Full Length Research Paper

Tourism: A viable option for pro poor growth in Gamo Gofa Zone? Southern Ethiopia

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The research 'Tourism: A Viable Option for Pro Poor Growth in Gamo Gofa Zone? Southern Ethiopia' attempted to uncover how far tourism development is emerged to be a viable option for pro poor growth. The study is confined to Arba Minch town, Nech Sar National Park, Crocodile Ranch and Dorze Cultural Village. Qualitative and quantitative research strategies; household survey design, multi stage, purposive and simple random sampling techniques and common poverty measurements instruments were used. The findings revealed that tourism has generated cash incomes for the local poor in the form of wages, collective income, dividends, outsourcing of services and informal sector earnings and established on areas where the poor are active, could become active, and can be made active and uses the means of production the local poor uses. Nevertheless, it hardly improved the physical and human capitals of the local poor. Moreover, its contribution in the reduction of poverty and inequality among the local population is not sound enough. The benefits acquired from tourism are disproportionately captured by few individuals and its viability in fostering pro poor growth is seemed to be rather weak.

Key words: Pro poor growth, pro poor tourism, livelihood, pro poor income.

INTRODUCTION

International tourism has shown an extraordinary growth over the past five decades. This trend is projected to reach 1.6 billion international tourist arrivals in 2020 (UNWTO, 2009:3). Though developing countries are quickly catching up as being the major destinations, developed countries remain both the major tourism destinations and generators of international tourism (UNDP, 2011:6, Honeck, 2008:4-8).

Thus, it began to provide an important opportunity for LDCs to combat poverty, diversify their economies and pursue pro-poor growth (Gerosa, 2003:1-6). This fact enables the sector to attain recognition from international institutions and national governments. The growing market trend of tourists seeking cultural and natural attractions in rural areas gives LDCs a strong comparative advantage. This trend is particularly relevant to LDCs since three quarters of people live under abject poverty (Haretsebe and Farai, 2014:5699-5701).

Tourism is a diverse and labor-intensive industry and provides a wide range of employment opportunities. Tourism employs more women and young people than most industries, resulting in increased incomes,
empowerment and social inclusion. Tourism’s capacity to generate employment is particularly important in LDCs given the overall low level of education and skills among local populations (Neto, 2003:1-2, Rogerson, 2014:153). As an industry where entry barriers can be low or easily lowered, tourism creates opportunities for small entrepreneurs and allows poor people to establish new activities or formalize existing micro-ventures. Taxes and levies on tourism income can be used by governments for poverty reduction. Tourism requires relatively less investment (it uses readily available natural and cultural attractions) than other industries and the required infrastructure and superstructure can benefit both tourists and local populations (Bennet et al, 1999:13). Tourism is also one of the few sectors with a wide range of upstream and downstream effects on other economic activities, due to its large and diversified supply chain. Finally, tourism provides an opportunity to support traditional lifestyles and maintain traditional architectural and building styles. Tourism is a powerful engine for socio-economic development and an instrument to safeguard biodiversity and cultural heritage, especially in LDCs (Ashley et al., 2007:7-9).

MATERIALS AND METHODS

Research design and approaches

Household Survey research design was used to avoid the problem of randomness. As Altinay and Paraskevas (2008) argued, to describe a particular characteristics of a specific population and to predominantly gather information about what people do or think, descriptive survey was employed for the purpose of this research. Qualitative research approach was used to conduct subjective assessment of attitudes, opinions and behavior and to get insight information and impressions from the local community, government officials and the main actors in tourism business. As such key informant interviews, focus group discussions and observations were conducted in Dorze Cultural Village, Arba Minch town, Nech Sar National Park and Chamo and Abaya areas. On the other hand quantitative research approach was used to generate data in quantitative form which can be subjected to rigorous quantitative analysis in a formal and rigid fashion.

Sampling techniques

The research involves multiple sampling techniques. Multi-stage, purposive and simple random sampling techniques were used to achieve the objectives of the research. Multi-stage sampling technique was used due to the complexity of sampling units embedded one in the other. Accordingly, Arba Minch town and its surrounding sites and Chencha Wereda were taken as the primary sampling units. Nech Sar National Park, Crocodile Ranch, Dorze Cultural Village and Arba Minch town were considered as the secondary sampling units. Ultimate sampling units (sample size) were determined to be 475 (315 and 160 from Arba Minch and Dorze Cultural Village respectively) of which 293 are entirely earn their livelihood from tourism.

