

**THE IMPACT OF TOURISM ACTIVITIES ON SOCIO-ECONOMIC
LIVELIHOOD OF COMMUNITIES: A CASE STUDY OF MIKUMI
NATIONAL PARK AND BAGAMOYO DISTRICT IN TANZANIA**

**BY
ANASTAZIA P.NYORE**

**A Dissertation Submitted in partial fulfilment of the requirements for the
award of Master of Business Administration (MBA) in Corporate Management
of the Mzumbe University.**

2013

CERTIFICATION

We, the undersigned, certify that we have read and hereby recommend for acceptance by the Mzumbe University, a thesis report entitled: ***“The Impacts of Tourism Activities on Socio-economic Livelihood of Communities: A case study of Mikumi National Park and Bagamoyo District in Tanzania”*** in fulfilment of the requirement for the degree of Master of Business Administration of Mzumbe University, Tanzania.

.....

Major supervisor

.....

Internal Examiner

.....

External Examiner

Accepted for the School Board

.....

CHAIRMAN, SCHOOL ACADEMIC BOARD.

DECLARATION AND COPYRIGHT

I, Anastazia P. Nyore, declare that I am the sole author of this dissertation, that during the period of registered study I have not been registered for other academic award or qualification, nor has any of the material been submitted wholly or partly for any other award. This dissertation is a result of my own research work, and where other people's research was used, they have been dully acknowledged.

Signature:

Date:

This dissertation is a copyright material protected under the Copyright Act 1999, other international and national enactments. It may not be reproduced by any means in full or in part, except for research or private study, without the written permission of directorate of post graduate studies, on behalf of the author and Mzumbe University, Tanzania.

ACKNOWLEDGEMENT

I would like to take this opportunity to acknowledge everyone who, in one way or another, has lent a hand of any kind, support, advice, cooperation and guidance. I am greatly indebted to Dr .Godbertha Kinyondo who supervised this work from inception up to completion. I wish also to express my sincere thanks to my course lecturers and all members of staff at Mzumbe University for consistent advice, support and encouragement they extended during the whole program.

I wish to express my dearest gratitude to all respondents in the study area; Mikumi National Park and Bagamoyo District and other respondents in the study area, for their kindness, great cooperation during the whole period of my data collections. They have been a very critical link in facilitating accomplishment of the study.

Special acknowledgement goes to my family kindness and moral support during the study period, their patience was paramount during the whole study duration. My sincere thanks go to my dearest friend Julieth Muro for her advice and guidance. Lastly, I wish to acknowledge all class members for their friendly co-operation during the whole study period. Further appreciation should be extended to all my colleagues who read this manuscript and advised me in one way or another.

DEDICATION

I take this opportunity to dedicate this work to the Almighty God, for his glory and to my dearest family for their kind support, patience, and moral love during my period of studies.

ABSTRACT

The main study of this dissertation was to assess the impacts of Tourism activities on socio-economic livelihood of communities. The study involved Mikumi National Park in Morogoro and Bagamoyo coastal regions respectively. A cross sectional study design was employed to collect data, the specific objectives that guided the research were, the assessment of respondents socio-economic activities, assessing challenges facing the performance of tourism activities in Mikumi national park and Bagamoyo district and evaluation of measures needed to be taken to improve the performance of tourism activities in two respective areas. The methodologies employed during the collection of data were interview, observation and documentary review, face to face interviews were done with 120 people aged 18 years and above living near Mikumi national park and Bagamoyo. Data Management was done using Epidata software, and data analysis was done using both Microsoft excel and stata software version 11.0 (statcorp, Texas, USA).

Results from the Correlation analysis revealed that, the three factors (employment, income generation and government taxes) correlated with community livelihood benefits; it was revealed that, the above mentioned socio-economic factors were positive and significant at the 0.01 level (2-tailed). Results of ANOVA test revealed that there is a significant difference in the overall community livelihood improvement basing on the socio-economic dimensions. In this respective; employment creation(0.300) carried heaviest weight for overall livelihood improvement of the community followed by income generation(0.277) and government taxes come third with (0.266). The study thus conclude, tourism activities have improved livelihood of the people in the area, through employment and income generation, and supporting local government revenue, and in some occasion sharing benefits through social responsibility, like buildings schools, dispensary. Based on results, the study recommends that; hotels investors need to empower local staffs through training, aiming in enabling them in getting senior employment position, there is a need of purchasing local inputs from those areas, this will boost standard of living for the local community in the area.

LIST OF ABBREVIATIONS AND ACRONYMS

AWF	African Wildlife Foundation
CBC	Community Based Conservation
CCS	Community Conservation Services
GDP	Gross Domestic Product
LDCs	Least-Developed Countries
MDG	Millennium Development Goal
MNRT	Ministry of Natural Resource and Tourism
NGO	Non-governmental Organization
PRA	Participatory Rural Appraisal
SACCOS	Saving and Credit Cooperative Society
SNV	Netherlands Development Organization
TANAPA	Tanzania National Parks
TNR	Tanzania Natural Resources Forum
TRS	Tourism Revenue-Sharing programmes
TTB	Tanzania Tourist Board
TTC	Tanzania Tourist Corporation
UNESCO	United Nations Educational, Scientific, and Cultural Organization
WMA	Wildlife Management Area
WTO	World Trade Organization

TABLE OF CONTENTS

Certification	i
Declaration and Copyright	ii
Acknowledgement	iii
Dedication	iv
Abstract..	v
List of Abbreviations and Acronyms	vi
Table of Contents	vii
List of Tables	xi
List of Figures	xii

CHAPTER ONE: INTRODUCTION

1.0	General Introduction	1
1.1	Background to the problem.....	1
1.2	Statement of the Research Problem	4
1.3	Objectives of the study.....	5
1.3.1	General objective.	5
1.3.2	Specific objectives	5
1.4	Research Questions	6
1.5	Significance of the study	6

CHAPTER TWO: LITERATURE REVIEW.....

2.0	Introduction.....	8
2.1	Conceptual Definition	8
2.1.1	Tourism	8
2.1.2	Socio-economic benefits	8
2.1.3	A livelihood	8
2.1.4	Direct effects	9
2.1.5	National parks	9
2.1.6	Indirect effects.....	9
2.1.7	Induced effects	9

2.1.8	Multiplier effects.....	9
2.1.9	Economic impacts.....	10
2.2	THEORETICAL REVIEW.....	10
2.2.1	Tanzania Tourism Policy Framework.....	10
2.2.2	Tourism Trends in Tanzania	11
2.2.3	Linkage between Tourism and Employment	14
2.2.3.1	Numbers and Growth of Tourist Arrivals	16
2.2.3.2	Countries of Origin	17
2.2.3.3	Length of Stay and Visitors Expenditure Estimates	18
2.2.4	Significance of Tourism on the Economy.....	19
2.2.4.1	Development Trends in Tourism in Tanzania.....	20
2.2.4.2	Sharing Tourism Benefits with the Local Community	21
2.2.5	Community Involvement in Tourism.....	24
2.2.5.1	Tourism benefits-sharing schemes.....	27
2.3	Empirical Review.....	29
2.3.1	Impacts of Tourism on Employment	29
2.3.2	Impacts of Tourism on Income Activities.....	31
2.3.3	Impact of Tourism on the Economy	32
2.3.4	Tourism Linkage in the Economic Growth	33
2.4	Theoretical Models	34
2.4.1	Doxey's Irridex Model.....	34
2.4.2	Butler's Tourist Area Lifecycle Model.....	35
2.4.3	Social Exchange Process Model	36
2.5	Conceptual framework.....	37
2.5.1	Independent variable	37
2.5.2	Intervening Variables.....	38
2.5.3	Dependent variable	38
2.5.4	Relationship between variable	39
2.6	Research Hypothesis	39

CHAPTER THREE: RESEARCH METHODOLOGY	40
3.1 Introduction.....	40
3.2 Research Design.....	40
3.3 Research Approach	40
3.4 Population	41
3.5 Sampling and Sampling Technique	41
3.6 Study Area	41
3.7 Secondary data	42
3.8.2 Interview	43
3.8.3 Documentary review	43
 CHAPTER FOUR: DATA PRESENTATION AND DISCUSSION	 45
4.1 Introduction.....	45
4.2 The Respondents	45
4.2.1 Respondents Demographic Characteristics.....	45
4.2.2 Income Activities and Relationship with Tourism Sector	47
4.2.3 Structure of Tourists Hotels in Bagamoyo District.....	49
4.3 Economic Impacts of Tourism	51
4.3.1 Income Trends from Tourists activities in Tanzania	51
4.3.2 Tourists output and employment impact.....	53
4.4 Income impact of Tourists activities	54
4.5 Factors Analysis of Tourists Impacts	54
4.5.1 Direct effects of tourists activities	55
4.5.1.1 Income-generation (Factor 1)	55
4.5.1.2 Employment generation (Factor 2)	55
4.5.1.3 Government taxes (Factor 3)	56
4.5.2 The Indirect and Induced Effects of Tourists Activities	57
4.5.3 Tourism and Communities Livelihoods	58
4.8.1 Level of Satisfaction with Tourists Activities	58
4.8.2 The Social-Costs of Living near National Park	59
4.9 Factors Hindering the Performance of Tourism Sector	63

4.10	Measures to Improve Tourists Sector.....	64
CHAPTER FIVE: CONCLUSION AND RECOMMENDATIONS		67
5.0	Introduction.....	67
5.1	Conclusion	67
5.2	Recommendations.....	68
REFERENCES.....		71
APPENDICES		74

LIST OF TABLES

Table 4. 1:	Demographic characteristics of the study population	46
Table 4. 2:	Households income	47
Table 4. 3:	International Visitor Arrivals and Receipts in Tanzania.....	48
Table 4. 4:	Structure of the Employees Working in Tourist Hotels in Bagamoyo	50
Table 4. 5:	Tourist Arrivals and Earnings Growth Rates, 1992-2012 (percentage).....	51
Table 4. 6:	Tourists' Overall Level of Satisfaction with the tourist's activities	59
Table 4. 7:	Effects of living along Mikumi National Park.....	60
Table 4. 8:	The benefits that were mostly outlined by the respondents	61
Table 4. 9:	Factors hindering Performance of Tanzania Tourist Industry	64
Table 4. 10:	Measures to Improve Mikumi National Park Performance	65

LIST OF FIGURES

Figure 4. 1:	Respondent Duration of Stay within or next to the Park.....	47
Figure 4. 2:	Trend of visitors' arrivals (in 000) and income received in Million USD	52

CHAPTER ONE

INTRODUCTION

1.0 General Introduction

This chapter gives a general overview and introduces the topic of the impacts of tourism activities on socio-economic livelihood of the communities, taking Bagamoyo and Mikumi National Park as the case study. It also introduces the dissertation and the problem, the rationale and the two selected study areas. It has touched on several areas sensitive to the government, the communities and various other stakeholders in tourism industry.

1.1 Background to the problem

Tourism has become a significant industry in both poor and rich economies because of its important impacts on economic, livelihoods and socio-cultural development (WTO, 2012). The facts that tourism is a composite product of many other industries, implies that its contributions to the growth process, depend not only on productivity levels with it, but on the extent to which its expansion can be converted into productivity increases in other sectors (Carey, 2011). There is evidence that tourism contributes a lot to the economic growth of even countries with poor economies through foreign exchange earnings, creation of employment opportunities and provision of public revenues. With proper interventions, such economic benefits can play a crucial role in the process of poverty alleviation.

Tourism has become one of the most significant export sectors in many developing countries, especially in the least developed countries. This sector provides a large number of jobs because it is labour intensive. According to ODI (2007), tourism has accounted to equivalent to around 2-6% of jobs in Africa and these include jobs for the women (around 50% of the workforce), unskilled and informal sector workers. An assessment of tourism's contribution to economic development in host country requires an analysis of the backward and forward linkages between tourism and other

sectors, an understanding of the spatial location of tourism activities and identification of the beneficiaries of its economic and other impacts. This means if tourism is to have a major influence on the economy of a country or a particular region, it should have strong linkages with the rest of the domestic economy.

Tourism can, therefore, be a catalyst for national and regional development, bringing employment, exchange earnings, balance of payments advantages and important infrastructure developments benefiting locals and visitors alike (Glasson *et al.*, 2009). Empirical evidence in some micro studies have shown that income flows and other net benefits to participants at enterprise level, especially where pro-poor tourism initiatives are put in place to assist micro entrepreneurs gain market access to many markets. Tourists often demand in their destinations, these four main goods and services: accommodation, food, transportation facilities and entertainment services. In order to satisfy these demands, many of the developing countries need to increase their current level of production, which provides two positive effects on their economy. First, increased production that will ultimately improve the income level. Second, given the fact that tourism sector is labour intensive, it will therefore reduce the level of unemployment and thereby alleviate the extent of poverty in the economy of these regions. This is highly important in the case of regions with high rates of unemployment, low level of per capital GDP, one source of foreign exchange earnings and export products facing difficulties in competing internationally.

In Tanzania tourism has grown more rapidly (due to policy measures to attract high spending tourist), expenditure per tourists is high in Tanzania, increasing from \$425 in 1990 to over \$ 1,000 in 2011, compared to average of US \$ 338 to about US \$ 400 for Africa. Furthermore, employment from tourism, although small, has grown more rapidly in 1990s; this has been attributed by the rapidly increasing earning rather than rivals. Generally, it is difficult accurately quantify tourism, it is arguably, the world's largest industry, accounting for about 55% of the world's Gross National Product and 6% of the employment, and it is growing fast (Glasson *et al.* 2008). Most governments encourage the growth of tourism in their respective countries in order to

support economic development. For poor countries, regions, towns and cities, tourism is seen as the fast track to development. Hall (2010) states that the main reason why governments, particularly in developing countries encourage tourism investment is because of the expectations that it will contribute to economic development.

Furthermore, one of the main factors to economic growth in Tanzania is the export of additional commodities, which have minor or no domestic demand. This means that Tanzania is a poor country due to the fact that her range of commodities for export is very low and not necessarily because of trade restrictions in the developed countries. It is as a result of this that a lot of efforts have been put in place by the government to diversify their economies and to increase their export commodities in international markets through the promotion and enhancement of export through tourism sector. It has also been seen that for adequate and appropriate development of the rural as well as the urban areas within the country, the promotion of tourism export through the provision of necessary facilities at the tourism sites is inevitable. Given this, we find it worthwhile investigation whether tourism activities has the potential of translating the socio-economic livelihood of the community.

This paper describes the broader sense of tourism to mean the potential of the industry to have direct socio-economic impacts on community livelihood. This issue is made clearer by Binns (2012), who states that development should not only refer to economic matters but should encompass social, economic, environmental and ethical considerations such that its measurement may incorporate indicators of poverty, unemployment, inequality and self-reliance. Carter (1991) notes that there is a cumulative relationship between tourism development, the environment and socioeconomic development. This means that if tourism is to contribute to sustainable development, then it must be economically viable, ecologically sensitive and culturally appropriate (Wall, 2010).

1.2 Statement of the Research Problem

Tourism has continued to play an important role in the Tanzanian economy and is rated among the fastest growing sectors in the country and the sector has become a pillar for the economy, particularly for the last decade. Economic policies and government efforts to support tourism has been emphasized for several reasons. First, Tanzania is endowed with various natural resources that make tourism the mainstay for tourism attractions, another reason, is that tourism generates many other economic benefits, including; employment, incomes and taxes revenue.

Tourism's contribution to economic growth and development could be seen from its exports, and this according to WTO (2006) represents over 40% of all services exports, which puts it as the highest category of global trade. WTO (2005) estimates put tourism to have accounted between 3% to 10% of the GDP in the developing world. According to tourism department and economic survey (2010), the Tanzania tourism earning as a share of GDP increased significantly from about 1% in 1992-1998 period to over 8% in the 1999-2004 period. A share of total exports, tourism earning increased from about 35% in 2000 to over 40% in the 2010, becoming the second largest foreign exchange earner after agriculture. Tanzania GDP grew from about 3% to over 19% respectively. The numbers of hotels and beds have increased more slowly than the growth of arrivals/receipts, suggesting arise in capacity utilization of accommodation.

