable of self-organization and contributing to local tourism development irrespective of direct government support. Microfinance institutions are attractive because they charge

beneficiaries “enough in interest to be financially sustainable” (Banerjee & Duflo, 2011, p. 158). Because ROSCAs and ASCAs pursue a similar logic, they are especially beneficial for tourism entrepreneurs who cannot obtain credit from state-regulated sources due to higher interest rates and lack of collateral security (Kimbu & Ngoasong, 2013; Slocum et al., 2011; Zhao et al., 2011). Similarly, the projects funded by HTAs are communitarian projects (Marti et al., 2013) that differ from community-tourism projects in terms of their tourism-related intent (e.g. Jones, 2005; Kwaramba et al., 2012). However the outreach and enrichment opportunities (Crowe, 2013) associated with such projects increase tourist arrivals/stays and provide entrepreneurial opportunities (Bosworth & Farrell, 2011) for the creation of STFs.

Thirdly, this study contributes to policy debates on the role of the informal sector and financial reforms on development-led tourism entrepreneurship. Microfinance institutions operating both in the formal and informal sectors have come under scrutiny in terms of whether they offer a sustainable solution to small business finance (Banerjee & Duflo, 2011; WTO, 2005). Similarly, questions are being asked about whether STFs operating in the informal sector should be incorporated into the formal (state-regulated) sector to maximize their contribution to tourism development (Spring, 2009; Yotsumoto, 2013). Our results reveal that those IMFIs that have successfully mobilized social capital are resilient and are successfully adapting and succeeding in promoting development-led tourism entrepreneurship. This is evident in the realization of communitarian projects, higher tourist numbers and active STFs irrespective of direct government intervention. A typical example is the success of the *Nguon* festival of Foumban (Western Region) compared to the *Lela* festival of Bali (North West Region). The latter has struggled to mobilize a similar amount of social capital as the former and as a result struggles to adapt to the challenges of organizing a successful festival and supporting small tourism businesses.

Thus, any attempt to regulate IMFIs and the STFs they support, must include the provision of social competence and resiliency training (Baron & Markman, 2003; Sullivan-Taylor & Wilson, 2009) enabling them to adapt to the challenges of operating in the formal sector. As the importance of community groups in local development increases, long-standing calls for communities, markets, and states to be complements rather than substitutes (Woolcock, 2010) in development-led tourism becomes more significant. This study suggests that the role of IMFIs exists in parallel to state-led programmes. However, the findings echo the views suggested by Adger (2003) to create synergies between community social capital and the state (e.g. through complementarity and substitutability) aimed at strengthening state-community linkages in the mobilization and management of resources to adapt to the challenges of supporting development-led tourism entrepreneurship. Future research can complement our findings by focusing on the context in which the activities of IMFIs, and those of the state in supporting tourism development, can be integrated to achieve such linkages.

6. Conclusions

By integrating resilience and social capital as central concepts, and using the case of Cameroon, this study has examined the direct effects of informal microfinance institutions (IMFIs) such as through access to finance and development opportunities for small tourism firms (STFs), and indirect effects such as through communitarian projects that promote tourism. The study argues that social capital shapes the form of collective action found in IMFIs and collective action in turn enables IMFIs and the STFs they support to adapt to the threat of operating in the informal sector, thereby promoting development-led tourism entrepreneurship.

Our findings provide important policy implications for measures aimed at encouraging community organizations and private businesses to be active partners with state agencies in development-led tourism.

However, more research is needed to improve the applicability of our findings in other destinations. A limitation of this study is that our cases are mostly success stories of collective action for both IMFIs and their tourism entrepreneur members. Woolcock (1999) argues that even failed microfinance programmes can lead to similar conclusions. Our use of purposive sampling led us to select only those IMFIs that have members who own STFs; however we do not argue that membership in IMFIs is a necessary condition for creating an STF. Our aim has been to discuss the significance of IMFIs for the tourism industry and for tourism businesses. We have not examined cases where a tourism entrepreneur who terminates or changes membership in IMFIs experienced success/failure, and the extent to which STFs can rely solely on IMFIs to sustain their tourism businesses. Future qualitative research can either repeat our study with a nonprobability sample or use a probability sample to increase the credibility of our conclusions beyond the participants and cases studied (Bernard, 2012). As suggested by Thomas et al. (2011), quantitative research is also needed to provide measurable indicators of development-led tourism entrepreneurship associated with IMFIs.