Key informants from Dorze Cultural Village, Nech Sar National Park, Crocodile Ranch, Gamo Gofa Zone Culture, Tourism and Government communication Office were purposively selected. Furthermore, the study sites were purposively selected due to the fact that they are destinations hosting tourists and provide multiple services for them of which the local community highly participate directly, indirectly and dynamically to get benefits.

Homogeneity of the character was the key criteria considered and the target population was categorized into accommodation staff, tour guides, boat renters, craft producers and vendors and farm producers and sellers. From each category to ensure an equal chance of representation, simple random sampling technique was used.

Source of Data

The data were obtained from primary and secondary sources. Primary data were collected through observation, interviews, questionnaire survey and focus group discussions. These data were collected during the field research conducted in 2012-2014. In fact, information from primary data are not claimed to be exhaustive and dependable. Hence, scientific journals, articles, magazines, minutes, ledgers and books have been explored.

Data presentation and analysis methods

The most commonly used poverty indices were adopted to pragmatically demonstrate how far tourism development is pro poor. As a result in order to infer about the incidence of poverty and to pinpoint the share of the sample population whose income or consumption is below the poverty line, headcount index was adopted. Besides, to intrinsically demonstrate the intensity of poverty, how poor the poor are Poverty Gap index (the mean income shortfall below the poverty line) was adopted to better reflects the average levels of living among the poor.

SPSS-Version20 has been used to analyze quantitative variables collected through questionnaire survey. Whereas data collected through interviews and focus group discussions have recorded and translated into English and interpreted.

RESULTS AND DISCUSSION

Results

Description of the study area

Gamo Gofa is located in Southern Nations, Nationalities and Peoples’ Regional State (SNNPR), Southern Ethiopia. It is located within the geographical coordinates of 5°57' - 6°7'1" N and 36°37' - 37°9'98" E. The zone has a total area of 12,581.4km². Arba Minch town is the administrative and trading center of the zone, located at 505 km from Addis Ababa and 275 km south west of Hawassa. The topography of the land is characterized by an undulating feature that favors for the existence of different climatic zones. The general elevation of the zone ranges from 680 to 4207 meters above sea level. Mount Gughe, the highest Mountain peak in the zone as well as in the SNNPR stretch to 4207 meters above sea level (Figure 1).

Tourism: An option for pro poor growth in Gamo Gofa Zone? Analysing the sector

The likelihood of tourism in fostering pro poor growth in
Gamo Gofa appears to be high because the sector is established in Dorze Cultural Village, Nech Sar National Park, Arba Minch Town, Crocodile Ranch, Chamo and Abaya lakes, areas where the local poor live. These are assets of the local poor where they live, can be active and made active. As cited in DFID, Torres and Momsen (2004) argue that ‘Tourism provide local people with an opportunity to influence their assets to obtain equity in joint venture partnerships, as well as to extract value and decision-making power through their ownership of unique tourism resources’. Moreover, tourism is spread over an area and its products are built on the natural and cultural resources, which are the assets of the local poor. Unlike other traded good industries, it has significant potentials in poor and marginalized areas with few other competitive exports (DFID, 1999:2). This implies the possibility of tourism in enhancing pro poor growth is high. So based on this premises sector based analysis has been done as follows.

Attraction of investment opportunity

Though the attraction of investment opportunity is taken as the conventional approach of measuring the impacts of tourism on poverty and local poor (Jamieson et al., 2004:3), it perhaps argued the local poor are enjoying benefits owning to the trickledown effect of tourism. Whatever arguments continue to exist, the contribution of tourism in attracting investment opportunities is sound and viable in Gamo Gofa Zone. The investment trends over the past 14 years clearly epitomizing the booming
establishment of hotels, restaurants, pensions and lodges in Arba Minch town. For instance in 2011/12, 62 investment projects with the total capital of US$22,990,778 were registered in Arba Minch town. But 32 of them were registered for hotel and tourism businesses. This accounts for about 54.45% of the total investment projects and 68.9% of the total capital registered. Figure 2 clearly demonstrates how tourism proves to provide investment opportunities in Gamo Gofa Zone.

Investments in hotel and tourism play a leading role in attracting US$16,963,246.78 (68.9%) of the total capital. This simplistic comparison helps to substantiate the assumption that tourism is better placed in opening up investment opportunities in Gamo Gofa Zone.

Creation of employment opportunity

There are held continual debates among tourism scholars, academia, tourism industry, government and NGOs to examine the critical pathways by which the benefits of tourism flow into the economies of the local poor (Ashley et al., 2001:22-23). But its potential advantage in offering intensive employment opportunity is the possible means through which the local community extracts labor income (Roe et al., 2004:12, Gerosa, 2003:11).