While it has been possible to involve local communities in the tourism business and that some of the revenue have been accrued to them, indications are that most of the community tourist projects are performing poorly. There is no meaningful reinvestment of the tourism revenue into other tourist projects. This is mainly a result of lack of entrepreneurship and marketing skills in the tourism business and that the concept of community partnership is still new and generally lack understanding amongst the various communities (Mbaiwa, 1999). Generally, what local communities obtain from community-based tourism is insignificant when compared to those obtained by the private tour operators or by government

Earnings from tourism look impressive, but one would like to know more about its economic implications before concluding that this is a positive development that should be promoted. One would like to know the net (national) benefits from tourism, deducting extra cost from gross revenues, and also who benefits from these net earnings. And whether such economic earnings have anything to do with poverty alleviation. As with all modernisation efforts leading to economic growth, there are costs and benefits implications as well. These may be important, as tourism is a peculiar export of services, with no actual services leaving the country but with its clients coming to enjoy these inside the exporting nation. Therefore, at a time when Tanzania is rapidly becoming a major tourist destination, getting ready for the quantum leap towards mass tourism, it seems worthwhile to examine its effects to the economy in general and the poor in particular.

This study is important because of increasing importance of tourism in Tanzania economy, and the existence of few studies on the socio-economic impact of tourism on communities livelihood, like for those living around Mikumi National Park and Bagamoyo. Indeed, most of the studies conducted on this topic concentrated on effect of tourism exports on economic growth rather than evaluating the impacts of tourism activities on the socio-economic livelihood of the community. Due to this reasons we conducted the study to examine the contribution of tourism activities on socio-economic livelihood of the communities in Tanzania.

1.3 Objectives of the study.

1.3.1 General objective.

The study examined the impact of tourism activities on socio-economic livelihood of the communities in Mikumi national park and Bagamoyo district.

1.3.2 Specific objectives

- i. To assess the opportunity, and gains emanating from tourism activities undertaking in Mikumi national park and Bagamoyo district.

- ii. To assess challenges facing the performance of tourism activities in Mikumi national park and Bagamoyo district.
- iii. To evaluate on measures required to improve the performance of tourism activities in Mikumi national park and Bagamoyo district.

1.4 Research Questions

In order to answer this primary question, the following research questions are incorporated in this study, they include;

- i. What are the socio-economic activities available to the people living near national parks in Mikumi and Bagamoyo tourist centre?
- ii. What are the challenges hindering the performance of tourism activities in Mikumi National Park and Bagamoyo Districts?
- iii. What measures need to be taken to improve the performance of tourism activities Mikumi National Park and Bagamoyo Districts?

1.5 Significance of the study

The study will provide up to date information on the contribution of tourism activities to the community that are within the proximity like people living near Mikumi national park and Bagamoyo tourism centre. This is part and parcel of the government's objective of trying to ensure that the tourism industry is elevated to a giant contributor to the national economy by not just realising high income figures but also making sure that the community around the tourism centre benefits.

The study will also highlight some areas of improvement on the contribution of tourism to the community that live near the tourism centre, some of this priorities are using human resources that are available near the tourism centre to work in tourism centre hotels, work as tour guide and drivers rather than employing people from outside the tourism centre. This will act as motivation for these communities to take responsibility to conserve the centre.

Moreover, the study will help the Ministry of Natural Resources and Tourism to take corrective measures to curb the social economic challenges facing communities around the national parks and other tourist's destination like Bagamoyo Districts. The findings of this study will be of significance in the management of Mikumi National Park and Bagamoyo district to help the livelihood of the surrounding communities, both socially and economically. The study will provide an understanding of the importance of the linkage between National park, tourism and socio-economic undertaking of people living around.

Lastly the study will identify specific opportunities and priorities constrains to the people living near to the tourism centre which when addressed will facilitate growth of these communities economically and socially.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviews the relevant literature concerning socio-economic impact of tourism. The chapter will deal with both theoretical literature review and empirical literature review.

2.1 Conceptual Definition

2.1.1 Tourism

The World Tourism Organization (WTO) defines tourism as the activities of persons travelling to and staying away from places of their usual residence for not more than one year for leisure, business and other purposes not related the exercise of an activity remunerated from within the place visited. In this study the term tourism has been defined to mean activities undertaken by tourists during their stay in those tourist destinations opted, as well as the different hotel services and facilities provided to cater for their needs.

2.1.2 Socio-economic benefits

The goal of socioeconomic study is generally to bring about socioeconomic development, usually in terms of improvements in metrics such as GDP, life expectancy, literacy, levels of employment(Bezmen, 2010)

2.1.3 A livelihood

This comprises the capabilities, assets (including both material and social resources) and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stress and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base (Chambers & Conway, 2011)

2.1.4 Direct effects

Are production changes associated with the immediate effects of changes in tourism expenditures for example, an increase in the number of tourists staying overnight in hotels would directly yield increased sales in the hotel sector. The additional hotel sales and associated changes in hotel payments for wages and salaries, taxes, and supplies and services are direct effects of the tourist spending (Odularu and Kareem, 2009)

2.1.5 National parks

These are locations which receive protection because of their recognised natural, ecological and cultural values. There are several kinds of protected areas, which vary by level of protection depending on the enabling laws of each country or the regulations of the international organisations involved (Naude and Saayman, 2004)

2.1.6 Indirect effects

Are the production changes resulting from various rounds of re-spending of the hotel industry's receipts in other backward-linked industries (i.e., industries supplying products and services to hotels). Changes in sales, jobs, and income in the linen supply industry, for example, represent indirect effects of changes in hotel sales (World Travel and Tourism Council, 2010).

2.1.7 Induced effects

Are the changes in economic activity resulting from household spending of income earned directly or indirectly as a result of tourism spending. For example, hotel and linen supply employees supported directly or indirectly by tourism, spend their income in the local region for housing, food, transportation, and the usual array of household product and service needs (World Travel and Tourism Council, 2010).

2.1.8 Multiplier effects

The multipliers capture the secondary economic effects (indirect and induced) of tourism activity. Multipliers have been frequently misused and misinterpreted in

tourism studies (Archer 1984) and are a considerable source of confusion among non-economists. Multipliers represent the economic interdependencies between sectors within a particular region's economy (World Travel and Tourism Council, 2010).

2.1.9 Economic impacts

A standard economic impact analysis traces flows of money from tourism spending, first to businesses and government agencies where tourists spend their money. The economic impacts of tourism are typically estimated by some variation of the following simple formula: $\text{Economic Impact of Tourism} = \text{Number of Tourists} * \text{Average Spending per Visitor} * \text{Multiplier}$.

2.2 THEORETICAL REVIEW

2.2.1 Tanzania Tourism Policy Framework

Until 1991, Tanzania did not have a definite tourism policy. Tourism in Tanzania (Mainland) evolved through various stages and periods. During the first decade of independence, tourism was not viewed as a priority sector for development. The focus of the government was only on wildlife conservation, putting little emphasis on actual utilisation and promotion. In 1971, the Tanzania Tourist Corporation (TTC) was established to promote and market tourism within and outside the country. This paid off as more tourists visited Tanzania in 1972 (199,200 tourists) compared to 1971 (68,400 tourists). However, with the after effects of the drought of 1974, the Uganda War of 1979 and the economic crisis that emerged from the late 1970s to the mid 1980s, tourism industry did not perform impressively.

The tourism policy of 1991 (revised in 1999), places emphasis on the promotion of private sector investment, environmental conservation and consumer protection. The main objectives of the sector are outlined as:

- i. To maximise tourism's contribution to the country's development through increased foreign exchange earnings, employment creation, human resource development and rural development.

- ii. To ensure the conservation of tourism attractions, preservation of the environment and the sustainable development of the tourism industry. In Zanzibar, tourism has been encouraged as a main source of foreign exchange and therefore economic growth. Both local and foreign private companies and individuals are encouraged to invest in the sector. Unfortunately, there is no policy in place. The government has attracted expanding tourist entrepreneurs and tourists. However, confronted with mass tourism, Zanzibar experience limited access to and control over their coastal zones, partly due to lack of institutional framework for the sector.

2.2.2 Tourism Trends in Tanzania

The reforms that started in 1986 in Tanzania Mainland, and particularly the increased private sector participation, had positive impact on the tourism industry. Apart from the Tourism Policy of 1991 (revised in 1999), the strengthening of investment incentives under the Tanzania Investment Act of 1997 acted in a positive way in attracting investors into the sector. The number of projects approved by the Tanzania Investment Centre (TIC) kept on growing from 31 projects in 1997 to 229 projects in 2000. However, as not all approved projects do materialize and therefore not all employment opportunities are generated, the actual employment created cannot be ascertained. Tourism became the fastest growing industry in Tanzania in the 1990s, after decades of stagnation. It is a sign of Tanzania joining the world, where tourism is one of the largest industries (second after oil). Tourist arrivals, for example, increased from 103,000 in 1986 to 153,000 in 1990 and reached 627,000 tourists in 1999. Tourist earnings also increased from US\$ 20 million to US\$ 65 million and US\$ 733 million during the same periods.

The earnings increased from \$10 to 20 million, annually, in the 1970s and the early 1980s, to \$60 Million in 1989. There was also a more than ten-fold increase in ten years time from 1989 to 1999, and even a doubling in the last four years. The annual growth rate of tourism since 1985 has been over 30 percent, showing how tourism is positively responding to the reforms. Problems in Kenya, negatively affecting the

flow of tourists, also played a role in increasing the flow of tourists to Tanzania. Unfortunately, tourism did not perform well during year 2000 and 2001. Inflows of tourists declined in year 2000 with marginal increase in year 2001. However, tourist earnings improved marginally in year 2000 but declined in year 2001

Average earnings per tourist in Tanzania are also high, increasing from an average of US\$ 500 in the early 1990s to over US\$ 1000 towards the end of the decade. This compares favourably with the average for Africa that is between US\$ 300 and US\$ 400 (WTO various). Tourism accounted for about 60 percent of all exports of goods and services in 1999 compared to only 12 percent in 1990, more than all traditional exports together (the six crops include coffee, tea, cotton, tobacco, cashew nuts and sisal), and ten to twenty four times more than (official) exports of minerals and of manufactured goods (each). Earnings from tourism contributed 9 percent to the national GDP in 1999, compared with only 1.5 percent in 1990 and around 0.3 percent in the early 1980s. And although tourism increases imports, its revenues alone now finance more than 40 percent of all imports. The over 600,000 arrivals for 1999 also mean a twelve-fold increase compared to the 50,000 annual visitors in the early 1980s.

Generally, Tanzania is rapidly catching up with leading African tourist destinations, taking a sixth position (in earnings) in 1997 after South Africa, Morocco, Tunisia, Mauritius and Kenya, but number eight in arrivals, after Zimbabwe and Botswana.¹⁰ While Kenya still had 951,000 visitors in 1998 and Tanzania only half of that (482,000 visitors), its earnings (\$570 million) surpassed those of Kenya (\$358 million) for the first time in that year. Some other African countries have managed to attract many tourists and increased substantially their earnings from tourism. South Africa for instance, earns over \$ 2 billion from tourism, with over 5 million arrivals per year. Tanzania, too with her great tourist potentials could increase substantially its earnings from tourism.

Zanzibar also has witnessed a growing tourist sector. Doubling its tourist arrivals since 1990 from 42,000 to 86,000 tourists in 1997. International visitation increased at an average annual rate of 16 percent during the first ten years since the start of the economic reforms of 1987. The economic reforms had envisaged tourism as one of the major areas for future economic growth and employment creation. Annual shifts in visitation have ranged from a 60 percent rise in 1988 soon after liberalisation, to the only decline in 1994 (of 40 percent), most likely a result of political conflicts in neighbouring countries and publicity. In general, prospects look good as Africa is attracting more tourists every year, also relatively compared to other destinations (e.g. Asia). From 1995 up to 2000 tourist arrivals in Zanzibar increased significantly from 56,415 tourists to 97,165 tourists.

Most impressive growth was registered between 1999 and 2000 when tourist arrivals recorded an 11.8 percent growth in inflows. Specifically, the rapid jump in the number of tourist arrivals from the year 1997 was largely a result of the open door policy. Foreign earnings also increased (Figure 3). The monthly room occupancy rates ranged between 20 percent and 48 percent during 1999 and 2000. Tourism is estimated to contribute at least US\$ 5 million annually in direct spending and hotel levy brings in a monthly average of US\$ 11,000 on the Island (Zanzibar Tourism Draft Policy, 1998). This gives an indication that Zanzibar's diversified product mix has been gaining widespread demand in the global world market. The attraction of Stone Town as one of the World Heritage sites anchors Zanzibar's image and promotions.

The historic sites such as Beit El Ajaab (House of Wonders), Old Fort, Livingstone House, newly restored Old Dispensary, Anglican Cathedral on the site of the former slave market, Tippu Tip House, Maruhubi Palace and other ruins of the former sultans, are important attractions to tourists. Additionally, Zanzibar's tranquil, palm – fringed beaches are well known, but the menu of marine recreation activities has also expanded to include scuba diving, snorkelling, deep-sea fishing, sailboat charters, dolphin watching and visits to the offshore islets and coral reefs. In Tanzania

Mainland there was a modest increase in tourist inflows from 501,669 in 2000 to 525,122 in 2001, an increase of 5 percent. In spite of the increase in number of tourists, revenue collection from tourism decreased from US\$739 million in 2000 to US\$ 725 million in 2001. In Zanzibar, both tourist inflows and revenue collection from tourism sector decreased. The poor performance of tourism sector in 2001 is attributed to the effect of September 11, 2001 terrorist attacks in the USA which disrupted tourism activities in the country (and other parts of the World).

In the case of Tanzania, the tourism business was affected because the attack happened at the end of the second season (July-September) of mass tourism, where a big number of organised tourists visit the country especially the high spending tourists from the USA. However, important indicators of the size and direction of demand for tourist services are the number of tourists coming to the country as well as the gross foreign exchange earnings realized. Generally, tourism performance in Tanzania during the 1990s has been impressive. The growth rates in both arrivals and earnings for 1990-2000 were high, with earnings taking an upper hand. In Mainland Tanzania, growth rates for arrivals and earnings were 13.2 percent and 25.0 percent respectively, while for Zanzibar were 8.3 percent and 22.6 percent respectively.

2.2.3 Linkage between Tourism and Employment

Incomes for national citizens related to their employment in the tourist sector are also important. The World Trade Organization (WTO) projects that by the year 2010, tourism jobs will increase faster than those in traditional industries by as much as 59 percent. Employment generation by tourism varies from one economy to another depending on, among others, the size and extent of diversification. For example, in larger and more economically diversified islands, such as Jamaica and Puerto Rico, tourism generates about 5 percent of total employment. In smaller islands the share can go up to one-half and above. For example, in Bermuda tourism employs (direct and indirect) 75 percent of the labour force. In other developing countries the figure is not big, as in Cyprus employment creation lies between 5 percent and 10 percent, in Malta 3.5 percent, in Fiji 5 percent, in Tahiti 3 percent and in Bali less than 1

percent. Direct employment in hotels is the most reliable indicator of the sector's contribution to employment, given that data on other direct employment, indirect employment and capital goods employment is hard to get. In Tunisia and Malta, for example, hotels employ about 0.4 persons per bed.