References

- Adger, W. N. (2003). Social capital, collective action, and adaptation to climate change. *Economic Geography*, 79, 387–404.
- Akama, J. S., & Kieti, D. (2007). Tourism and socio-economic development in developing countries: a case study of Mombasa resort in Kenya. *Journal of Sustainable Tourism*, 15(6), 735–748.
- Anderson, C. L., Locker, L., & Nugent, R. (2002). Microcredit, social capital, and common pool resources. *World Development*, 30(1), 95–105.
- APA. (2012). 28 établissements de micro finance dans l'illégalité au Cameroun. Available online at <http://www.cameroononline.org/2012/09/05/28-etablissements-de-micro-finance-dans-lillegalite-au-cameroun/> Accessed 10.03.13.
- Ayyagari, M., Demirgüç-Kunt, A., & Maksimovic, V. (2010). Formal versus informal finance: evidence from China. *Review of Financial Studies*, 23(8), 3048–3097.
- Banerjee, A. V., & Duflo, E. (2011). *Poor economics: A radical rethinking of the way to fight global poverty*. New York: Public Affairs.
- Baron, R. A., & Markman, G. D. (2003). Beyond social capital: the role of entrepreneurs' social competence in their financial success. *Journal of Business Venturing*, 18(1), 41–60.
- Battilana, J., & Dorado, S. (2010). Building sustainable hybrid organizations: the case of commercial microfinance organizations. *Academy of Management Journal*, 53(6), 1419–1440.
- Bernard, H. R. (2012). *Social research methods: Qualitative and quantitative approaches* (2nd ed.). Thousand Oaks, CA: Sage (Chapter 7).
- Biggs, D., Hall, C. M., & Stoeckl, N. (2012). The resilience of formal and informal tourism enterprises to disasters: reef tourism in Phuket, Thailand. *Journal of Sustainable Tourism*, 20(5), 645–665.
- Bosworth, G., & Farrell, H. (2011). Tourism entrepreneurs in Northumberland. *Annals of Tourism Research*, 38(4), 1474–1494.
- Bouman, F. J. A. (1994). ROSCA and ASCA: beyond the financial landscape. In F. J. A. Bouman, & O. Hospes (Eds.), *Financial landscapes reconstructed: The fine art of mapping development* (pp. 375–394). Boulder: Westview Press.
- Bouman, F. J. (1995). Rotating savings and credit organizations: a development perspective. *World Development*, 23, 37–384.
- Breukel, A., & Go, F. M. (2009). Knowledge-based network participation in destination and event marketing: a hospitality scenario analysis perspective. *Tourism Management*, 30(2), 184–193.
- Brown, D. O. (1998a). In search of an appropriate form of tourism for Africa: lessons from the past and suggestions for the future. *Tourism Management*, 19(3), 237–245.
- Brown, D. O. (1998b). Debt-funded environmental swaps in Africa: vehicles for tourism development? *Journal of Sustainable Tourism*, 6(1), 69–79.
- Bruton, G., Khavul, S., & Chavez, H. (2011). Microlending in emerging economies: building a new line of inquiry from the ground up. *Journal of International Business Studies*, 42(5), 718–739.
- Canales, R. (2011). Rule bending, sociological citizenship, and organizational contestation in microfinance. *Regulation & Governance*, 5(1), 90–117.
- COBAC. (2007). *Rapport de la commission bancaire de l'Afrique centrale pour l'année 2007*. Yaoundé: BEAC.
- Coleman, J. S. (1990). *Foundations of social theory*. Cambridge: Harvard University Press.

