

The Efficacy of Tourism as a Tool For Economic Development in Kenya

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Introduction

This paper provides an analysis concerning existing structural deficiencies and socio-economic factors which impact on the efficacy of tourism as a tool for long-term sustainable development in Kenya. It also presents policy-related suggestions on alternative tourism strategy which can assist to ameliorate the social and environmental impacts of tourism development and enhance the efficacy of the industry in promoting : long-term sustainable development.

Kenya provides a good example of an African country which has embraced tourism as an important tool for socio-economic development. In the short-term, Third World Countries in general, and Kenya in particular, viewed the development of tourism as a quick and reliable source of much sought after foreign exchange receipts, job creation and economic growth. Whereas in the long-term it is usually envisioned that tourism development will contribute to economic diversification and, in consequence, reduce excessive over-dependency on the exportation of conventional raw materials. This is due to the fact that because the consumption of tourism products occurs at the place of production (the destination) it has, through its various possible linkages and associations with other industries (i.e., transport, agriculture, fishery , forestry, construction, handicraft), potential multiplier effects on the local, regional and national economy. However, a critical evaluation of the evolution and development of tourism in Kenya indicates that the country's tourism industry faces socio-economic problems and structural deficiencies which reduce the industry's efficacy as a tool for local, regional and national sustainable development. For instance, there are extremely high leakage rates of the country's tourism revenues to external sources. It has been estimated that sometimes as much as two thirds of the gross tourism revenues go to foreign owned tour operators, and airlines, as well as to pay for imported commodities for tourists and the tourism industry .As a consequence, insignificant amounts of the tourism revenues trickle down to local people who are usually employed in servile and lowly paying jobs, and bear most of the negative social and environmental impacts of tourism development.

Tourism Development in Kenya

At face value, it can be argued that the development of tourism in Kenya has been an African success story, and that the industry has contributed to the growth of the country's Gross Domestic Product(GDP), raised the foreign exchange earning capacity, and has created employment opportunities. In this regard, it is important to

point out that the country's total tourism revenues increased from k£27 million in 1970 to over K£1 billion in the late 1980s, so that for the first time tourism earnings surpassed those from tea and coffee (Kenya's leading export crops) (see Table, 1). The total tourism earnings represented over 12% of the country's GDP and while the industry provided over 120, 000 direct jobs for Kenyans during the late J1980s and early 1990s (Sinclair, 199.0; Sindiga, 1996).

Table 1 : Earnings from Coffee, Tea and Tourism
(Billion Kenya Shillings)

Year	1990	1991	1992	1993	1994
Coffee	4.07	4.05	4.37	7.7	5.87
Tea	6.94	7.8	8.93	19.87	-
Tourism	10.66	11.88	14.26	14.44	14.05

Source : Kenya Government, 1996.

However, a critical assessment of Kenya's tourism industry indicates that the industry confronts major economic problems and structural deficiencies which brings into question the role of the industry in promoting the country's long-term sustainable socio-economic development. As a consequence, in recent years, tourism researchers including Bachmann (1988), Sinclair (1990), Dieke (1991), and Sindiga (1996) : have started to question the role played by tourism in Kenya's long term socio-economic growth. The researchers contend that, over the years, the economic benefits of tourism have been substantially overestimated. They argue that on the other hand, the industry's negative social and environmental impacts have, most often, been downplayed. In this regard, perhaps, the manner in which tourism is being developed in Kenya, as is the case with many other Third World countries particularly those in Africa, renders the industry incapable of promoting sustainable long-term social and economic development.

Over the years, the main goal of the government in terms of the development of tourism has been to encourage more tourists to visit the country. Consequently, the country's tourism policy has put major emphasis in the expansion of tourism and hospitality facilities in order to attract increasing numbers of international tourists. In contrast, important social and environmental issues which influence the development Of tourism have, most often, not receive, similar attention in tourism planning and policy responses. This tourism development scenario has led to many structural deficiencies including, the development of a spatially constrained tourism product, the degradation and reduction of the quality of the country's tourism product, decreasing per capita tourism earnings in real terms, and the inequitable distribution of the country's total tourism revenues among different interest groups.