In Bali each twin-bedded room averaged 1.5 employees in 1974, but generally hotel employment affected many more persons since employee turnover averaged twenty-one months. Although larger hotels do better here than small ones, other factors such as location, price category, standard of service do matter. In Tanzania, official data indicate that there were around 257,000 people supposed to be working in the sector in 2009 compared to 126,000 in 1998 (URT, 2011). This may still be an under-estimation, since indirect employment is not taken into account. In 1999 in Zanzibar, tourism employed directly an estimated 5,500 people and 27,600 indirectly. In Kenya tourism is estimated to create about 180,000 formal jobs and 380,000 informal ones, a number that could be doubled if tourism was to be managed and planned more properly, with less crime and political violence interrupting the industry. In Tunisia the service sector's (including tourism) contribution to the creation of job opportunities increased from 15 percent of the labour force in 1996 to 36 percent in 2005. In Seychelles the figure rose from 14.7 percent of the labour force in 1995 to 19 percent in 2004 (United States Bureau of Public Affairs 2005). In Malta direct employment in hotels increased from 8,375 employees in 2000 to 10,633 employees in 2010 (Malta Tourism Authority, 2010). In other countries potential and actual job creation may differ widely, but the net balance may still be worthwhile, in view of limited alternatives for job creation. Tourism has the ability to generate employment both in the formal and informal activities.

Evidence indicate that the level of employment in tourism activities is high, for example accounting for 0.5 million jobs in Spain and about 5 million in India (Sinclair, 2008). Employment is also often higher in tourism than in other sectors and wages compare well with other sectors but inversely related to jobs. Wages of hotel employees compare favourably with those in agriculture, and even more when

compared to subsistence agriculture. Unskilled hotel employees in Cyprus earned between 50 percent and 75 percent more than other unskilled workers in 2007. Those in managerial positions earned about 25 percent more than those in other sectors. In Tunisia and Spain although industrial workers were earning a bit higher than hotel workers, there was little difference in their living standards (Huit, 2008)

2.2.3.1 Numbers and Growth of Tourist Arrivals

According to the Ministry of Natural Resources and Tourism (2009) Statistical Bulletin, tourist arrivals in Mainland Tanzania were 495,000 in 2000, after correcting previous estimates for 1999. The original estimate for 1999, which was 627,000 tourists, included returning nationals based abroad, and the ministry reduced the estimate to 446,653 tourists. One industry source calculated that, based on airline capacity, the number of bonafide tourists to the Northern Circuit was 110,000 in 1999; however, this could be an underestimate because of the many tourists arriving by road from Kenya. The industry source estimated that visitors arriving in Dar, which is also the entry point for the Southern Circuit, were 50,000 in 1999. Adding these airline totals, visitors to the Mainland would be 160,000 air arrivals. Based on tentative estimates, road travellers arriving from Kenya through Tanzania's northern entry point are said to range between 50 to 70% of air travellers, which would add 50,000 to 70,000 more tourists to the total of 160,000. Visitors by air and sea to Zanzibar totalled 86,918 in 1999 and 97,165 in 2000.

Total visitors to Tanzania as a whole by that estimate amount to about 300,000 to 320,000 international tourists in 1999. But this is purely an exercise in speculation which is a pending revision of the system by which tourist arrivals are calculated. The correction to the data for tourist arrivals in 2000 in Mainland Tanzania leads to an apparent decrease of 20% in tourist arrivals over 1999, when, in fact, the correction is merely statistical and was done only for one year rather than for the time series. Consequently, it is not possible to calculate a true rate of growth in tourist arrivals over time. On the assumption that the trends in the data are correct, these show a steady increase in arrivals to the Mainland throughout the past decade.

Using the unadjusted time series between 1988 (130,343) and 1998 (482,331), the increase in total arrivals was 370%. Data for Zanzibar, which has two main entry points and probably far less business visitors relative to the Tanzanian Mainland, show an increase in tourist arrivals of 230% between 1990 (42,141) and 2000 (97,165). After a steady increase in numbers between 1994 and 1997, growth stagnated until 2000, when there was a 12 % increase over 1999. The absence of good statistics for tourist numbers, length of stay and expenditures, handicaps planning for the tourism sector. The absence of good demographic data prevents the promotional targeting of market segments that could be attracted to Tanzania. The government is addressing the issue, with assistance from the EU, by conducting an extensive visitor survey in 2001 and by reviewing the process of data collection (Luvanga and Shitundu, 1993:277 report).

2.2.3.2 Countries of Origin

According to the Ministry of Natural Resources and Tourism (2009) Statistical Bulletin, in 1999 the total number of visitors accounted to Tanzania Mainland was 40%, Europeans 33 % and visitors from the Americas 22 %. These estimates are based on the 627,000 estimate for total tourists, which has subsequently been reduced to 446, 653. What proportion of the Africans are bonafide tourists rather than returning nationals or residents, or arriving for business purposes is not known. Some 40% of the totals are from Kenya, followed by about 10 % from Uganda and 7% from South Africa.

The statistics suggest that visitors from Europe have grown rapidly and North Americans more slowly. Within Europe, the main source markets are the UK, Scandinavia and Germany, which together accounted for just over 70% of total European arrivals in 1999. Visitors from Italy, France and Switzerland accounted for another 20 % of European arrivals. At least on the Northern Circuit a local tour operator and a hotel manager mentioned the increase in Japanese tourists in recent years but from a very low base; the official statistics show fluctuations in Japanese arrivals between 6000 and 9600 during the past five years. The data indicate a

substantial increase in Australian and New Zealand tourists in the past two years to approximately 16,000 or about 3% of total tourists.

Industry sources in the North mentioned increasing numbers of Spanish tourists, but these too have fluctuated between 5000 and 10,000. Indians comprise another significant group, fluctuating between 10,000 and 24,000, but whether bonafide tourists or visiting friends and relatives, it is unknown. The fluctuations in the numbers of tourists from the same country or region of origin could suggest deficiencies, i.e., lack of or decline in continuity in Tanzania's marketing and promotion which is in fact the case, as is discussed later in the report. But, the weakness of the data, hamper analysis.

In Zanzibar, Italians dominate with 25% of the total tourists (and arrive by charter), followed by the UK with about 15%. European tourists as a whole comprise nearly 75% of all tourists to Zanzibar and have shown a steady growth in demand, which suggests that Zanzibar is an established destination in Europe. The US and Canada account for about 8% of tourists, Australians and New Zealanders some 5%, and the only other significant groups are South Africans (with annual fluctuations between 1 and 4 %) and Kenyans (about 3%).

2.2.3.3 Length of Stay and Visitors Expenditure Estimates

The Ministry of Tourism estimates that the average length of stay is now 7 nights. The length of stay varies according to the destination within Tanzania. An average of 4/5 nights is spent on the Northern Circuit and between 7 to 10 nights in Selous/Ruaha, according to the best guesses of industry sources. No estimates are given for the length of stay at the "add-on" resorts that are featured in the international tour operators' brochures all of which is within the country of Tanzania. From discussions with these tour operators, it seems that most of their tourists complete their holiday within 14 days, including return air travel, though some stay an additional week. The visitor survey should clarify just how long the average length of stay actually is, differentiated for the different segments of tourism within Tanzania (Luvanga and Shitundu, 1993:277 report).

These estimates range from US\$ 700 to something over US \$ 1000 per tourist's visit. These are weighted averages and there is no estimate for expenditures in different destinations on the tourist circuit. From the tour operators' brochures it is evident that the costs are up to one-third higher for the Southern Circuit over the Northern. The visitor survey, again, will need to clarify not just what average expenditures are but what they are for each segment of tourism. No estimates are available for Zanzibar.

2.2.4 Significance of Tourism on the Economy

According to Noranha (1997), in Kenya, tourism is estimated to create about 180,000 formal jobs and 380,000 informal ones, a number that could be doubled if tourism was to be managed and planned more properly, with less crime and political violence interrupting the industry. In Tunisia, the services sector's (including tourism) contribution to the creation of job opportunities increased from 15 percent of the labour force in 1986 to 36 percent in 1995. In Seychelles the figure rose from 13.5 percent of the labour force in 1985 to 15 percent in 1994 (United States Bureau of Public Affairs 1987, Focus Multimedia, 1997 and Seychelles Home Page).

In Malta direct employment in hotels increased from 7,375 employees in 1990 to 9,533 employees in 2000 (Malta Tourism Authority, 2001). In other countries potential and actual job creation may differ widely, but the net balance may still be worthwhile, in view of limited alternatives for job creation. Tourism has the ability to generate employment both in the formal and informal activities. Evidence indicate that the level of employment in tourism activities is high, for example accounting for 0.5 million jobs in Spain and about 5 million in India (Sinclair, 1998). There are also indirect incomes and employment generated from tourist purchases outside the hotel business, which sometimes may be more important than the direct effects, but once again are harder to estimate. Studies have always indicated that tourists usually spend less than two-thirds of their expenditures on typical tourist hotels/ restaurants, (de Kadt, 1979).

2.2.4.1 Development Trends in Tourism in Tanzania

Strauss (2007) points out that Tanzania needs more luxury hotels, hoping to become Sub-Saharan Africa's next break-out success story in the tourism sector. Tanzania is building infrastructure, creating new investment incentives, and launching international advertising and marketing campaigns to keep arrivals at or above last year's 12% growth pace and attract hotel developers and operators who can deliver the 5-star product that will appeal to the country's high-end target market. Tanzania needs to expand hotel inventory that range from luxury tented camps and elegant 5-star resorts to luxury urban hotels targeting business travellers drawn by the country's growing energy, agricultural, chemical and mining sectors. Chains with big-brand marketing power are likely to get priority, as are projects sensitive to Tanzania's ecosystem. The tourism ministry also is working on initiatives to encourage existing hotels, to upgrade. "Tanzania needs hotels with the right standards and the right levels of hospitality to meet the needs of sophisticated travellers.

Table 2. 1: Tourists, Hotels, Earnings and Employment in Tanzania, 1990-2001

Description	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Tourist Arrivals	153	187	202	230	262	295	326	360	482	627
Tourists in Hotels	172	188	216	239	268	296	345	457	565	480
Number of Hotels	205	207	198	208	210	212	213	215	321	326
Total bed-night	1223	1031	1126	1320	1455	1663	1866	2243	2944	3381
Bed-night per visit(days)	7	7	7.1	7.2	7.3	7.5	7.6	7.7		
Average hotel occupancy rate year	56	56	56	56	57	56	56	60	64	64
Average hotel expenditure per tourist(US\$)	72	85	90	103	122	135	145	156	152	184
Average Earnings per tourist (US\$)	507	595	638	734	879	988	1090	1169	1473	1169

Source: Survey report in Tanzania (Luvanga and Shitundu, 2003)

In 2007 globally, the tourism sector grew beyond expectations with 842 million tourists at 4.5% growth rate (UNWTO, 2007). Africa achieved almost twice the rate of global growth at 8.1% (ibid.). This sector contributes 7.9 per cent to Africa's GDP (The Citizen, 2008). These developments also imply a growth in the hotel industry in accommodating the increasing number of tourists. According to Tourism Working Group (2003), tourism makes a significant contribution to Tanzania's economy. For example, Tanzania earned \$725 million from tourism in 2001 compared to \$259 million in 1995. While in 1995 tourism accounted for 7.5% of GDP, today, it represents about 17% of GDP (The Citizen, 2008).

2.2.4.2 Sharing Tourism Benefits with the Local Community

Local people are part and parcel of protected areas, and it is essential to win their support. They should be provided with tangible benefits from the parks revenue. The benefits, which accrued from protected areas, are recreation, tourism, watershed protection, ecological processes, biodiversity, education resources and non-consumptive benefits. Dixon and Sharamna (1990) argued that benefits derived from national parks are not divided among people in a manner proportional to the cost to local people who live near and around National parks. The cost of wildlife conservation is better understood than the benefits of wild land conservation. Benefit sharing with local people attempts to readdress the inequalities of the wildlife conservation benefit.

Recently, attempts to formulate ways to quantify the benefit of wild lands conservation may be beneficial to national planners but are unlikely to be convincing to local people. Benefit sharing in local level attempts to readdress the inequities of wildlife conservation problems that directly affect rural resources users. Lyimo and Ndolezi, (1996) suggest that local communities should have a true fifty percent (50%) voice and share of the conservation benefits as co-managers of the Parks. Protected areas have always been considered to have important value for a society as a whole. Local people directly affected by protective measures were in these considerations. They simply paid the price for national and international interests.

Tanzania wildlife policy of 1998, has put more emphasis on poverty alleviation, where it recognizes the plight of wildlife and the need of use wildlife to alleviate poverty amongst the rural people. The wildlife policy adopted strategies that integrate rural development with wildlife conservation and therefore, recognize the intrinsic value of wildlife to rural communities. Some of those strategies are to adopt measures that bring equitable sharing of revenue from tourist to the rural communities where 25% contribution from tourist hunting fees has been used to provide social services such as schools, dispensaries and clean and safe water to villages. Second, to compel licensed dealers in wildlife based products to employ workers from area where wildlife utilization activities are conducted. Lastly, is to promote the legal status of wildlife and its product.

The wealth endowed in the natural resources available is expected to be the only solution for providing and improving social and economic needs for the communities living in villages near and around the parks and this wealth is to be preserved for the future generation. This fact supported by Nyerere (1961) who commented that “In accepting the trusteeships of wildlife solemnly, we will do everything in our power to make sure that our children will be able to enjoy this rich and precious inheritance”. On the other hand, the former TANAPA Director General, Mr. Lota Melamari when presenting a paper on Tanzania National parks policies in 1996, said, “TANAPA is a Parastatal which establishes, manages and regulates, the use of areas designated as National parks by such means and measures to preserve the country’s heritage encompassing natural and cultural resources both tangible and intangible resources values, including fauna and flora, wildlife habitat, natural processes, wilderness quality and scenery there in and to provide for human benefit and enjoyment of the same in such manner and by such means as will leave them unimpaired for future generation.” Conservation of national parks and the protection of environment in general through community involvement are for the benefit of the people and the Nation at large.

According to Wildlife report of Tanzania 2003, Tanzania new wildlife policy recognize for the first time, the need to empower local communities by giving them wildlife user rights and management opportunities and responsibilities. It means the rural community development will be possible by giving the local communities opportunities and rights on exploiting and using the resources available in a given area. According to Chambers (1992), Participation is what enables people to share, enhance and analyze their knowledge of life and conditions to plan and act. Their argument arose from the family analogous, approaches and methods namely Rapid Rural Appraisal (RRA) and Participatory Rural Appraisal (PRA) developed during 1980s and 1990s respectively. Participatory methodology rests on persons own best judgment, remits and encourages area activity; involves shared visual representation and analysis by local people (IIED, 1994).

Local participation has been used as a tool in the health, education, agriculture, forestry, and water and development sectors. Ten years' experience with local participation and diversity conservation in Tanzania through TANAPA, "neighbourhood" program has shown that local participation and conservation cannot be persuaded in isolation from development concern if community based conservation programs are to be sustainable (URT, 1998).

In Tanzania, the gazette protected area network covers 25 per cent of Tanzania's total area and is comprised of national parks, game reserves, game controlled areas and the Ngorongoro conservation area. Wildlife resources have been used for consumptive and non-consumptive purposes. The later includes tourism, education and research. These resources generate income from game ranching, tourist hunting and the export of wildlife products. However, most communities living in close proximity to these protected areas, which actually ought to have directly benefited from these resources, have not benefited much from the wildlife industry. This is the reason as to why there is a need of conducting researches to these national parks to assess their contribution aimed at improving social-economic wellbeing of rural people living in villages near and around the parks.

The Pastoral communities have also benefited from living near protected areas. During the last five years, five tourist lodges have opened in the area, and three more are under construction. In addition to the lodges, many of the families of Ruaha National Park (RUNAPA) staff choose to live outside the park, where goods and services are more available, cultivation is possible, and regular transportation to Iringa (the district centre) is available. While the RUNAPA families outside the park are uncounted, the economic effects of their salaries are apparent in Tungamalenga, the closest village to the park entrance. In addition Protected areas and human livelihoods to growing rapidly, having more stores and a wider selection of goods for sale, Tungamalenga is also the only one of the nine villages in Idodi Division that has guest houses (in addition to the eight wildlife-tourism camps).