- Coutu, D. (2002). How resilience works. *Harvard Business Review*, 80(5), 46–52.
- Crowe, J. (2013). The Twilight of Forks? The effect of social infrastructure on film tourism and community development in Forks, WA. *Journal of Rural Social Sciences*, 28(1), 1–25.
- Decrop, A. (2004). Trustworthiness in qualitative tourism research. In J. Phillimore, & L. Goodson (Eds.), *Qualitative research in tourism: Ontologies, epistemologies and methodologies* (pp. 156–169). London: Routledge.
- Emery, M., & Flora, C. (2006). Spiraling-up: mapping community transformation with community capitals framework. *Community Development*, 37(1), 19–35.
- Eroğlu, Ş. (2010). Informal finance and the urban poor: an investigation of rotating savings and credit associations in Turkey. *Journal of Social Policy*, 39(3), 461–481.
- Fowler, I. (1997). Tribal and palatine arts of the Cameroon grassfields: elements for a 'traditional' regional identity. In J. MacClancy (Ed.), *Contesting art: Art, politics and identity in the modern world* (pp. 63–84). Oxford & New York: Berg Publishers.
- Jones, S. (2005). Community-based ecotourism – the significance of social capital. *Annals of Tourism Research*, 32(2), 303–324.
- Kimbu, N. A. (2010). *Sustainable tourism development management in Central Africa: A case study of the tourism industry in Cameroon*. Doctoral dissertation. Nottingham: Nottingham Trent University.
- Kimbu, N. A. (2011). The challenges of marketing tourism destinations in the Central African sub-region: the Cameroon example. *International Journal of Tourism Research*, 13(4), 324–336.
- Kimbu, N. A., & Ngoasong, M. Z. (2013). Centralized decentralization of tourism development: a network perspective. *Annals of Tourism Research*, 40, 235–259.
- Kwaramba, H. M., Lovetta, J. C., Louwb, L., & Chipumuro, J. (2012). Emotional confidence levels and success of tourism development for poverty reduction: the South African Kwam-Makana home-stay project. *Tourism Management*, 33(4), 885–894.
- Lee, J. E. C., Sudom, K. A., & McCreary, D. R. (2011). Higher-order model of resilience in the Canadian forces. *Canadian Journal of Behavioural Science*, 43(3), 222–234.
- Levenson, A., & Besley, T. (1996). The anatomy of an informal financial market: Rosca participation in Taiwan. *Journal of Development Economics*, 51(1), 45–68.
- Lyon, F. (2005). Managing co-operation: trust and power in Ghanaian associations. *Organization Studies*, 27(1), 31–52.
- Maguerat, Y. (1983). Des montagnards entrepreneurs: les Bamileke du Cameroun (Entrepreneurs from the Highlands: Bamileke in Cameroon). *Cahiers d'Études Africaines*, 23(92), 495–504.
- Marti, I., Courpasson, D., & Barbosa, S. D. (2013). Living in the fishbowl: generating an entrepreneurial culture in a local community in Argentina. *Journal of Business Venturing*, 28(1), 10–29.
- Mayoux, L. (2001). Tackling the downside: social capital, women's empowerment and microfinance in Cameroon. *Development and Change*, 32(3), 435–464.
- Mitas, O., Yarnal, C., & Chick, G. (2012). Jokes build community: mature tourists' positive emotions. *Annals of Tourism Research*, 39(4), 1884–1905.
- Nahapiet, J., & Ghoshal, S. (1998). Social capital, intellectual capital, and the organizational advantage. *Academy of Management Review*, 23(2), 242–266.
- Obrist, B., Mayumana, I., & Kessy, F. (2010). Livelihood, malaria and resilience: a case study in the Kilombero Valley, Tanzania. *Progress in Development Studies*, 10(4), 325–343.
- Ohe, Y., & Kurihara, S. (2013). Evaluating the complementary relationship between local brand farm products and rural tourism: evidence from Japan. *Tourism Management*, 35, 278–283.
- O'Brien, G., & Hope, A. (2010). Localism and energy: negotiating approaches to embedding resilience in energy systems. *Energy Policy*, 38(12), 7750–7758.
- Portes, A., & DeWind, J. (2007). *Rethinking migration: New theoretical and empirical perspectives*. New York: Berghahn Books.
- Pretty, J., & Ward, H. (2001). Social capital and the environment. *World Development*, 29(2), 209–227.
- Ramukumba, T., Mmbengwa, V. M., Mwamayi, K. A., & Groenewald, J. A. (2012). Analysis of local economic development (LED) initiated partnership and support services for emerging tourism entrepreneurs in George municipality, Western Cape Province, RSA. *Tourism Management Perspectives*, 2–3, 7–12.