Uncoordinated Development Mass Tourism

The laissez faire tourism policy has led to the development of tourism and hospitality facilities with little consideration of the long-term socio-economic and environmental impacts of the facilities. In consequence, unplanned and haphazard mushrooming of tourism and hospitality facilities in fragile coastal and marine ecosystems has, for instance, caused accelerated and severe problems of tourism resource degradation, and reduction of the quality of the tourism product. For example, hotels have been constructed that interfere with delicate marine ecosystems (lagoons, fragile sandy beaches and coral reefs) without taking into consideration the environmental impacts and aesthetic value of the tourism facilities (Visser and Njuguna, 1992). Furthermore, high concentrations of tourists in fragile marine environments has led to problems of overcrowding, trampling and over exploitation of marine resources, such as coral reefs, mollusk shells and marine turtles (Visser and Njuguna, 1992; Akama, 1997). Also, there is the problem of tourist congestion along the coastal beaches, particularly during the peak season. This has resulted to environmental pollution and marine resource degradation. As a consequence, the overall quality of the coastal tourist attractions is increasingly being degraded.

Partly, due to increasing degradation and reduction of the quality of Kenya's tourism product, the country is experiencing severe problems of competition as more tourists are switching to countries in the region which offer similar tourist attractions. These include countries such as Zimbabwe, Botswana, Swaziland, Tanzania and Uganda. Consequently, the number of international visitor arrivals in Kenya has been declining in recent years. In 1995, for instance, there was a 20% decline in international tourist arrivals. In 1997, the country received about 500,000 international tourists, down from over 800,000 arrivals in 1989. (Johnstone, 1996). The coastal region (which usually receives over 60% of Kenya's international tourist arrivals) has been the worst hit. Thus, in 1997, for instance, during the peak season at the coast (December to April) there was a major decline of almost 50%, from 250,000 international tourist arrivals in the previous year (1996) to less than 125,000 arrivals (Kwena, 1997). Whereas in the wildlife parks and reserves, tourism and hospitality facilities have been developed in important and fragile wildlife habitats, near breeding grounds or important feeding areas, without taking into consideration the aesthetic values and ecological needs of the park game. Such facilities include Voi Safari Lodge, Ngulia Lodge, and Kilaguni Lodge in Tsavo National Park and Kilimanjaro Lodge, Olukai Safari Lodge, and Serena Lodge in Amboseli. These tourism facilities have degraded important wildlife habitats and reduced their aesthetic value and natural attractiveness. The dense concentration of tourists and traffic within the surrounding vicinity of these lodges affects the feeding, breeding and distribution pattern of park game (Achiron and Wilkinson, 1986; Akama, 1997).

Moreover as can be observed in Table 2, the number of visitors to Kenya's national parks and reserves is mainly concentrated in Nairobi, Lake Nakuru, Maasai Mara, Amboseli and Tsavo. The majority of other national parks and reserves in the country

are rarely visited. This, is mainly due to the lack of appropriate development of structure, particularly roads linking wildlife attractions located in remote areas (Akama,1997).

Table 2. Supply of Tourism Enterprises by Province, 1999

Province	Hotels	Tour Operators	Curio Shops
Nairobi	28	50	13
Coast	49	43	85
Rift Valley	8	5	-
Central	9	1	2
Eastern	2	0	0
North Eastern	0	0	0
Nyanza	4	1	0
Western	1	0	0

Source : Akama, 1999.

But even with the present number of visitors, the small number of popular parks and reserves are experiencing severe problems of tourist saturation. The promotion of mass tourism and increasing numbers of tourists visiting the game reserves presents a management dilemma for park planners. The tourism management strategies which aim at attracting maximum numbers of tourists often compromise wildlife conservation and environmental values. National park visitor carrying capacity may be exceeded resulting in over-use of park resources, visitor or vehicle over-crowding, reduction of the park's natural beauty and visitor dissatisfaction. For instance, of the 1,678 randomly selected tourists interviewed in 1990, an overwhelming 80% indicated that animal harassment by tourists, off-road driving and vehicle-congestion were serious problems confronting Kenya's wildlife attractions (Western, 1992:69).