Another perhaps the most significant benefit for pastoralists provided by protected areas is land-use planning. Tanzania's Wildlife Management Areas legislation requires that every village seeking authority to manage wildlife on its land must complete a land use plan. During the establishment of Pawaga-Idodi Wildlife Management Area, WCS, WWF, and RUNAPA all contributed to the land-use planning process. This support sped up the process and significantly expanded the number of stakeholders that were able to participate, which both improved the plans' content and increased buy-in from those involved.

2.2.5 Community Involvement in Tourism

There are various ways through which communities can be involved in the tourism industry so as to attract their support and participation which in turn enhance development of the industry. This section will focus on and compare two factors: involvement in the tourism decision-making process; and employment opportunities.

Communities can participate in the decision-making process (Zhao and Ritchie, 2007; Li, 2005; Li, 2004; Tosun, 2000; Chok and Macbeth, 2007). One of the key underlying principles of pro-poor tourism clearly declares that local communities

“must participate in tourism decisions if their livelihood priorities are to be reflected in the way tourism is developed” (Chok and Macbeth, 2007). According to Zhao and Ritchie (2007) this can be achieved through engaging local communities as members in the public and tourism related decision making bodies.

Community participation via decision-making is a crucial determinant to ensure that the benefits local communities get from tourism are guaranteed, and their lifestyles and values are respected. However, this approach is rarely found in developing countries (Tosun, 2000; Li, 2005). Building on the same argument, Kibicho (2003) in his study about community tourism in Kenya, further noted that local communities had the feeling that they were not fully involved in their country’s coastal tourism, especially in decisions regarding its development, despite the fact that the industry has impacts on their well-being. In his study about the nature of community participation expected by the local community in Turkey, Tosun (2006) observed that the local community needs to be part and parcel of the decision making body through consultation by elected and appointed local government agencies or by a committee elected by the public specifically for developing and managing tourism issues.

It is, however, important to note that community participation in decision making is not only desirable but also necessary so as to maximize the socio-economic benefits of tourism for the community. It is perhaps one of the most important elements of tourism management to enable communities who often serve as tourist destinations and for that matter suffer from the negative impacts of tourism, to get involved and eventually participate in planning decisions regarding tourism development. This is important in order to create better handling of the negative impacts of tourism development (Li, 2004; Tosun, 2000).

Much of the literature seems to support the idea that if local communities want to benefit from tourism they must be integrated into the decision-making process. However, Li (2005), while studying community decision-making participation in

tourism development in Sichuan Province, China, pointed out that there was weak local participation in the decision-making process yet local communities received satisfactory benefits from tourism. It is equally important to note, therefore, that integration of local communities into the decision-making process is “not a final goal itself” but only one of the many ways through which community participation can be achieved (Li, 2005).

Another way to involve and attract community participation and ultimately their support in tourism development is through local job creation (Zhao and Ritchie, 2007). Since tourism offers better labour-intensive and small scale opportunities (Chok and Macbeth, 2007; Scheyvens, 2007) and since it happens in the community, arguably, it is thought to be one of the best placed potential sources of employment opportunities for local communities, inclusive of women and the informal sector (Johannesen and Skonhoft, 2005; Scheyvens, 2007).

Community participation via employment opportunities, as workers or as small business operators, can be a catalyst to the development of tourism products and services, arts, crafts and cultural values, especially through taking advantage of abundant natural and cultural assets available in communities in developing countries (Scheyvens, 2007). Tosun (2000) stressed that community participation through working in the tourism industry has been recognized to help local communities not only to support development of the industry but also to receive more than economic benefits.

Apart from participation in the decision making process, or simply, apart from the high need by local people to be consulted about local tourism development issues, Kibicho (2003) further identified that 88.6% of 236 members of the local community who participated in his study stated that encouraging local people to invest in, operate small scale businesses, and work for the tourism industry is a suitable means for community participation. This is in line with Tosun (2000) who underlined that in many developing countries community participation through employment as workers

in the industry or through encouraging them to operate small scale business, “has been recognized to help local communities get more economic benefits rather than creating opportunities for them to have a say in decision making process of tourism development.

Zhao and Ritchie (2007) added that communities, as a way of participation and as the input of the local workforce, may pursue tourism-related economic activities as paid or self-employed workers. While participation through employment has more direct impacts on the lives of poor households, it is arguably a useful way to curb poverty at the household level since it diverts economic benefits tourism brings directly to the family level (Zhao and Ritchie, 2007).

2.2.5.1 Tourism benefits-sharing schemes

Sharing tourism benefits with local communities has always been seen as one of the various modes of community participation in the industry. In other words, participation of local communities through sharing the benefits of tourism is one of the major viewpoints for community participation in tourism (Timothy, 1999; Tosun, 2000; Li, 2005). Various studies and numerous different international development agencies have established that tourism is one of the powerful tools for poverty alleviation, especially due to its associated potential economic gains and due to the fact that tourism is a significant or growing economic sector in most countries with high levels of widespread poverty (Wilkerson, 1996; Chok and Macbeth, 2007; Zhao and Ritchie, 2007; Scheyvens, 2007). Although there is no standard method for assessing the adequacy of community participation levels (Li, 2005), the way benefits from the tourism industry are shared has been argued to be the focus of community participation. This, however, simply implies that communities can be involved or attracted to participate in the tourism industry through sharing with them the benefits obtained from the industry, and one precondition for a successful community tourism programme, according to Songorwa (1999), is that equitable benefits of tourism must remain in the hands of the majority community members in an open and easily understood manner. An example of community participation in

the benefits of tourism can probably be seen in the Uganda Wildlife Authority, especially through its outreach programme, the Tourism Revenue-Sharing (TRS) programmes. While the underlying reason for sharing tourism benefits with local communities in a bid to attract their participation is to ensure sustainability at the same time promoting human welfare through tourism, TRS usually donates a portion of revenue accrued from wildlife-based tourism to assist local communities living adjacent to national parks in the construction of schools, dispensaries, water supply etc (Archabald and Naughton-Treves, 2001). Essentially, tourism revenue sharing (TRS) programmes promote tourism development and ensure that local communities enjoy tangible benefits from the industry while participating in wildlife conservation (Archabald and Naughton-Treves, 2001). A similar scheme, the Community Conservation Services (CCS), exists in Tanzania under the Tanzania national Parks Authority (TANAPA).

There are many other similar programmes in various protected areas in Africa that aim to benefit local people through development projects. Many of these programmes have a well stipulated tourism benefit-sharing mechanism with 'poor' neighbouring communities. As from 2002 for example, 29 percent of tourist revenue at Jozani National Park in Zanzibar goes to community development projects such as schools, health services, safe water supply and many others (Makame and Boon, 2008). Table 1 presents some of these conservation programmes from various countries in Sub-Saharan Africa.

Table 2. 2: Conservation programmes in protected area in Sub- Saharan Africa

Name of Conservation Project	Country
Amboseli Park/Wildlife Extension Project	Kenya
Aire-Tenere Park Niger	Niger
Mountain Gorilla Project	Rwanda
Ngorongoro Conservation Area	Tanzania
Community Conservation Service	Tanzania
Lupande Development Project	Zambia
Luangwa Integrated Rural Development Project	Zambia
CAMPFIRE Program	Zimbabwe

Source: World Bank (2007)

One of the similarities with these programmes is that apart from being established in wildlife protected areas, their authorities, through benefit-sharing approaches seek to address resource issues in areas beyond park boundaries over which they have no jurisdiction.

2.3 Empirical Review

Tourism is an important industry in many developing countries providing foreign exchange, employment, incomes and public revenue. It has become an important sector and it potentially constitutes one of the fastest growing sectors. This section has highlighted some empirical review of the impacts of tourism activities.

2.3.1 Impacts of Tourism on Employment

Sinclair et al (2007), studies on the employment benefits of tourism, findings indicated that, in Kenya it has overtaken primary commodity exports of coffee and tea accounting for 13 percent of Kenya's exports. By 1988 tourism export earnings reached 37 percent of total Kenya's export earnings relative to 26 percent for coffee and 20 percent for tea. In the Gambia, tourism is described as "manna from heaven" which will solve its economic difficulties in terms of contributions to foreign exchange earnings, government revenues, regional development stimuli, and creation of employment (Dieke, 2003). It is a second export earner in Gambia and also in

Egypt where it follows after remittances from abroad (Gee, 2007). In Tunisia, by mid 1990s, it was the first export earner its revenues covering 60 percent of Tunisia's trade deficit (Focus Multimedia, 2009).

Augusztinovics, and Lahili, (2008), reported that, employment is also often higher in tourism than in other sectors and wages compare well with other sectors but inversely related to jobs. Wages of hotel employees compare favourably with those in agriculture, and even more when compared to subsistence agriculture. Unskilled hotel employees in Cyprus earned between 50 percent and 75 percent more than other unskilled workers in 1973. Those in managerial positions earned about 25 percent more than those in other sectors. In Tunisia and Spain although industrial workers were earning a bit higher than hotel workers, there was little difference in their living standards (Huit, 1979)

Augusztinovics, and Lahili, (2008), reported that, employment is also often higher in tourism than in other sectors and wages compare well with other sectors but inversely related to jobs. Wages of hotel employees compare favourably with those in agriculture, and even more when compared to subsistence agriculture. Unskilled hotel employees in Cyprus earned between 50 percent and 75 percent more than other unskilled workers in 1973. Those in managerial positions earned about 25 percent more than those in other sectors. In Tunisia and Spain although industrial workers were earning a bit higher than hotel workers, there was little difference in their living standards (Huit, 2005).

According to Kanyoka (2008), Tanzanian citizens who work in tourist hotels are paid very low wages, at around 50 dollars a month. Such an amount of money is further subjected to deductions including trade union dues and tax. Moreover, they are excluded from various fringe benefits, such as medical allowance. Luvanga & Shitundu, (2003) investigated the impact of FDI on tourism to relate with poverty alleviation to the chosen areas of study, Arusha, Bagamoyo, and northern Unguja,

Zanzibar, found out that significant numbers of people were employed in campsites, guest houses and tourist hotels and restaurants.

2.3.2 Impacts of Tourism on Income Activities

Mathieson and Wall (1994) state that impacts of tourism are viewed as being more than the results of specific tourist events. Impacts emerge in the form of altered human behaviour which stems from the interactions between the agents of change and the subsystems on which they impinge. It means that tourists, local communities and environmental interactions create the impacts and all elements of tourism activities are affected by this interaction. The impacts can be positive or negative to tourists and the host destination.

Torres and Momsen (2005), state that tourism growth, more typically, results in increased dependency on foreign imports which, in turn, compete with or inhibit the development of local agriculture and small industry, while also draining precious foreign exchange reserves. In less developed countries tourism benefits tend to bypass local inhabitants, with the lion's share accruing to transnational corporations, non-local entrepreneurial elites, and national governments

Fayissa, Nsiah and Tadasse (2007) examine the impact of tourism on economic growth and development in Africa using a panel data analysis. They discovered that tourism receipts significantly contributed to the current level of gross domestic product and the economic growth of sub-Saharan African countries as with investment in physical and human capital. Their findings indicate that African economies could enhance their short-run economic growth by strategically strengthening their tourism industry.

Morales and Scarpa (2004) consider the relationship between tourism and economic growth in Latin America countries from 1985 to 1998. They based their analysis on panel data approach and the Arrellano-Bond estimator for dynamic panels, in which they obtained estimates of the relationship between economic growth and growth in

tourist per capita conditional on main macroeconomic variables. Further, they identified that tourism sector is adequate for the economic growth of medium or low income countries, though not necessarily for developed countries. Then, they invert the causality direction of the analysis.

2.3.3 Impact of Tourism on the Economy

Gee (2007) in Bali Island (Indonesia), for example, tourism's contribution to GDP is estimated at between 20 to 40 percent. In Nepal the average contribution of tourism earnings to GDP increased from 1 percent in 1974 to 4 percent in 1992. During the 1990s its contribution to GDP was 50 percent in Seychelles and to GNP was 32 percent in Barbados, 18 percent in Maldives, 10 percent in Mauritius and 6 percent in Tunisia.

Maina-wa- Kinyatti (1998) argued that while tourism does bring in foreign exchange, much of the profit is returned to the foreign investors who own most tourist facilities; further, it may shift development away from industries that might permit increased self-reliance. But even if foreigners benefit most from international tourism, the benefits for poor countries may still be sizeable especially where local communities have access to markets for commodities purchased by tourists such as handicraft, tour operation and souvenirs. Tourism will contribute to poverty reduction if it creates new jobs and provides incomes.

Ledo and Iglesias (2007) study the tourist activities and local development in the Spanish urban settlement system. They intend to find out the relationship between the function of tourism, population growth and the socio-economic development, taking into account the type of tourist activity which is dominant. They concluded that tourism is running as an urban and territorial development factor, generating significant changes in the system of settlement but it neither acts the same way nor has the same impact on all municipalities or in all cities.

Chase and McKee (2003) find that in Jamaica, major investments have been made in tourism development projects and it has resulted in a negative change in the balance of payments. It is believed that foreign currency earnings from tourism have provided much needed capital for developing countries for their development. However, because of the import of infrastructure and other tourism related materials, most of the foreign currency earnings leaked out from the Jamaican economy.

Shah and Gupta, (2006), studies on the benefits of tourism from net foreign exchange in developing countries of Asia, Latin America and Africa, they observed that, the net foreign exchange contribution amounted to 3.4, 3.3 and 1.3 billion dollars respectively in 2006. They further reported, that it is an important foreign exchange earner in many of the Asian economies such as Thailand and Indonesia as well as small-island economies such as Fiji, Jamaica, Bermuda, Maldives and Seychelles.

2.3.4 Tourism Linkage in the Economic Growth

Chase and McKee (2003) conduct an economic impact study on cruise tourism in Jamaica and find that a large amount of tourist expenditures leak out of the country. Mastny (2002), states that on average, half of the tourism revenue that enters the developing world leak back out, going to foreign owned companies or to pay for imported goods and labour. Similarly Bryden (1973) notes that decline in agricultural production in the Caribbean islands during the 1960s, reduces self-sufficiency in food production and the need to import food up to 4% annually. This means a larger portion of tourism earnings were spent on importing food.

Yu and Turco (2000) argue that a large portion of visitors expenditure in transportation in New Mexico, USA, leak out immediately at the first round of transaction, and reduce the total amount of economic impact. Wall and Mathieson (2006) claim that foreign ownership problems are compounded by the emergence of international hotel chains, tour operators, restaurant chains, and the tendency towards both horizontal and vertical integration in the industry.

Brohman (1996) notes that the three most lucrative components of international tourism: marketing, international transportation, and food and accommodation are handled and owned by vertically-integrated Western companies. Host destinations hardly have any control over these resources and it often results in significant amounts of leakage from destinations. Sharpley and Sharpley (1996) identify that in the Gambia all goods to support the tourism industry are imported and therefore only a minimal amount of backward linkages have occurred throughout its economy.

Ribot, (2009) studied on how development initiatives solicit the participation of all concerned stakeholders, the study observed that, at the relevant level not only for the sake of efficiency and equity of the programs, leverage of donors and demands of local communities, but also for sustainability of these initiatives. Consequently, the real outcome for soliciting such community participation is to create and produce an enabling environment needed by these stakeholders, especially local communities who have been vulnerable to negative impacts of tourism attributed partly to the fact that many tourism resources occur in their areas.

2.4 Theoretical Models

Several models are developed to assess the impacts of tourism on the host community and the ways in which these impacts are perceived by locals. Doxey's Irridex Model (1975), Butler's Tourist Area Life Cycle Model (1980) and Social Exchange Process Model (1992) are widely used to assess tourist-host relationships and their specific socio-economic and cultural impacts.