This supposition seems to be pragmatic in Arba Minch town and Dorze Cultural Village. The local community is betrothed to tourism both at the investment (construction, manufacturing, etc.), and operational stages (e.g. guiding, transportation, hospitality, etc.). Nevertheless, due to the inherent complexity of the sector, accounting the exact number of employment created a serious problem. In spite of this the employment matrix constructed based on field survey data revealed that tourism has created 862 direct and 586 indirect service employment opportunities for the local community. The indirect benefits accrued into the economies of the local poor have found to be proportionally and disproportionately pro poor, compared with direct effects. The indirect employment the sector supports at about 68.6% of the size of the direct effects and would found to reach beyond the destinations.

Cash income generation

Like the generation assumption held to generate cash income (DFID, 1999:2), in Gamo Gofa Zone tourism has generated regular wages for jobs, causal earnings from vending of crafts, foods and raw materials; and causal labour opportunities in the construction of hotels and lodges; profits from locally owned enterprises and collective income earned by the community. Cash income incurred from tourism vividly demonstrates the extent it opted to contribute in generating cash income for the local community (Figure 3).

As observed from Figure 3 the estimated mean monthly income the local community acquired appears low. Accordingly 36.2% (106), 38.6 % (113), 12.6%(37), 5.8%(17), 4.1%(12) and 2.7%(8) of the sample populations earn less US$1, US$1-2, US$2.1-3, US$3.1-5, US$5.1-6.6 and above US$6.6 respectively. The number of sample population earning estimated mean monthly income less than US$2 is amounted to be 74.74%(219). Only 25.6%(74) of the sample population who actively engaged in tourism business earn greater than US$2 per month. The cash income the local community earned from tourism is extremely low in Dorze Cultural Village (63.83% earn less than US$1 and 80.85% earn
less than US$2 per day). Moreover, the cash income distribution shows a greater disparity justifying the concentration of the benefits into the hands of few individuals.

### Infrastructural and human developments

In contrast with the general assumption in improving road, water and other infrastructures for the local community (Ashley et al., 2001:20-25), in Gamo Gofa zone the infrastructural quests remained tense particularly among pastoralist who are most often bullied as extractors. Asebe (2011:52-63) argued that while conservationist paradigm is advocated in Nech Sar National Park, the social dimension is decried and the local community's access to education, health services and alternative livelihoods are locked off. So their adoptability to a new situation and way of life is embedded with grave risks (Table 1).

Thus, as clearly observed from Table 1 it seems that tourism development in Gamo Gofa Zone is not enhancing their infrastructural needs of the local community. Likewise it is presumed to improve the skills base of the local poor (Jamieson et al., 2004:16) and capacity to participate in decision making, develop businesses skills and get their whims incorporated in to the policy their country (Ashley et al., 2001:23). Nevertheless, as observed from Table 1, the number sample population getting training opportunity seems low (14.7% in Arba Minch town and 7.5% in Dorze Cultural Village). But knowledge of tourism is a precursor for those who want to participate in decisions about tourism planning and management. Therefore, it is high to say that lack of knowledge about legal and financial processes makes the poor venerable to exploitation by local elites and outside business interests.

#### Financial capital: Credit and collective income

The financial capitals accrued into the economies of local poor and openness of financial capitals in the forms of loans available from micro and small enterprises, gaining access to credit and collective incomes earned by community organization are very rare in Dorze Cultural Village and Arba Minch. This is because of the criteria set by micro finances and banks are the guarantee these

![Figure 3. Estimated mean monthly income.](image-url)
SME need to avail to get loan. But most members of SME are from poor backgrounds unlikely to have such privileges. Hence, the tendency of the local poor to launch tourism businesses are belittled by financial constraints. Wages, collective income, dividends, outsourcing of services and informal sector earnings are likely low. The results obtained from SME, collective and community organization earnings underlined that the local poor are earning less than US$ 30 per month per person. This means the estimated mean monthly income of the poor is even lower that the national poverty line (US$1.25).

Local community’s access to natural resources and tourist facilities

The most common claim held by the local community in Arba Minch and Nech Sar National Park is the right to get access to natural resources and tourist facilities. Perhaps being the owners of cultural and natural tourism assets, they have a ubiquitous right to use the natural resources and get access to tourist facilities. But they are denied either explicitly or implicitly. The government has adopted fine and fence approach to explicitly avert the access rights to the resources values of Nech Sar National Park. This perhaps has ignited the hostile relationship between the government and the local settlers. It looks that the social dimensions are given little attention while conservation works are advocated. Because the local communities are simply blamed without being provided with alternative livelihood bases and energy sources; and they are subjected to denied access otherwise fined. Hence, making the local community as a center of conservation remained belittled.