- Rogerson, C. M. (2003). Changing casino tourism in South Africa. *Africa Insight*, 33, 142–149.
- Rogerson, C. M. (2005). Unpacking tourism SMMEs in South Africa: structure, support needs and policy response. *Development Southern Africa*, 22(5), 623–642.
- Ruiz-Ballesteros, E. (2011). Social-ecological resilience and community-based tourism: an approach from Agua Blanca, Ecuador. *Tourism Management*, 32(3), 655–666.
- Seibel, H. D. (2000). Informal finance: origins, evolutionary trends and donor options. *Journal of Development Entrepreneurship*, 6(1), 83–95.
- Slocum, S. L., Backman, K. F., & Robinson, K. L. (2011). Tourism pathways to prosperity: perspectives on the informal economy in Tanzania. *Tourism Analysis*, 16(1), 43–55.
- Spring, A. (2009). African women in entrepreneurial landscape: reconsidering the formal and informal sectors. *Journal of African Business*, 10(1), 11–30.
- Steel, G. (2012). Local encounters with globetrotters: tourism's potential for street vendors in Cusco, Peru. *Annals of Tourism Research*, 39(2), 601–619.
- Strickland-Munro, J. K., Allison, H. E., & Moore, S. A. (2010). Using resilience concepts to investigate the impacts of protected area tourism on communities. *Annals of Tourism Research*, 37(2), 499–519.
- Strobl, A., & Peters, M. (2013). Entrepreneurial reputation in destination networks. *Annals of Tourism Research*, 40, 59–82.
- Sullivan-Taylor, B., & Branicki, L. (2011). Creating resilient SMEs: why one size might not fit all. *International Journal of Production Research*, 49(18), 5565–5579.
- Sullivan-Taylor, B., & Wilson, D. C. (2009). Managing the threat of terrorism in British travel and leisure organizations. *Organization Studies*, 30(2&3), 251–276.
- Tche, J. (2009). Role of microfinance saving in Cameroon: a neo-structuralist analysis. *International Journal of Development Issues*, 8(1), 48–60.
- Thomas, R., Shaw, G., & Page, S. J. (2011). Understanding small firms in tourism: a perspective on research trends and challenges. *Tourism Management*, 32(5), 963–976.
- Torres, F., & Kuznetsov, Y. (2006). Mexico: leveraging migrants' capital to develop Hometown communities. In Y. Kuznetsov (Ed.), *Diaspora networks and the international migration of skills: How countries can draw on their talent abroad* (pp. 99–128). Washington: The World Bank (Chapter 5).
- Wieland, A., & Wallenburg, C. M. (2013). The influence of relational competencies on supply chain resilience: a relational view. *International Journal of Physical Distribution & Logistics Management*, 43(4), 300–320.
- Woolcock, M. (1999). Learning from failures in microfinance: what unsuccessful cases tell us about how group based programs work. *American Journal of Economics and Sociology*, 58(1), 17–42.
- Woolcock, M. (2010). The rise and routinization of social capital, 1988–2008. *Annual Review of Political Science*, 13, 469–487.
- WTO. (2005). *Tourism, microfinance and poverty alleviation: Recommendations to small and medium-sized enterprises and to microfinance institutions*. Madrid: World Tourism Organisation.
- Yotsumoto, Y. (2013). Formalization of urban poor vendors and their contribution to tourism development in Manila, Philippines. *International Journal of Japanese Sociology*, 22, 128–142.
- Zahra, A., & McGehee, N. G. (2013). Volunteer tourism: a host community capital perspective. *Annals of Tourism Research*, 42, 22–45.
- Zangue, E. (2009). *Contribution du contrôle interne à la performance économique et sociale des établissements*. Doctoral Dissertation. Yaoundé: University of Yaoundé II.
- Zhao, W., Ritchie, J. R. B., & Echtner, C. M. (2011). Social capital and tourism entrepreneurship. *Annals of Tourism Research*, 38(4), 1570–1593.



Michael Z. Ngoasong (michael.ngoasong@open.ac.uk) is a Lecturer in Management at The Open University, UK. He holds a PhD in Science and Technology Studies from the University of Nottingham (UK). His research includes policy development and management, impact investing, social entrepreneurship and internationalization of firms in developing countries.



Albert N. Kimbu (a.kimbu@surrey.ac.uk) is a Lecturer in Hospitality & Tourism at the University of Surrey, UK. He holds a PhD in Tourism Management from Nottingham Trent University (UK). Albert's research interests revolve around sustainability, trust, stakeholder networks and social entrepreneurship in hospitality and tourism in developing countries.