2.4.1 Doxey's Irridex Model

Doxey's Irridex Model (1975) presents an analysis of the effects of tourism activities on the host country. It was a four stages model with different stages of development on a host country. At first stage, tourism activities are minimal, few tourists visit the destination area, tourists want to mix with the local population and they welcome the tourists. At this stage, limited commercial activities take place. In the second stage, the number of tourists increase, the local population perceives that more tourists will

visit their destination and the relationship between tourists and the local community becomes formal. This is then, followed by the third stage, where there is significant tourist growth demanding more resources. During this phase, the competition of resources creates tension between the local population and tourism. Where the local population becomes concerned about tourism and its impact on their livelihood. The last phase (fourth stage); there is a conflicting situation, where tourists are seen in a negative way. Doxey (1975) argues that resident irritation is determined by the degree of incompatibility between residents and tourists.

2.4.2 Butler's Tourist Area Lifecycle Model

Butlers Tourist Area Lifecycle Model (1980) proposes that tourism is developed through the stages of exploration, involvement, development, consolidation, stagnation and decline. At the exploration stage, the destination area is discovered by independent or explorer-type tourists, commercial activities in the destination area are usually minimal and the tourist and the local resident contacts are frequent. At this stage little or no marketing activities occur. At the involvement and development stages, infrastructure and services are created to serve the growing number of tourists. At these stages, robust infrastructural development occurs.

Initially, locally-owned businesses are set up to provide tourism services but gradually control of tourism is transferred to the externals. Mass tourists replace explorer type tourists and the relationship between tourists and hosts becomes more commercial. This is then followed by consolidation stage; this is where large numbers of visitors and the facilities provided for them is expected to arouse some opposition and discontent among permanent residents. Lastly, is a stagnation stage, where maximum number of tourists is achieved and the destination area is no more perceived as an attractive place. It's at this stage where larger tourist businesses transfer their investment from the destination area.

2.4.3 Social Exchange Process Model

The basic assumption of social exchange theory is that individuals create and continue social relations on the basis of their desire that such relations will be mutually advantageous. The model describes the process by which individuals or community groups become engaged in tourism exchanges, continue the relationships and how they become disconnected from the exchanges. The main components of the model are need satisfaction, exchange relations, consequences of exchange, and the no-exchange outcome.

According to Ap (1992) individuals engage in exchange if three preconditions are realised: (1) the rewards are valued (2) the exchange produces valued rewards and (3) the costs do not exceed expected rewards. The exchange process follows a sequence of events. The first event is identification of need. Ap (1992), argues that an actor will initiate an exchange relationship when there is a need to satisfy. To initiate an exchange there must be a need to satisfy and satisfaction of need justify the rationale for engaging in social exchange. Therefore, unless a community has a need to develop tourism or perceives tourism as a means of achieving social and economic benefits, it is unlikely to welcome the development of tourism (Ap, 1992; and Crompton, 1998). The social exchange must be reciprocal, i.e. the resource exchange between parties should be roughly equiv

The above models provide a theoretical basis for assessing the impact of tourism on socio-economic upgrading in destination areas. Doxey's Irridex Model (1975) and Butler's Tourist Area Lifecycle Model (1980) are valuable because they highlight that negative social impacts will increase if tourism is not well-planned, managed and developed. They explain the growing irritation on the part of the community which has been supported by earlier studies (Pizam, 1978; De Kadt, 1979).

Theory that directed in this study is Social Exchange Process Model because individual within Mikumi and Bagamoyo district accepted and participated in these tourism activities as there were benefit as the activities were proceeding.

Involvement of people within these areas was considered. People were informed of the advantages that would have been gained by accepting the tourist activities. And it has shown that the benefit of tourism activities has been greater than the negative effects, hence the reason to choose Socio Exchange Process Model.

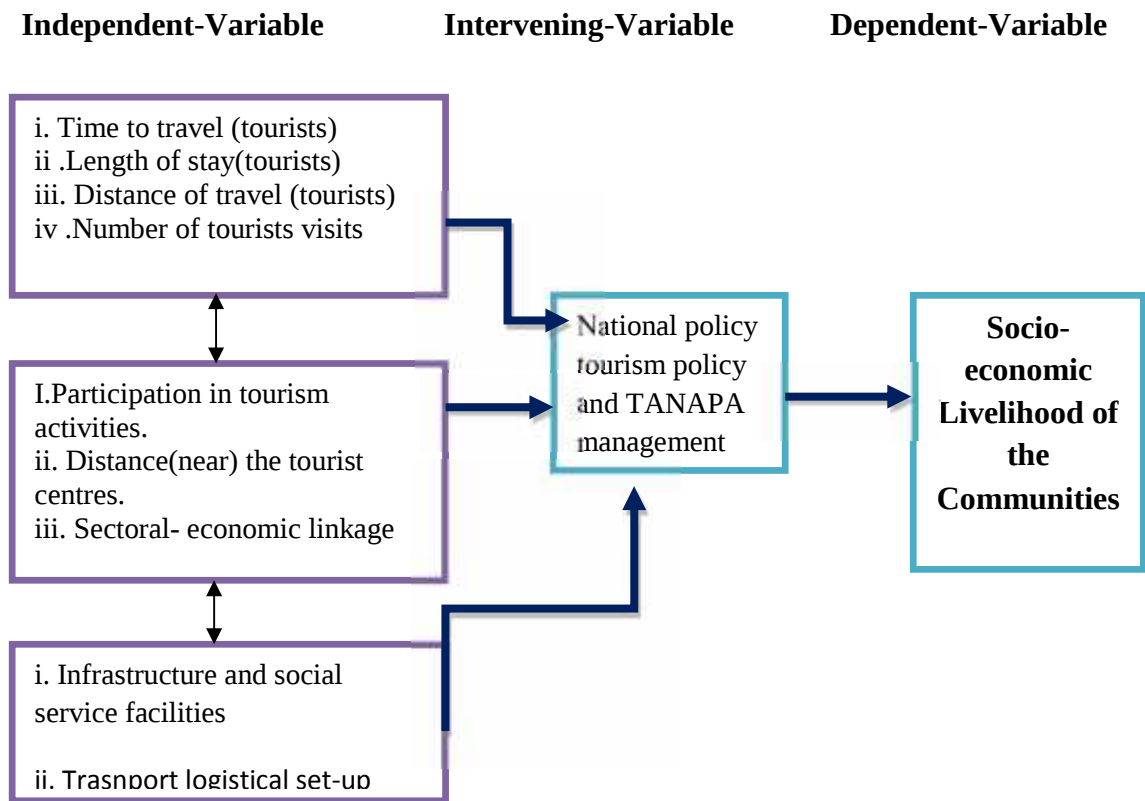
2.5 Conceptual framework

A conceptual framework is a representation, either graphically or in narrative form, of the main concepts or variables and their presumed relationship with each other. It is usually best shown as a diagram as indicated below (Saunders, 2004). The general objective of the study is to assess the Impacts of tourism activities on socio-economic livelihood of the communities. The research conceptual frame-work is based on two variables namely independent variable and dependent variable, while intervening variable is regarded as modulating factors for achievement of socio-economic livelihood for the community.

2.5.1 Independent variable

It is hypothesized that, if tourists involved time of travelling and staying long time, distance of travel. It's also inclined that, the more number of tourists' visits and participation in tourism activities, being nearby tourists centre will trigger more economic benefits to the communities around. It's also hypothesized that, sect oral linkage with other industry, infrastructure and social service facilities and well established transport logistical will trigger more socio-economic benefits to community livelihood. T These factors are treated as independent valuable

Fig 2. 1: Conceptual Frame-work



Source: Developed by Researcher, 2013

2.5.2 Intervening Variables

In this study, the National policy tourism policy, government intervention and involved in tourism activities has greater influence on community livelihood change. It's also assumed that, the TANAPA management decision has greater influence on the community involvement in tourist's activities and hence, influence livelihood change.

2.5.3 Dependent variable

The socio-economic livelihood change and development is treated as dependent variables and it is the main focus of the research, and can be influenced by other factors mentioned in the independent and intervening variables.

2.5.4 Relationship between variable

The study describes how independent variables; that are, tourists time of travelling, staying, distance of travel, number of tourists visits and participation in tourism activities, and being nearby tourists centre, sectoral linkage, infrastructure and social service facilities. These factors together with government and TANAPA policy and management decision, have greater influence on tourists undertaking and activities, and hence has impacts on the socio-economic livelihood of the communities. This indicates that good performance of one, or more of the independent variables listed above have direct impacts on the socio-economic livelihood of the community.

2.6 Research Hypothesis

According to Kothari (2004) a research hypothesis is a proposition or set of propositions put forward as an explanation for the occurrence of some specific group of phenomena, either asserted merely as a provisional conjecture to guide some investigation or accepted as highly probable in the light of established facts. The study is guided by the following hypotheses; **H₁** which is null hypothesis and **H₂** which is the alternate hypothesis.

H₁: Participation in tourism activities is positively related to increased employment, participants near the tourist centres are likely to benefit more than those far away, and linkages to tourism are more likely to improve their socio-economic livelihood development than those in sectors with fewer linkage.

H₂: Participation in tourism activities are negatively related to increased employment, participants near the tourist centres are likely to benefit more than those far away, and linkages to tourism are more likely to improve their socio-economic livelihood development than those in sectors with fewer linkage.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the research methodology which has been used to investigate the research questions. The chapter describes area of study, sample population, sample characteristics sampling procedures data collection techniques as well as approaches to analysis that was used in this study. The chapter finally describes approaches that were employed to ensure validity and reliability of the data.

3.2 Research Design

The study adopted a case study research design. A case study frequently makes use of qualitative data and place emphasis on a full contextual analysis of fewer events and conditions and their interrelations. Case studies also involve in depth contextual analysis of similar situations in the organizations, where the nature and definition of the problem happen to be the same as experienced in the current situation (Yin, 1998). The main advantage of case study is its ability to draw information from many different sources such as interviews, observations and historical data. The use of case study enabled the researcher to use multiple sources of evidence; and thus avoid the bias associated with the use of a single source of evidence (Stake, 1995).

Being a case study, its' used descriptive study technique; this enabled the collection of both qualitative and quantitative data with the aid of open-ended and closed-ended questions. The diversity of the data collected provided concurrent triangulation, a necessary aspect of validity in qualitative research (Brewer and Hunter, 1998). The open-ended questions also provide a useful mechanism for increasing the content validity of numerical variables obtained from closed-ended questions.

3.3 Research Approach

For the better result, the study combined qualitative and quantitative approaches. Participatory approach was employed as qualitative design. Questionnaire with key

informants, in- deep interview and documentary review methods were triangulate in order to allow new insight. The method helps to obtain information that would not emerge from survey approach (Mbwambo, 2002). Research design has employed for quantitative approach. It has been simply expressed as gathering information about a large number of people by collecting information from a few of them (Black and Champion, 1986). For this purpose questionnaires were supplied. Due to scarcity of resources this design saves cost on time and money.

3.4 Population

The populations of the study involved of residents around Mikumi national park and some people based in Bagamoyo district making a total of 148 respondents.

3.5 Sampling and Sampling Technique

This research study involved a sample size of 148 informants. In this study, the researcher drew sample by identifying two sources of informants that is Mikumi national park and Bagamoyo district, the two areas were purposively selected as they are mostly populated by tourists. Therefore, purposive or judgmental sampling (non-probability sampling) was adopted and used in this study. Purposive sampling was proposed since it enabled the researcher to choose only those elements which he believed could deliver the required data. The other advantage of choosing purposive sampling was that it is relatively less costly. By using purposive sampling the researcher was able to select at least 148 informants .Considering the limitation of time and financial resources, primary data was only collected from the two main areas that is Mikumi national park and Bagamoyo district.

3.6 Study Area

This study was conducted in Mikumi and Bagamoyo district. These areas were purposely selected based on its potentialities. Bagamoyo is a famous tourist centre in the Coastal region it is a place of considerable significance to world history, both as an entry point for Arab and European missionaries, explorers and traders in East and Central Africa in the era of the slave trade. On the other hand Mikumi National Park save as an important tourism destination in the closure vicinity of Dar es Salaam, it's

a very busier tourist areas because of its good topographical locations. The research focused on the impact on socio-economic impacts of tourism on communities' livelihood. Study case of Mikumi and Bagamoyo district, Tanzania.

3.7 Secondary data

Secondary data is the data that was already in existence and formed the base for a general review to develop an understanding on the situation as it is. This information was gathered from different documents include; published and unpublished documents, such as financial documents, Documents from the Ministry of Natural resources and Tourism and Socio-economic profile of Bagamoyo district.

3.8.1 Data Collection Method

Data collection methods employed for this research were questionnaires, interview and documentary review.

3.8.1 Questionnaires

Questionnaires are techniques for data collection in which one person is asked to respond the same set of questions in a predetermined order. Self-administered questionnaire was applied in this research; whereas closed ended and open ended questions formulated and distributed to the targeted respondents to be filled accordingly. Inappropriate questions, incorrect ordering of questions, incorrect scaling, or bad questionnaire format can make the study valueless, as it may not accurately reflect the views and opinions of the participants. A useful method for checking a questionnaire and making sure it is accurately capturing the intended information is to pretest among a smaller subset of target respondents. Survey questionnaires were used for data collection. The researcher has been prompted to adopt this method as it is a reliable and more practical and it doesn't exert more pressure to respondents thus provide respondents freedom on expression hence enable researcher to get concrete information. The sample of the said questionnaire is attached as an annex to this dissertation.

3.8.2 Interview

Interviewing is the primary method of collecting testimonial evidence, which is flexible in the manner that the researcher could rephrase a question if the question was not be well understandable to respondents. Face to face interview was conducted to respondents aged 18 years and above from Mikumi national park and Bagamoyo district. This method was adopted by the researcher due to the fact that the researcher was able to explore more information on the issue under the study as he could ask and adjust questions that gave rooms for respondents to give more explanations.

3.8.3 Documentary review

Secondary data was collected through documentary or literature review. The researcher visited libraries and documentation centers. In particular, Mzumbe University, Dar es Salaam Business School library, the Tanganyika Library and the University of Dar es Salaam library. The secondary data was also collected by reviewing reports and other publications in various documentation centers or archives from the Ministry of natural Resources and Tourism.

3.9 Data management and analysis

All completed questionnaires were checked for completeness before submission for data entry, all submitted questionnaires were double entered into the database using Epidata software, data entry were done by trained data entry staff. Data cleaning were conducted by the trained data specialist using stata software version 11.0 (statcorp, Texas, USA). Data analysis was done using both Microsoft excel and stata software, Microsoft excel were used to produce diagrams while descriptive statistic were done using stata software, Chi Square distribution were used to determine the relationship between variables at 5% significant level

3.10 Limitations

There is no research undertaken without problems or limitations in my case I came across a number of limitations. Which in one way or another prevent the researcher to perform duty, though these limitations did not affect the validity and reliability of the study. The limitations were;

3.10.1 Limited resources

The researcher had little fund to support the study hence encounters some inconveniences in conducting the study. Other resources like human, time factor and facilities may affected little bit without affecting the study outcome. These other factors affected this research in the way that; the researcher collected data by interview and questionnaire. Time factor was combated by the researcher to adhere to the schedule and utilize fully the short time available to come up with the possible best results.

3.10.2 Access to information

Some organizations treated some information as confidential. The researcher used official authorization to get the required data from the offices which hold the data. Data from normal respondents in the workplace were collected by giving chance to participants to have free expression on their concern to counterfeit views. This gave access to information required.

3.10.3 Lack of cooperation

Getting people to agree to participate was not an easy task; the researcher convinced people so as to have enough population for the study. Some employees were not willing to associate with researchers by thinking that they are not the public relation officers of their organization who are allowed to give explanations concerning the organizations. The researcher had official permission to collect data hence used the permission to explain that there is no risk of getting bad image by providing the required data.

CHAPTER FOUR

DATA PRESENTATION AND DISCUSSION

4.1 Introduction

This chapter has presents study results and the discussion of findings basing on the issues rose from the questionnaire. The analysis of the information and data was based on the findings received from the respondents. The impacts of Tourism Activities on Socio-economic Livelihood of Communities: A case study of Mikumi National Park and Bagamoyo District in Tanzania

4.2 The Respondents

This section has addressed the findings from local communities living in the study areas; Mikumi National Park and Bagamoyo district. A total of 120 respondents were examined, that is 60 respondents from each area, which is Mikumi National Park and Bagamoyo district. The study also examined 28 categories of key informants.