The implicit one is more sound and pronounced in obstructing community access to tourist facilities. Tourist facilities in Arba Minch are most often observed while showing the tendency of belittling the role of the owners of the cultural and natural assets upon which tourism businesses are entirely depend on. The local community’s perception towards tourist facilities is underrated and they are not considering themselves as the main stake. Instead, they are complaining of the increment of cost living due the mere existence of tourism and tourist facilities. The local communities are also complaining of the partial treatment they are experiencing while using tourist facilities. The pricing policies of most tourist facilities are not affordable for the local community. There are no other strategies designed by either of tourist facilities to provide alternative access right for the local community.

Monetary measurement of tourism as pro poor growth option

Articulating the contribution of tourism to the whole economy is not sufficient to measure its specific impact on poverty and local poor. Because there has been a growing understanding that economic growth may not necessarily reduce poverty and pursue pro poor growth (DFID, 1999:1, Mensah and Amuquand, 2010:78). So computing the aggregate contribution of tourism to the zonal economy does not necessary reflect the benefits of the local community rather used to compare the average growth rates to the whole economy with individual income growth rates. This idea is further underpinned by Ravallion and Chen (2003). They strongly argued that growth is said to be pro-poor if the mean growth rate of income of the poor is higher than the mean growth rate for the whole economy.

On the basis of this assumption the computation of zonal income receipt growth rate and mean income growth rate per individual from 2008-12 were conducted. As a result the zonal average income receipt growth rate over the past five years is 79.35%. Whereas the average income growth rate per individual is 47.7 %. However, the degree of income growth rate per individual seems quite slow and low {(42.85 % in 2008-9), (50 % in 2009-10), (50 %in 2010-11) and (47% in 2011-12)} as compared to Zonal income receipt growth rate {(61% in 2008-09), (48.9%2009-10), (107% in 2010-11) and (100.5 % in 2011-12)}. The estimated mean growth rate of income of the poor is quite low and showing decline while the contribution of tourism to the whole in contrast increases. This implies the contribution of tourism to the whole economy is strong but seems unsound to the income of the local poor as seen from Figure 4.

Still the pro poorness of tourism is embedded with critics. But in order to realize whether tourism decreases or aggravates poverty, as proposed by Ravallion and Chen (2003) headcount Index has been adopted to compute the proportion of the sample population identified as absolutely poor. On the basis of this scheme the proportion of absolute poor sample population has been computed as follows.

| P0 = \( \frac{NP}{N} \) |
| Where NP= Number of the Poor |
| N= Sample Population who earn income from tourism |
| P0= Proportion of absolute poor |
| \( P_o = \frac{106}{293} \) |
| = 36.18% |

The proportion of the sample population earning less than US$1 stood 36.18 % and incidence of poverty is higher among the sample population. This figure is even higher than the proportion of absolute poor people of Ethiopia estimated to be 29.6% in 2010/11. The number of sample population earning less than US$2 per day stood as 74.7 %. The discrepancy of incidence of poverty
Figure 4. Growth rate in tourist arrivals, income receipts and individual income.

Table 2. Calculating the Poverty Gap Index on the basis of National poverty Line (US$1.25 per day).

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<tr>
<td>Estimated Mean monthly income of the sample population</td>
<td>27</td>
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<tr>
<td>Poverty Gap Index</td>
<td>10.5</td>
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| \[
\frac{Gi}{Z}
\] | 0.28* |

among the sample population is pronouncedly observed between Arba Minch and Dorze Cultural Village. Poverty is rampant among the population of Dorze Cultural Village and the sample population earning less than US$1 per day is accounted to be 63.8%. Whereas the proportion of the sample population counted to be absolutely poor in Arba Minch is accounted to 25% and this a bit similar to the headcount index for urban areas.

Moreover to intrinsically demonstrate the intensity of poverty, how poor the poor are Poverty Gap Index (the mean income shortfall below the poverty line) has been adopted to better reflect the average levels of living among the poor.

\[ Gi = (Z-Yi) I (Yi<Z) \]

Where \( Gi \) = Poverty Gap

\( Z \) = Poverty line and

\( Yi \) = Income of the Poor

And poverty gap index (\( P1 \)) is computed as;

\[ P1 = \frac{1}{N} \sum_{i=1}^{N} \frac{Gi}{Z} \]

The poverty gap index of the sample population (10.5%) is high and even higher than the national poverty gap index (7.8%) as of 2012(MOFED, 2012). Thus, the intensity of poverty is high among the sample population (Table 2).