Decrease in Per Capita Tourism Receipts

A major economic phenomenon in the Kenyan tourism industry has been the continuous decrease in the per capita tourism receipts when adjusted to constant prices (Bachmann, 1988; Sinclair, 1990; Dieke, 1991; Akama, 1997). For instance, Sinclair (1990) ascertains that when the tourist earnings for Kenya during the 1980s are deflated to constant prices, real total tourism revenues per annum were lower than the total receipts during the 1970s. This is despite the fact that the number of tourists to Kenya rose significantly during the 1980s. There are a number of socio-economic factors that have contributed to the decline in Kenya's per capita tourist receipts including external control of Kenya's tourism industry, and increased marketing of inclusive tour packages for visitors to Kenya.

When the Kenya government realised the importance of tourism development in generating the much sought after foreign exchange, it turned to foreign and

multinational tourism investors to provide initial capital for the establishment and development of large-scale tourism, and hospitality facilities. In this regard, the government adopted an , open-door “laissez faire” policy towards multinational investors and developers. As a consequence, most of the large scale capital-intensive tourism projects in Kenya have been established, and are under the control and management of multinational corporations. Moreover, due to their bargaining power and financial leverage, the multinational tourism investors tend to determine the terms of condition of project contracts and the type of tourism projects which are initiated. Thus for instance, in order to maximise their profit margin multinational travel companies and tour operators have tended to market an increased number of inclusive tour packages to Kenya (Sinclair, 1990). In these forms of travel arrangements, prospective visitors pay the overseas travel companies for a complete travel package. The payment arrangements include almost all travel components, such as air ticket, food, accommodation and recreational activities. Furthermore due to the vertical integration in the ownership and management of international tourism and travel facilities, even within Kenya, foreign owned tourism and hospitality facilities, internal flights and car rentals are contracted. It has been estimated that in these forms of tour packages, leakage of tourism receipts to overseas contractors may range between 40 and 70% (Sinclair, 1990; Dieke, 1991 ; Akama, 1997).

Inequitable Distribution of Tourism Receipts

As can be observed in Table 3 (the supply of tourism enterprises by province), Kenya's tourism product is spatially constrained to a few locations mainly in the coastal region, Nairobi and the popular wildlife preserves. As a result, the majority of Kenyan people in most regions of the country, do not receive any form of direct monetary benefits from the industry Furthermore, few people who live at or near tourist resorts receive jobs, albeit relatively lowly ones, in local tourism and hospitality establishments. Moreover, due to the increasing trend of inclusive tour packages using only a limited number of destinations on the Kenyan coast and in wildlife preserves, insignificant tourist receipts are reaching Kenyans at the grassroots level (Bachmann, 1988; Sinclair, 1990; Akama, 1997). Consequently, the local people, who bear most of the costs of tourism development and wildlife conservation, barely receive any form of direct monetary benefits from the tourism industry .Some of the tourism costs incurred by the local people include water pollution as raw sewage from the tourist hotels and lodges drain directly into the local water systems, and the disruption of indigenous cultures by mass tourism activities (Bachmann, 1988; Sinclair, 1990; Kibara, 1994; Akama, 1997). Also in certain locations prime agricultural land, which could have been otherwise used for local food production and livestock rearing, is used for tourism development and wildlife preservation. Examples here include local lands in Malindi, Mombasa and the country's national parks and reserves (Akama, 1996).

Thus while the local people bear the , costs of tourism development and wildlife conservation, they in return receive insignificant direct monetary benefits. It has been estimated that only between 2% and 5% of Kenya's total tourism receipts trickle down

to the populace at the grassroots level, informs of low paying and servile jobs, and the selling of souvenirs and agricultural produce (Bachmann, 1988; Sinclair, 1990; Akama, 1997).

Table 3. Number of Visitors To National Parks and Reserves, 1990-1995
(In Thousands)