4.2.1 Respondents Demographic Characteristics

The study distributed a total of 148 questionnaire, out of this 120 (81.1%) respondents agreed to participate in the study while 28 (18.9) were missed due to various reasons. Of the 120 respondents 60 were form Mikumi national park and 60 from Bagamoyo. Most of the study participants were aged between 25 – 44 years 80 (66.7%), most were female 67(55.8%), in terms of education 66(55.0%) have obtained primary education the rest have secondary education, none/adult and few went to the college and university. 75(62.5) respondents from both sites are doing small scale farming and keeping animals. Table 4.1 shows the demographic characteristics of the study population.

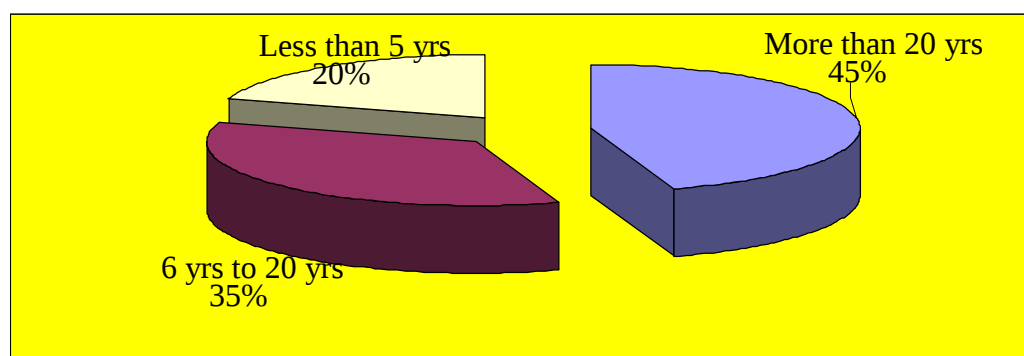
Table 4. 1: Demographic characteristics of the study population

Variable Name	Category	Mikumi		Bagamoyo	
		Number	Percentage	Number	Percentage
Sex					
	Male	25	41.7	28	46.7
	Female	35	58.3	32	53.3
Age group					
	15-24	5	8.3	8	13.4
	25-34	22	36.7	20	33.3
	35-44	18	30.0	20	33.3
	45-54	10	16.7	9	15.0
	More than 55	5	8.3	3	5.0
Education					
	None/adult	6	10.0	10	16.7
	Primary	36	60.0	30	50.0
	Secondary	15	25.0	16	26.7
	Collage/University	3	5.0	4	6.7
Marital status					
	Single	10	16.7	12	20.0
	Married	28	46.7	30	50.0
	Widowed	13	21.6	10	16.7
	Separated/divorce	9	15.0	8	13.3
Occupation					
	Farming	20	33.3	25	41.6
	Pastoralists	25	41.6	10	16.7
	Government employee	5	8.3	12	20.0
	Business	3	5.0	10	16.7
	Other	7	11.7	3	5.0

Source: Field data, 2013

In the house hold questionnaire we also asked how long the participant have stayed near the tourism the pie chart below shows the duration of stay of the study participant in the two communities near the tourism centre.

Figure 4. 1: Respondent Duration of Stay within or next to the Park



Source: Field data, 2013

4.2.2 Income Activities and Relationship with Tourism Sector

The study observed, the major economic activities of the respondents were cultivation and livestock keeping which had almost 43 % (n=26) local households income. On the other hand 30% (n=18) of the respondents income were purely farming, while 27% of the were pastoralist. With regard to respondents' annual household income as depicted in table 4.1, the largest group included those with an annual household income of less than TZs 500,000 (45.4%), followed by TZs 500,000 to 2,100,000 (20.3%), TZs 2,200,000 to TZs 4,700,000 (18.3%). Only 4.8% of the respondents had an annual household income of more than 10,000,000.

Table 4. 2: Households income

Income Category	Number	Percentage
Less 500000	54	45.4
500001-2000000	28	24.3
2000001-4000000	24	22.3
More than 4000000	14	8.0

Source: Field data, 2013

The results explained that female respondents were more satisfied with the presence of Mikumi National Park and tourist's hotel in Bagamoyo districts than were male

respondents. The results of ANOVA showed that the total household incomes with the level of satisfaction with tourists activities differed significantly in connections to employment and income generation, with $F = 2.613$, and $p = 0.038$. The group who had TZs 50,000,000/ to 69,000,000 provided the lowest mean score ($M = -0.047$). On the other hand, the group who earned more than TZs 90,000,000/ provided the highest mean score ($M=0.233$).

Table 4.2 shows the trend of international visitors arrivals and the amount of money in USD Tanzania received from 1995 to 2010, generally there was an increasing trend of people visiting Tanzania in that period. There were slightly decrease in visitors between 2000 to 2004 this might be explained by the tourist policy reform that was taking place during that time.

Table 4. 3: International Visitor Arrivals and Receipts in Tanzania

Year	Number of Visitors arrived	Annual change (%)	Receipts(USD million)
1995	295,312	12.89	259.44
1996	326,188	10.46	322.37
1997	359,096	10.09	392.39
1998	482,331	34.32	570
1999	627,325	30.06	733.28
2000	501,669	-20.03	739.06
2001	525,000	4.65	725
2002	575,000	9.52	730
2003	576,000	0.17	731
2004	582807	1.18	746.02
2005	612,754	4.8	823.05
2006	644,124	5.12	950
2007	719,031	11.62	1198.76
2008	770,376	7.14	1288.7
2009	714,367	-7.27	1159.82
2010	782,699	9.5	1254.5
Source: Ministry of Natural Resources and Tourism, Tourism Division.			

All villages that were visited said they enjoy the visits by Mikumi National Park officers, especially community around Mkata, Mwenda, Mbamba, and Mikumi villages reportedly saying they have been visited frequently through community conservation unit. Though some Village like Maaraka village, local community complaints they don't get concern or visits by National Park officers, so they feel much isolated. The study analysis, on the inquiry about the purpose of the visits, the response categories and the number of times each response was given were as follows; show that Mikumi National Park officers has more total visits and likewise more total park staff visits, the highest visits was 100 and lowest was 34.

The highest total park staff visits was 27 and the lowest was 16, the ratios' of %parks staffs/total visits was 2.1, 2.6, 2.9 and 3.7 for the year 2008, 2009, 2010 and 2011 respectively. It was revealed that, Mikumi National Park receives a mean of about 60,000 visitors per year who contribute, through the payment of the park fees, with about 2,300,000 USD/year to the Tanzania National Parks (TANAPA) income.

4.2.3 Structure of Tourists Hotels in Bagamoyo District

The research findings in table 4.3 indicated that out of 18 hotels that were sampled; one (1) hotel were five star, two (2) hotels were in the four star, two (2) hotels were in three star. The findings indicate that the highest amount of investment was Tshs.2.1 billions which was invested by Millennium Sea Resort; the second was Oceanic Bay with amount worth of Tshs 1.75 billions. Paradise had Tshs 1.2 billion and the lowest were Kilomo, and Palm tree hotel had 0.6 and 0.45 Tshs 0.56 and 0.45 billion of investment respectively. The computation of the analyzed findings has shown that 17.7% of the staffs were foreigners while 82.3% were locals. The computed finding has indicated that 38% were temporary employees while 62% were permanent employees

Table 4. 4: Structure of the Employees Working in Tourist Hotels in Bagamoyo

Hotel/Company	☆	Local staffs	Foreign staffs	Invested Capital
Millennium Sea Resort	5	86	4	2.1 billion
Oceanic Bay	4	142	18	1.75 billion
Paradise Hotel	4	102	8	1.2 billion
Kilomo Resort	3	70	4	-
Palm Tree Hotel	3	16	2	0.45 billions
Total		1,494	321	

Source: Field data, 2013

The research findings show that of the 28 hotel staffs examined 65.7% of the employees said that investment in hotel sector is very important in enhancing tourists' activities, while 34.3% said they don't see the contribution of investment in hotel and tourists' activities. The findings have also shown that 48.5 % of the hotels are offering meals, accommodation and gambling activities, 43.9% are offering meals and gambling, while 8.6% are giving meals, traditional cultural heritage and accommodation. In addition to this 14.3% said it helps to promote tourist industry in Tanzania, 45.7% said it increases national income, 14.3% indicated that it increases foreign currency to Tanzania, 5.7% said it provides a source of market to Tanzanian local products, 20% said it creates employment to Tanzanian community, while 7% said it helps to promote tourist industry in Tanzania.

The research examined the amount of revenue that is raised from tourists linked income generating activities. It was observed that, the amount of revenue that was generated from the selling of vegetables and fruits was Tshs.2,353,000 which was 34.33% of the total amount for the whole year, cultural tourism had Tshs.1,072,000, 15.64%, curio shops had Tshs.2,205,000, 32.17%, and handcrafts had Tshs.1,223,000, 17.84%. Generally, the figures indicated a progressive increase for the four years, where the records in 2009, Tshs.3,572,000, 3.3%, realized from the selling of vegetables and fruits, Tshs.2,692,000, 25.3% raised from cultural tourism, Tshs.2,890,000, 27% and handcrafts made a total of Tshs.1,545,000/- which accounts

for 14.4%. These findings give a clear view on the significance of tourist's hotels to Bagamoyo residents. The study observed some income generating activities like transport i.e. taxi, sole trade like hawking, a very common business activity in the tourists hotels, though the figure amount was not available because of the nature of the business.

4.3 Economic Impacts of Tourism

Tourism generates a vital amount of foreign exchange earning that also contributes to the sustainable economic growth and development of developed world. However, such component of growth has not been effectively and appropriately utilized by African countries. World Tourism Organisation (2005) reports that in 2004, 766 million of tourists generated \$626 billion (excluding transport). Tourism has become a viable export-oriented economic growth strategy for the creation of employment and the reduction of abject poverty.

4.3.1 Income Trends from Tourists activities in Tanzania

According to Economic Survey and Zanzibar Statistical Database(2012), the study observed that in Tanzania the direct level tourism expenditure resulted in output of Tshs.31, 930.5 millions in 2012(1.9% of the total GDP), mainly contributed by the inter-sector impacts. When direct and indirect effects are considered, the total impacts on output were Tshs. 74,012millions (5.8% of the GDP). Intra-sector impacts increased from almost zero to 3.2% of GDP and inter-sector impacts increased from 1.7% to 2.6% respectively. Thus, the output impacts of tourism increases as indirect effects are added.

Table 4. 5: Tourist Arrivals and Earnings Growth Rates, 1992-2012 (percentage)

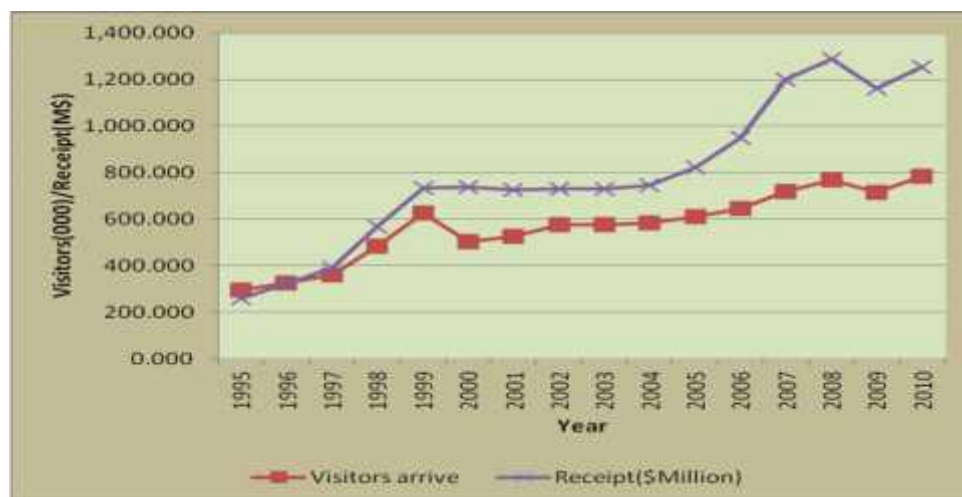
Period	Tanzania Mainland		Zanzibar	
	Arrivals	Earnings	Arrivals	Earnings
1990-1994	12.7	26.3	1.5	14.0
1994-1998	14.2	32.9	0.8	15.3
2002-2004	16.4	37.7	2.4	16.1
2004-2008	18.3	35.0	8.3	17.6
2008-2012	26.7	43.4	7.1	18.1

Source: Economic Survey and Zanzibar Statistical Database

Tourism became the fastest growing industry in Tanzania in earlier 1990s, after decades of stagnation. It is a sign of Tanzania joining the world where tourism is one of the largest industries (second after oil). Tourist arrivals for example increased from 12.7% (203,000) in 1990 to 14.2 % (353,000) in 1998 and reached 627,000 tourists (13.2%) in 2008. Tourist earnings also increased to US\$ 733 million during the same periods. The earnings from tourism for Tanzania mainland increased from \$ 26.3 millions in 1992-1996 to \$ 32.9 million in 1996/2000, and for Tanzania Islands it increased from \$14.0 million to \$15.5 million within the same period.

There was also more than ten- fold increase in ten years time from 2000 to 2004, and even a doubling in the four years later. The annual growth rate of tourism since 1992 has been over 30 percent, showing how tourism is positively responding to the reform. These findings are supported by the study done by Gee (2007) in Bali Island (Indonesia), for example, tourism's contribution to GDP is estimated at between 20 to 40 percent. In Nepal the average contribution of tourism earnings to GDP increased from 1percent in 1974 to 4 percent in 1992. During the 1990s its contribution to GDP was 50 percent in Seychelles and to GNP was 32 percent in Barbados, 18 percent in Maldives, 10 percent in Mauritius and 6 percent in Tunisia.

Figure 4. 2: Trend of visitors' arrivals (in 000) and income received in Million USD



Data Source: - Ministry of Natural Resources and tourism

In the case of employment, tourism expenditure in 2012 directly supported 72,131 jobs (0.6% of total labour; estimated to be about 10.9 millions people 2011/2012). The direct plus indirect employment impacts were 170,178 jobs, i.e. 1.6% of the labour force. The number of jobs created within the tourism sector was 62,365(0.6%) and the remaining 128,220(1.1%), were created in other sector. Tourism spending in 2011/2012 created a direct labour income worth Tshs. 9471.2 millions, accounting for about 0.7% of GDP. This increased to Tsh.12, 658 millions (1.3%) when the indirect effects were added. However, the impacts from non-labour income were not significant; at the direct level, this was below 0.1% of the GDP, and was below 1% at the direct and indirect level. Tourists spending generated government tax revenue amounting to Tshs 2,301 millions at the direct level(2.6% of the net indirect taxes), and when the indirect effects were included, increased 4,500 millions or 3.8% of the total net indirect taxes. The corresponding impacts on imports is Tshs. 720,120 millions (1.5% of the total imports) and 7,541.6 millions (2.5% of total imports)

These findings are in line with the study by, Noranha (1997), in Kenya, tourism is estimated to create about 180,000 formal jobs and 380,000 informal ones, a number that could be doubled if tourism was to be managed and planned more properly, with less crime and political violence interrupting the industry. In Tunisia, the services sector's (including tourism) contribution to the creation of job opportunities increased from 15 percent of the labour force in 1986 to 36 percent in 1995. In Seychelles the figure rose from 13.5 percent of the labour force in 1985 to 15 percent in 1994 (United States Bureau of Public Affairs 1987, Focus Multimedia, 1997 and Seychelles Home Page).