Income inequality among the sample population is another variable looked into to further measure to the extent to which tourism is addressing income inequality among the sample population. The findings reveal that the proportion of the income acquired by the poor is slightly lower (4.6%) as compared to the better of (95.4%) as shown in Table 3.

This means when 106 respondents earn only US$27 per month per individual, 8 respondents accounting only 2.8% capture 30.44% of the proportion of income. But White and Anderson (2001) argue that growth is claimed to be pro-poor if the poor’s share of income is higher than the non-poor and accompanied by a decrease in inequality. So contradicting to such presupposition, the income share of the poor is low (4.6%) and income distribution is unequal at its utmost stance as shown in Figure 5.

As clearly observed from the graph, the proportion of the income the poor earned seems low (4.6%) while the better of earned nearly 94.4%. This indicates that large proportion of income from tourism is captured by few individuals. Hence, unlike the general assumption about tourism so far held in curbing inequality, the findings reveal that it rather aggravates inequality.

**DISCUSSION**

Tourism: A viable option for pro poor growth in Gamo Gofa Zone?

It looks skeptical to confidently say ‘yes’ that tourism is a viable option for pro poor growth in Gamo Gofa Zone. This is due to the fact that tourism is emerged as complex sector in Gamo Gofa Zone primarily owned by private sectors and the government has few means to influence them to tilt the benefits into the economies of the local poor. It rather characterized by the monopolization of benefits into the hands of few individuals while the local poor are put aside. This is could be easily justified by closely observing the income share of the...
poor who entirely earn their livelihood from tourism. Earlier studies conducted by Gerosa (2003:3) suggest that this is clearly realized in developing countries where fiscal and planning instruments for capturing monetary and non-monetary benefits are generally weak. Besides as suggested by Roe et al. (2004), economic growth as a result of tourism development may not necessarily reduce poverty and that policy commitment to reduce poverty can only be achieved if there is a specific and rigorous effort to raise the well-being of the poor. In this regard because it is not supported by pro poor policies and practices, the strong macro level contribution of tourism to the whole economy of Gamo Gofa zone tends to weakly reduces of poverty and emerged as a viable option for pro poor growth.

This view is further supported by the arguments forwarded by Ravallion (2004), Ravallion and Chen, (2003) and Kakawani and Pernia, (2000). They argued that growth is said to be pro poor if it raises the income of the poor more than the average income of the society and income of the poor grows higher than the non-poor. However, the comparative analysis conducted between individual incomes growth rates versus the contribution of tourism to zonal contradicts this presupposition. The findings attested that the average income receipt growth rate of the Zonal was 79.35% while the average income growth rate per individual was 47.7 % over the past five years. This implies the contribution of tourism to the zonal economy is high as compared to its contribution to individual income growth. Therefore, the possibility of tourism in mounting pro poor growth seems weak. Moreover, contending to the general projection made to generate economic and other benefits for poor people and viewed as a vehicle to achieve Millennium Development Goals (MDG1 – Eradication of Poverty) (UNWTO, 2010:3), tourism is hardly reducing poverty and the proportion of the poor among the sample population is high (36.2%) even higher than the national poverty level (29.6% in 2010/11). Hence, still the likelihood of tourism in minimizing poverty looks unsound.

Evidences obtained from Mexico and Kenya shows that tourism is emerged as an engine in facilitating infrastructure and public service delivery; human resource development; private sector development; changes in the productive structure of the economy; and other externalities (Ashley et al., 2001:20-25, ODI, 2007:3). But the empirical findings extracted from Gamo Gofa Zone hardly support this fact. Because though tourism plays a crucial role in attracting investment opportunities, it rarely enhances the human and physical capitals of the poor. On the other hand because tourism is gripped on the sector where poor people are active, could become active, and where they live (or to which they could move) and uses production factors that poor people possess and established on the assets of poor in rural and remote areas, and are labor intensive in Gamo Gofa Zone, its likelihood to pursue pro poor growth is high.

### Conclusion

The macro level contribution of tourism to the whole
The economy of the Gamo Gofa Zone is strong. The sector has created employment opportunity for the local community and attracts investment opportunities in hotel and tourism. But its specific impact on poverty and local poor is unsound because it rarely increases the human, financial and physical capitals of the local community. Its tendency to reduce poverty and pursue pro-poor growth is weak too.

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Conflict of Interest

The author has not declared any conflict of interests.

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