

Socio-Economic Impacts of COVID-19 on Local Communities of UNESCO World Heritage Cities: The Case of Galle Fort

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This research explored the socio-economic impacts of the COVID-19 pandemic on the local community of Galle Fort, a UNESCO World Heritage city and a major tourist destination in southern Sri Lanka. The research employed a sample of 180 community members who operate tourism-oriented Micro, Small, and Medium Enterprises (MSMEs) for a questionnaire survey and conducted semi-structured interviews in 2022. Over 90% of these MSMEs, ranging from guest houses to gem and jewelry shops, were temporarily closed during 2020 and 2021, creating serious losses that resulted in the drying out of savings and declined household incomes. The businessmen had to rely on methods such as borrowing money from close family and friends, obtaining gold loans or pawning gold, delaying payments, and even selling properties and vehicles, in order to overcome the cash flow shortage and for their daily living. Yet, over 95% of these MSMEs (family-run and home-based) survived, unlike the large-scale businesses, as they did not require higher rentals and employer salaries. Nearly 60% of businesses recovered by mid-2022 with the re-establishment of the market through increasing tourism arrivals. This was a slow process in the case of Galle Fort due to the economic crisis in Sri Lanka that followed the COVID-19 pandemic, unlike in other World Heritage historic cities. Despite the declining income, the life satisfaction of local community members improved in the post-pandemic period as they had more time for families. The study shows the volatility of tourism as a global process with unforeseen events that impact negatively on smaller local communities that depend entirely on it. The local community of Galle Fort who themselves became the victims of the COVID-19 pandemic have identified that diversifying their businesses, saving, investing, frugality, and catering to the local market will make them more resilient in future disasters.

Keywords: COVID-19, Galle Fort, World heritage, MSMEs

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