4.3.2 Tourists output and employment impact

At the direct level, tourism expenditure resulted in output of Tshs 21,930.5 millions in 2012 (1.7% of total GDP), mainly contributed by the inter-sector impact. When direct and indirect effects are considered, the total impact on output was Tshs 74,012

millions (5.8% of GDP). Intra-sector impacts increased from almost zero to 3.2% of GDP and inter-sector impacts increased from 1.7% to 2.6% respectively.

4.4 Income impact of Tourists activities

Tourist spending in 2012 created direct labor income worth Tshs 9471.2 mu, accounting for 0.7% of GDP. This increased to Tshs 16,247 millions (1.3%) when the indirect effects were included. However, the impact on non-labour income was not as significant; at the direct level, this was below 0.1% of GDP, and was below 1% at the direct and indirect level. Tourist spending generated government tax revenue amounting to TShs 2,126.5 millions at the direct level (2.7% of net indirect taxes) and, when indirect effects are included, increased to 3,149.3 millions or 4.1% of total net indirect taxes.

The corresponding impact on imports is Tshs 6,291 millions (1.6% of total imports) and 8,410.2 millions (2.1% of total imports). Since about 21 cents leaks out of the economy as import revenue, the net foreign exchange earnings would be 79 cents at the direct and indirect level, and 85 cents at the direct level. Given that total tourist expenditure in 2012 was US\$ 120 mill (in nominal terms), the direct tourism net foreign exchange earnings would be US\$ 102 mill and USS 94.8 mill when indirect effects are included.

Tourism is found to have higher labour income effects. In addition, tourism is slightly more import intensive than other sector, tourism benefits little from other service sectors compared with linkages to agriculture and manufacturing. Manufacturing has higher backward linkages than forward linkages, and vice versa for the agricultural sector.

4.5 Factors Analysis of Tourists Impacts

In order to get the destination attribute scale ready for analysis, a factor analysis of the attributes was conducted. There were three factors that emerged from this

procedure, which is explained in the following section. And, these factors were then utilized during the testing of multiple regression analysis as independent variables.

4.5.1 Direct effects of tourists activities

The most direct effects occur within the primary tourism sectors lodging, restaurants, transportation, amusements, and retail trade. Through secondary effects, tourism affects most sectors of the economy. An economic impact analysis of tourism activity was focused on changes in sales, income, and employment in a region resulting from tourism activity. The three factors underlying impacts of tourism activities are general income generation, employment generation and government taxes were as follows.

4.5.1.1 Income-generation (Factor 1)

This contains three attributes and explained 7.49% of the variance in the data, with an Eigen value of 8.987 and a reliability of 82.68%. The attributes associated with this factor dealt with the general tour items, including “lodging, restaurant, amusement and retail trade sector/shopping places and tourism community projects.

4.5.1.2 Employment generation (Factor 2)

This accounted for 6.24% of the variance, with an Eigen value of 1.866, and a reliability of 70.20%. This factor was loaded with four attributes, they included; overtime payment, backward-linked industries or supplies, Increase wages and salaries for staff, Jobs for tourists supporting sectors. For instance, jobs for tourists’ supportive services had to include, handicrafts, architecture, traditional scenery and arts/music/dance.

These findings are in line with study done by (de Kadit, 1979) In Malta direct employment in hotels increased from 7,375 employees in 1990 to 9,533 employees in 2000 (Malta Tourism Authority, 2001). In other countries potential and actual job creation may differ widely, but the net balance may still be worthwhile, in view of limited alternatives for job creation. Tourism has the ability to generate employment

both in the formal and informal activities. Evidence indicate that the level of employment in tourism activities is high, for example accounting for 0.5 million jobs in Spain and about 5 million in India (Sinclair, 1998). There are also indirect incomes and employment generated from tourist purchases outside the hotel business, which sometimes may be more important than the direct effects, but once again are harder to estimate. Studies have always indicated that tourists usually spend less than two-thirds of their expenditures on typical tourist hotels/ restaurants.

The study group discussions revealed that, 54.3% of the staffs are not receiving any other benefits apart from their salary, while 45.7% staffs said they do receive benefits. Further analysis on the types and forms of benefits reveal that 20% get meals, 5.7% said transport allowance, 14.3% said gratitude payment, 22.9% said overtime payment and NSSF, while 14.3% said they don't know.

4.5.1.3 Government taxes (Factor 3)

This factor was loaded with five attributes, they included; visitors spending and other activities VAT on sales, local taxes and income taxes from employees. This factor accounted for 5.386% of the variance, with an Eigen value of 1.436, and a reliability of 74.43%. One can also estimate the tax effects of this spending by applying local tax rates to the appropriate changes in sales or income. Instead of focusing on visitor spending, one could also estimate impacts of construction or government activity associated with tourism.

There are several other categories of economic impacts that are not typically covered in economic impact assessments, at least not directly. For example, tourism can sometimes inflate the cost of housing and retail prices in the area, frequently on a seasonal basis. Furthermore they may lead to a wider array of goods and services available in an area. Taxes to cover the cost of local services may be higher or lower in the presence of tourism activity. In some cases, taxes collected directly or indirectly from tourists may yield reduced local taxes for schools, roads, etc. In other

cases, locals may be taxed more heavily to cover the added infrastructure and service costs.

4.5.2 The Indirect and Induced Effects of Tourists Activities

A standard economic impact analysis traces flows of money from tourism spending, first to businesses and government agencies where tourists spend their money and then to; other businesses supplying goods and services to tourist businesses, households earning income by working in tourism or supporting industries, and Government through various taxes and charges on tourists, businesses and households.

Indirect and induced effects are sometimes collectively called secondary effects. The total economic impact of tourism is the sum of direct, indirect, and induced effects within the area. Any of these impacts may be measured as gross output or sales, income, employment, or value added. For example, an increase in the number of tourists staying overnight in hotels would directly yield increased sales in the hotel sector. The additional hotel sales and associated changes in hotel payments for wages and salaries, taxes, and supplies and services are direct effects of the tourist spending.

Changes in sales, jobs, and income in the linen supply industry, for example, represent indirect effects of changes in hotel sales. Businesses supplying products and services to the linen supply industry represent another round of indirect effects, eventually linking hotels to varying degrees to many other economic sectors in the region. Moreover tourists, spend their income in the local region for housing, food, transportation, and the usual array of household product and service needs. The sales, income, and jobs that result from household spending of added wage, salary, or proprietor's income are induced effects. Retail stores close and leakages of money from the region increase as consumers go outside the local areas for more and more goods and services. Similar effects in the opposite direction are observed when there is a significant increase in jobs and household income.

These findings are in line with the study done by Maina-wa- Kinyatti (1998) argued that while tourism does bring in foreign exchange, much of the profit is returned to the foreign investors who own most tourist facilities; further, it may shift development away from industries that might permit increased self-reliance. But even if foreigners benefit most from international tourism, the benefits for poor countries may still be sizeable especially where local communities have access to markets for commodities purchased by tourists such as handicraft, tour operation and souvenirs. Tourism will contribute to poverty reduction if it creates new jobs and provides incomes.

4.5.3 Tourism and Communities Livelihoods

The wealth endowed in the natural resources available is expected to be the only solution for providing and improving social and economic needs for the communities living in villages near and around the parks and this wealth is to be preserved for the future generation. This fact supported by Nyerere (1961) who commented that “In accepting the trusteeships of wildlife solemnly, we will do everything in our power to make sure that our children will be able to enjoy this rich and precious inheritance”.

4.8.1 Level of Satisfaction with Tourists Activities

Respondents were also questioned about their overall level of satisfaction with the tourist’s hotels. The results were summarized in Table 4.5. From the research findings, 82.5% of the respondents indicated that they were satisfied, very satisfied, or extremely satisfied with the tourist hotel in Bagamoyo hotel; 13.9% were neutral in their opinions, and 3.6% of the respondents were dissatisfied, very dissatisfied, or extremely dissatisfied. The mean value of respondents’ overall perceived level of satisfaction was 5.4, which tended toward the high end of the satisfaction scale. This suggests that Bagamoyo tourist’s hotel provides tourists with a satisfactory experience.

Table 4. 6: Tourists’ Overall Level of Satisfaction with the tourist’s activities

Variables	Frequency	%
Overall satisfaction level	1	0.4
Extremely dissatisfied	1	0.4
Very dissatisfied	7	2.8
Neutral	5	13.9
Satisfied	18	33.9
Very satisfied	14	29.5
Extremely satisfied	6	19.1

Note: Overall satisfaction means ranges from 1 (extremely dissatisfied) to 7 (extremely satisfied)

on the other hand, interview findings with 28 staffs working in the tourists hotels in Bagamoyo, they outlined the following findings; 3.6% of the said the benefits emanating from tourists hotels is creation of employment to the local community, 17.9% said it increases foreign currency to Tanzania, 10.7% indicated that it provides source of market to Tanzanian local products. Furthermore, findings show that 17.9% said it has helped to promote tourist industry in Tanzania, 25% said it has helped to promote our National culture, 21.4% said it’s for Entertainment, and 3.6% said it increases national income.

These findings are in line with the study by, UNWTO (2002) argues that through its potential for job creation, linkages with the local economy, foreign exchange earnings and its multiplier effect, tourism can lead to economic upgrading and economic development. Developing countries, Tanzania included are characterized by their dependence on agriculture for export earnings, poverty, low per capita income, uneven distribution of income and wealth, low level of industrial development, high unemployment, small domestic market, small amount of disposable income and uneven regional development.

4.8.2 The Social-Costs of Living near National Park

The findings in Table 4.6, was addressing the questions, which assessed the benefits of living around Mikumi national park. The respondents were able to answer more than one question. Results findings indicate that, wild animals do destroy households

crops, and it was ranked first (54, response), it was then followed by problem of livestock being infected by wildlife diseases (33, response), and cases of livestock being killed by predators (31, responses). Moreover, findings also show that, the threat of safety and security of the people (26, response) was also a factor.

Apart from the fact that wild animals often destroy crops in the fields, elephants do come and destroy huts and eat stored foodstuffs. Some villagers reported that in July 24 and November, 2012 in Mwenda and Mbamba sub-villages the elephants destroyed several houses and ate stored foodstuffs. Sometimes their lives are threatened by elephants, when they turn against villagers trying to scare them away. These events are no longer news and are not reported because, it is claimed, the authorities are unwilling to help. Through this kind of endless destruction, the conservationists believe that local communities will be scared away from living in or adjacent to wildlife-protected areas. Even the most cursory survey of villages bordering wildlife protected areas indicated beyond any reasonable shadow of doubt that the absence of clear and genuine initiatives being taken by the Government to end these classical atrocities stand for this.

Table 4. 7: Effects of living along Mikumi National Park

Particulars	Freq	Rank
Destroying our crops especially elephant	54	1
There is frequent cases of livestock been killed by predators	31	3
Threat to safety and security of people	26	4
Spread diseases, especially to cattle	33	2

Source: Field data, 2013

The findings from focus group discussions presented in table 4.7 below, show that 23% of respondents said, they enjoy looking different kinds of wild animals, on the other hand 28.3% of the respondent examined said they do sometimes get an opportunity of participating in community conservation projects , through this initiative they get some payment , 22.5% said they get income from the sale of items

to tourist, 10.8% said they are benefiting from the income they receive from tourists camping in the areas and 15.4% who reported they are benefiting from photos tourists take and the foreign exchange as well.

Table 4. 8: The benefits that were mostly outlined by the respondents

Items	Freq	%-response
Able to see and know different kinds of animals	45	23
Get game meat	55	28.3
Income from the sale of items to tourists	44	22.5
Income from tourists camping in the areas	21	10.8
Money from photos tourists take and foreign exchange as well	30	15.4

Source: Field data, 2013

The above findings are in line with the study done by Lundberg (1990), on the social and cultural impacts appear in the residents' quality of life, labour division, individual value systems, behaviour patterns, family relationships and the structure of social organizations, community life styles, safety, moral principles, creative expression and traditional ceremonies. Moreover, there is evidence that this short history of a Park working with the people is raising expectations and making people more interested in working with the Park. It was revealed that more people were willing to gather to talk about national resource issues and were most eager for the Park to address their problems as they had done in other villages. It cannot be ignored that relationships fostered between the national park and the local people are vulnerable to the personalities of the staff the Park recruits.

In the words of one village elder at along Mikumi National Park who was involved in the panel discussions said that, "Some Park staff become part of our village life; they understand our problems and want to help us. Some, however, just have the job but are not interested in the people" It was also noted that achievement within any particular village are subject to the initiative and interest of village leaders.

Once again, the term *Ujirani Mwema* is strongly embraced in the villages; long descriptions were provided about the historical enmity between the park and the people. Points of contention were the fines imposed on villagers and the beating of people by park staff. Villages also felt they were not consulted on Park boundaries and were then punished for transgressing boundaries they were not even aware of. On the other end findings show that some of the respondents who were examined said that Mikumi National Park credit, villages felt they had a clearer understanding of the role of the Park since Mikumi National Park efforts to educate them were started.

Likewise, the study has observed that there are a lots of initiative going on in the park, example here includes at Maaraka livestock keeping by Maasai it's a projected initiated by the park as Ujirani mwema and the Mkaka agricultural projects which is in partnership with local community around the park. These initiatives or project have been working in this area since 2002 and have initiated many interventions and enjoyed a fruitful collaboration with our District. Many initiatives have been carried out in water, renewable energy, wildlife, sustainable tourism, school infrastructures as well as agriculture and livestock. All these interventions have benefited the communities in the villages bordering Mikumi National Park.

The respondents said that the impact of the community projects seems to be broad in the sense that there is awareness of benefits in the villages where TANAPA had not been focused and villagers were eager for dialogue and to attract TANAPA to their village. Given the projects or assistance requested from Mikumi National Park in 2012 of "provision of clean water", "health and education projects", and "problem animal control", the community leaders has to some extent met the needs of the villagers in the projects provided to each of the target villages. The study conducted interview with community heads, who was reported saying that Mikumi ward had received desks for a school in 2011; Mwenda had a classroom constructed in 2009 and a teacher's house constructed in 2010; Mbamba has a classroom constructed in

2011; and Maaraka had a classroom completed in 2009. The total value of these projects was approximately 16,000,000/= Tshs.

4.9 Factors Hindering the Performance of Tourism Sector

The finding in Table 4.8 was an interview finding to examine those factors hindering the performance of Tanzania tourists industry, especially at Mikumi National Park. The findings show that 33.3% of the staff said political interference with TANAPA management and business-decisions, 30% of the staff who said board members are selected on the basis of their status, rather than their specific knowledge or experience on management issues.

Finding show, 20% of the staffs who said there is a very weak corporate governance structure and management at the Mikumi National Park, and TANAPA at large, 3.3% said there is conflicts of interest interfere with TANAPA officials which hinder, efficiency in implementing parks decision and 13.3% of the staffs who reported that there is poor assessment, review and evaluation of investment of park project particularly communities initiated projects.

These findings are in line with the study done by, Tosun (2000) identified a wide range of obstacles to community participation in the context of developing countries. He categorised these obstacles into operational, cultural and structural limitations. Those categorized as operational limitations include the centralization of public administration of tourism development, lack of co-ordination between involved parties and lack of information made available to the local people of the tourist destination as attributed to, but not limited to, insufficient data and poor dissemination of information. Under these conditions, low public involvement in the tourism development process is obvious as people are not well-informed.

Table 4. 9: Factors hindering Performance of Tanzania Tourist Industry

Particulars	Freq	%
Political interference with TANAPA management and business-decisions	10	33.3
Conflicts of interest among TANAPA and Park management which hinder, efficiency in implementing parks decision i.e. projects	1	3.3
Board members are selected on the basis of their status, rather than their level of knowledge and experience	9	30
Poor assessment, review and evaluation of investment in community project	4	13.3
Weak corporate governance structure and management at the park	6	20
Total	30	100

Source: Field data, 2013

The researcher visited the TANAPA official in charge of Mikumi National Park, he was quoted saying “I have encountered tangible conflicting issues between conservation and development, he further said Morogoro region is where pastoralism and agriculture are fighting for ‘the survival of the fittest’ facing drastic climate changes, harsh environment, wildlife interference, limited resource mobilization and sharing and inadequate capacity to adapt to innovation and good governance”.