	1990	1991	1992	1993	1994	1995
Nairobi	152.8	168.8	156.4	164.6	163.2	113.5
Animal Orphan.	213.8	217.6	173.2	155.3	182	212.1
Amboseli	237.2	189.2	168.3	121.1	159.5	114.8
Tsavo West	78.6	119.3	103.1	102.9	105.4	93.1
Tsavo East	127.7	135.9	125.5	135.8	132.4	228.8
Aberdare	66.6	56.3	63.6	60.8	60.2	70.1
Lake Nakuru	174.2	174.4	139.8	178.6	164.3	166.8
Maasai Mara	180.5	143.3	138.1	133.1	138.2	133.2
Malindi Marine	35.6	33	44.2	41.1	39.2	38.8
Lake Bogoria	53.8	53	39.4	37.2	43.2	14.2
Meru	11.1	9.1	7.1	7.4	7.9	7.3
Shimba Hills	60	38.2	31.9	24.8	31.6	20
Mount Kenya	18.7	14.6	15.5	18	17.2	17.2
Samburu	-	-	-	21.5	9.2	9.1
Kisite	27.1	33.1	28	27.5	34.8	32.4
Mombasa Marine	29.1	54.6	57.8	43.3	48	32.9
Watamu Marine	20.5	22	27	31.7	32.1	16.1
Hell's Gate	31.1	41.3	34.2	47.4	44.9	50.1
Impala Sanctuary	-	-	-	59.1	5.5	3.5
Other	13.8	14.8	14	16.6	9.6	18.9
Total	1532.2	1518.5	1367.1	1427.8	1428.6	1428.9

Source : Kenya Government, 1996

Discussion and Conclusion

For Kenya's tourism industry to contribute to long-term sustainable socio-economic development, an alternative tourism strategy is required to assist in ameliorating social, economic and environmental problems that seriously confront the industry. In this regard, the success of tourism development ought not be measured just in terms of increased numbers of tourist arrivals and gross tourism revenues, but should also be evaluated according to how the industry is integrated into local and regional economy, and how the industry benefits local communities at the grassroots level. For tourism to contribute to long-term sustainable socio-economic development, policy and institutional mechanisms should be initiated which promote local involvement and participation in tourism project design, implementation and management. Thus, the main objectives of the new tourism strategy should include: enhancement of equitable distribution of the tourism revenues; increasing local participation in tourism decision making; reduction of the high leakage rates; increasing the multiplier effects of tourism; and minimisation of the social and environmental impacts of tourism. The following principal elements can assist minimise the negative impacts of tourism, and enhance its efficacy in promoting long-term sustainable development.

First, tourism activities in the wildlife preserves and marine ecosystems should be appropriately planned, monitored and managed to ensure that they do not conflict with conservation and sustainable use of resources. The visitor carrying capacity of national parks and marine eco-systems should be determined and the number of tourists regulated to avoid overcrowding and the degradation of the natural beauty of the tourism resources. The park's visitor carrying capacity can be tabulated using empirical ecological data and social indicators, such as temporal and spatial distribution and density of flora and fauna in the park, territorial size of the park and physical terrain, visitor attitudes and behaviour. Also, where possible, environmental impact assessment reports should be required before the construction of new tourist facilities and infrastructure. This is to ensure that tourism projects do not conflict with the principles of wildlife conservation and the sustainable use of tourism resources. Of particular importance, tourism facilities should not be situated on critical wildlife habitats, such as breeding and important feeding areas, near lagoons, sand beaches and coral reefs.

Second, there is need for the government to re-evaluate the role of multinational corporations in the development and management of Kenya's tourism industry. In this regard, the government should establish alternative tourism development strategy whose main aim is to be to minimise external control and dominance of multinational corporations on Kenya's tourism industry. At least, the government should attempt to minimise the speculative aspects of multinational capital investment, through the introduction of alternative tourism policy initiatives as regards to external capital investment and the nature of tourism projects with multinational investors.

Third, policy and institutional mechanisms need to be put in place that encourage local participation in the design, implementation and management of tourism projects and local use of tourism resources. At least, local communities should be empowered to determine what forms of tourism facilities they want to see developed in their respective communities, and how the tourism costs and benefits are to be shared among different stakeholders. In order to achieve these, socio-political changes will require the decentralisation of tourism authority and decision-making processes from the national level to elected regional and grassroots institutions and organisations, such as municipal councils, welfare societies and local environmental groups.

Community based tourism activities that are designed and implemented through community consensus other than centrally planned (top-down) tourism programmes, may cause less negative effects and disruption of the rural cultures. These tourism programmes may also enhance the opportunity for spontaneous, rather than contrived, encounters between host communities and tourists. Also, community based tourism projects will possibly lead to increased linkages and multiplier effect of tourism with domestic economic sub-sectors.

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