4.10 Measures to Improve Tourists Sector

The former TANAPA Director General, Mr. Lota Melamari when presenting a paper on Tanzania National parks policies in 1996, said, “TANAPA is a Parastatal which establishes, manages and regulates, the use of areas designated as National parks by such means and measures to preserve the country’s heritage encompassing natural and cultural resources both tangible and intangible resources values, including fauna and flora, wildlife habitat, natural processes, wilderness quality and scenery there in and to provide for human benefit and enjoyment of the same in such manner and by such means as will leave them unimpaired for future generation.”

Findings in table 4.9 indicates suggestions from management on how to improve performance of Mikumi National Park, the results findings show that 23.3% said the management and boards members have to operate independently as laid down in relevant legal provisions of TANAPA, 23.3% said the boards must be free from political influence, 13.3% said the positions and duties of the different board members must be clearly stipulated to avoid conflict of interest between and among the board members and senior management, and lastly 40% indicated that the park has to determine suitable governance strategies to implement its long-term community projects and, or programs, this will aim to address issue of park performance improvement.

Table 4. 10: Measures to Improve Mikumi National Park Performance

Particulars	Freq	%
TANAPA has to consider strategies to implement its community project	12	40
The boards must be free from political influence and interference	7	23.3
The management has to operate independently as are laid down in the provisions	7	23.3
The positions and duties of the different board members must be clearly stipulated to avoid conflict of interest	4	13.3
Total	30	100

Source: Field data, 2013

On the other hand, it was observed that; 20% of the respondent who indicated that reducing the level of bureaucracy through streamlining with available rules, 30% said by simplifying investment procedures and making them more transparent, 10% said by establishing a code of conduct for both the park and conservation area personnel, 16.7% of the respondent reported that by capacity enhancement, including training and employing qualified staffs while 23.3% of the respondent said by implementation of anti-corruption campaigns.

The study observation from focus group discussion, show different measures to be taken to improve tourists' activities in the hotel sector in Bagamoyo. Out of 28 respondents that were examined, 3.6% said the government has to improve infrastructure i.e. water and electricity supply, 28.6% said building tourists institutions, 39.3% said that managements have to improve working conditions to workers i.e. salary increments, 1.7% said extensive practical training at job level to staff, 10.7% indicated that stamping out corruption and 10.7% said more advertisement in international media about the Tanzania tourist industry. Others are creating an enabling, and improvement of infrastructure and services like clean water and electricity supply.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

Tourism in Tanzania plays a vital role in the country's economic development. It is one of the major sources of foreign exchange. The industry is also credited for being one that offers employment opportunities either directly or indirectly through its multiplier effects. Furthermore, tourism activities are facilitated by development of hotel service sector. This chapter provides the conclusion of the study and elaborates more recommendation that can be done to improve this sector so as to bring impacts on employment opportunity to Tanzanian.

5.1 Conclusion

The result findings have shown that community livelihood in the area have improved due to availability of tourism activities, it was reported that Mikumi National Park and tourists hotel in Bagamoyo has brought both direct and indirect-benefits on the people's wellbeing, more income generating activities that support tourism have being initiated in those areas, the multiplier effects for example sale of tourist items, visiting the areas has increased.

The study has shown in the National level, tourism expenditure alone in 2012, and directly supported 72,131 jobs which is 0.6% of total labour (10.9 millions people 2011/2012). The direct plus indirect employment impacts were 170,178 jobs (1.6% of the labour force). The findings also show that, in the same period tourism spending has created a direct labour income worth Tshs. 9471.2 millions, accounting for about 0.7% of GDP. Moreover, the it was observed that, most direct effects occur within the primary tourism sectors, such as lodging, restaurants, transportation, amusements, and retail trade, while secondary affects is reported in all sectors of the economy.

Basing on the findings above, it can briefly be concluded that, there is a big impacts of improved livelihood change in the area(Mikumi National parke and Bagamoyo), due to presence of tourism activities, hence undertaking of tourism income activities has accelerated more income gain through both direct and indirect employment, has created revenue for the local government in the area, which has enhanced community partnership through various projects, such as constructions of schools, dispensary/hospital, water-wells or dams

5.2 Recommendations

The study has outlined the following recommendations which will facilitate mutual benefits between local communities along the Mikumi National Park and tourism hotel in Bagamoyo district.

Developing a Conservation Model

In the study we have noted that there are problems of safety of human being attacked by animal and destruction of crops .Also there are cases when cattle are being attached by wild animal and animals are being killed by human being. Due to these facts the study recommends the establishment of conservation model in the context of secure livelihoods. The two sides of the protected areas face different challenges in combining human livelihoods with conservation. The most commonly suggested wildlife related project was “new efforts to prevent wildlife damage” model, stressing the need to reduce the costs of living with wildlife.

Addressing the Issues of Land use Pattern along the Park

In challenge of living near the park the study recognized that boundaries between national park and villages is still a problem as animals always go beyond the borders looking for water and green pasture on the other hand some people cultivate their crops inside the park because of fertile soil. So the study recommend that, outreach programme and private sector initiatives both must aim to expand the conservation constituency by having supporters outside the Park. Ways of influencing the land use regime must also be researched and discussed.

Improving Dialogue between the Park and Local Communities around

Attempts at increasing dialogue, benefit sharing and problem solving are a step in the right direction, but the values, desired landscape and livelihood concerns of the local people need to be embraced as key variables in determining the design of conservation initiatives. Perhaps the biggest challenge for implementing a community project in national park initiatives will be to maintain the ability to evolve and change in the face of dynamic relationships between Parks and people, the changing balance between the benefits and costs of living with wildlife, changing cultures and changing land use patterns.

Recommendation to the Government

The study Identified that poor infrastructure in the tourism centre is among the issues which hinders performance of the sector and people around the centre, so the study recommend that, the government has to create an enabling environment for FDI inflows to the country, for instance, improvement in infrastructure has to be addressed with great efforts. The country transportation network is poorly developed, poor electricity services from TANESCO where currently there has been an increasing trend of fire outbreaks within some tourist hotels. In 2007, Paradise Hotel in Bagamoyo went on fire and also in 2008 Sea Cliff at Masaki in Dar es Salaam went on fire. This caused reduction of employment as means of emergency financial adjustment.

The Investors in Tourism sector

Direct Investment reflects the aim of obtaining a lasting interest by a resident entity of one economy (direct investor) in an enterprise that is resident in another economy (the direct investment enterprise). In order to facilitate much benefit by Tanzania labour force from FDI. The investors have to put strategies that will aim in empowering the local labour force with required skills and knowledge that will enable them to hold senior administrative position. To achieve this, some training and sponsoring some staffs for further studies in the tourism (hotel) related field,

moreover the investors have to adjust salary increment that will match with current standard of living in the country. The FDI investors has to be encouraged on purchasing local inputs i.e. vegetables, fruits and other important inputs that will aim in boosting standard of living for the local community nearby the aim being the creation of indirect employment.

The Local workers in Tourist sector

From the results of this study we have found that most people living near the tourism centre have primary and secondary education, this becomes difficult for them to be employed in the big tourism hotel, as result people are being employed from other places. The study recommends that the local employees have to develop a positive attitude towards upgrading their skills through attending technical collages. This will help them to be employed in some senior administrative position with the tourism (hotel) sector. The local staffs have to improve their perception towards job, by maintain standards and quality of service delivery to the customers, by so doing they will be able to compete well with foreigners in the senior position. There are negative critics and perception of working in hotel sectors, thus why most qualified staffs do not seek position of working. The study has suggested that business stakeholders have involved in empowering local staffs to enable them in realizing the opportunity accrued from FDI in hotel sector.



Bagamoyo Historical sites.

REFERENCES

- Apton, J. and Crompton, J. L. (1998) *Developing and Testing a tourism Impact Scale*, Journal of Travel Research.
- Britton, S. (1991). *Tourism, capital, and place: Towards a critical geography of tourism*, *Environmental and Planning D: Society and Space*.
- Britton, S. (1982). *The Political Economy of Tourism in the Third World*, Annals of Tourism Research.
- Bryden, J. (1973). *Tourism and Development: A Case Study of the Commonwealth Caribbean*. Cambridge, Cambridge University Press.
- Butler, R. (1980) *The Concept of a tourist area cycle of evolution: Implication for management of resources*. Canadian Geographer,
- Butler, R. (1992). *Alternative Tourism: the Thin End of the Wedge*. In: Smith, V. L. and Eadington, W. R. eds. *Tourism Alternatives*. Philadelphia, University of Pennsylvania Press.
- Caneday, L. and Zeiger, J. (1991). *The Socail, Economic and Environmental cost of Tourism to a Gamming Community as Perceived by Its Residents*. Journal of Travel Research
- Crandall, L. (1994). *The social impact of tourism on developing regions and its measurement*. In: J. R. B. Ritchie and C. R. Goeldner eds. *Travel, Tourism, and Hospitality Research: A Handbook for Managers and Researchers*. 2nd ed. New York, John Wiley & Sons, pp. 413-423.
- Cukier, J. (1996) *Tourism employment in Bali: Trends and implications*. In: Butler, R. and Hinch, T. eds. *Tourism and Indigenous Peoples*. London, International Thomson Business Press.
- Chok, S. and Macbeth, J. (2007). *Tourism as a tool for poverty alleviation: a critical analysis of 'pro-poor tourism' and implications for sustainability*, *Current Issue in Tourism*.

- Cole, S. (2006). Cultural tourism, community participation and empowerment. In M. K. Smith and M. Robson (eds) *Cultural tourism in a changing world: politics, participation and (re)presentation*, Cleveland-UK, Channel View Publications.
- Dieke, P. (1993). *Tourism and Development Policy in the Gambia*. Annals of Tourism Research.
- Dincer, F. I. and Ertugral, S. M. (2003). *Economic Impact of Heritage Tourism Hotels in Istanbul*. The Journal of Tourism Studies.
- Holden, A. 2000. Environment and Tourism. USA: Routledge Florence KY. Referred on 14.2.2012. Available in Ebrary Database:<http://site.ebrary.com/lib/hamk/Doc?id=2002440&ppg=25>
- Honey, M., (2008). *Ecotourism and Sustainable Development: Who Owns Paradise?* 2nd edition, Washington, D.C.: Island Press.
- Johannesen, A. B. and Skonhoft, A. (2005). Tourism, poaching and wildlife conservation: what can integrate conservation and development projects accomplish? *Resource and Energy Economics*, vol.27.
- Li, W. (2005). Community decision-making: participation in development, *Annals of Tourism Research*.
- Li, Y. (2004). Exploring community tourism in China: the case of Nanshan tourism zone, *Journal of Sustainable Tourism*.
- Manyara, G. and Jones E. (2007). *Community-Based Tourism Enterprises Development in Kenya: An exploration of their potential as avenues of poverty reduction*. *Journal of Sustainable Tourism*.
- Multilateral Investment Guarantee Agency (MIGA), (2006). Attracting Investment in Tourism: Tanzania's Investor Outreach Program," Investing in Development Series, World Bank Group.

- Ratz, T. and L.Puczko. (2002). *The impacts of tourism An Introduction*.
Hameenlinna: Hame Polytechnic
- Scheyvens, R. (2008). Tourism and poverty reduction: issues for Small Island States, *Tourism Geographies*.
- Scheyvens, R. (2007). Exploring the tourism-poverty nexus, *Current Issues in Tourism*,
- Skof, A. (2008). *The Tourism Industry: Sustaining and Sharing Economic Growth in Tanzania*, Washington, D.C.: The World Bank.
- Tanzania Coastal Management Partnership (2008). *Tanzania Coastal Tourism Situational Analysis*. TCMP Working Document: 5006 TCMP.
- Tanzania Ministry of Natural Resources and Tourism (MNRT), (2002). *Tourism Master Plan: Strategies and Actions: Final Summary Update*, Dar es Salaam: Tanzania Ministry of Natural Resources and Tourism.
- Tosun, C. (2000). Limits to community participation in the tourism development process in developing countries, *Tourism Management*, vol. 21.
- Tosun, C. (2006). Expected nature of community participation in tourism development, *Tourism Management*
- Tourism Statistical Bulletin, Ministry of Natural Resources and Tourism Tanzania
- Tanzania Tourism master plan, Strategy and action Final summary updated in April 2002 World Tourism Organization. (2010). A Global Perspective, World Tourism Organization, Madrid
- Zhao, W. and Ritchie J.R. (2007). Tourism and poverty alleviation: an integrative research framework, *Current Issues in Tourism*.

APPENDICES

RESEARCH QUESTIONNAIRE THE IMPACT OF TOURISM ACTIVITIES ON SOCIAL AND ECONOMIC LIVELIHOOD OF COMMUNITIES.

Dear Respondents,

I, Anastazia P. Nyore a student at Mzumbe University. Kindly requesting you to respond to the attached questionnaire on the *“Impact of tourism activities on socio-economic livelihood of communities”* a research is done as a part of fulfilment for the requirement for the award of Masters degree in Corporate Management. The study aims at extracting the impacts of tourism on the social and economic livelihoods of the communities, taking a case study of Mikumi and Bagamoyo District

You are kindly requested to read the attached questionnaires and respond them to the best of your knowledge. Your timely response is of the essence success to the achievement of this study. Please rest assured that the responses will be treated as confidential but should you like to know the findings, the researcher will be pleased and willing to endow with them to you.

PART I: Questionnaire for Staffs/Management of Tourist Industry

1. Name of organisation/Institution _____

2. Respondent gender_____

- a. Male
- b. Female

3. Respondent marital status

- a. Married
- b. Single
- c. Divorce
- d. Widow

4. How long have you been in your organisation/Institution?

- a. Less than one year
- b. between 1-4 years
- c. between 5-9 years
- d. More than 9 years

5. Which specific department are you working at?

6 Are you aware of Tourism industry in Tanzania?

- a. Yes
- b. No

7. Are you in favour of Tourism activities in Tanzania?

- a. Yes
- b. No

8. What are the benefits accrued from tourism activities in Tanzania?

9. What amount of projected funds were brought by tourism undertaking in your area?

Type of Project	Amount
1. _____	Tsh / \$ _____
2. _____	Tsh / \$ _____
3. _____	Tsh / \$ _____
4. _____	Tsh / \$ _____

10. What benefits have been accrued through the above project undertaking in respective industry/sector?

11. In your opinion do you think, tourism has any, impacts in the economic growth of Tanzania? Briefly outline them. _____

12. What are likely benefits on economic growth that has been attributed by tourism activities?

13. What are the social benefits to the communities' livelihoods that are attributed by tourism activities?

14. In your opinion, what specific policies that do influence or restricts the level of tourism in Tanzania?

14. What are the likely challenges that hinder the economic gains from tourism activities in Tanzania?

15. In your opinion, what measures need to be addressed to improve the realization of tourism activities to the communities around?

**APPENDIX 1: Community in Tourism Destination and around Mikumi
National Park**

1. What is your gender?

i. Male

ii. Female

2. What is your Level of education?

i. Informal Education

ii. Primary Education

iii. Secondary Education

3. How long have you being staying within or next to the Park?

i. Less than 6 years

ii. 6 to 12 years

iii. More than 12 years

4. What are your major economic activities?

5. Has the protected areas need to be abolished, reduced or increased in Size?

i. Yes

ii. No

3. What problems are you encountering in the Tourism destination and Centre?

4. What problems have you faced by living or staying in tourism destination or areas?

5. Where does your community get some sort of advice from on matters related with tourist industry?_____

6. What do think are the common benefits of tourism sector in Tanzania?

7. What are the major challenges that the communities nearby or around encounter populous tourism industry?

8. What development project has been initiated due to the presence of tourism industry in the area?

9. What do you think are the major constraints that are hindering the performance of Tourism Industry?

10. What measures need to be done to improve Tourism industry Performance?
