

ABSTRACT

THE ROLE OF TOURISM IN THE
SOCIO-ECONOMIC DEVELOPMENT
OF THE GAMBIA

- This paper is an evaluation study of the role of tourism in the Socio-Economy development of the Gambia. Tourism is seen as a catalyst to economic development. In this context, tourism is seen as an agent for economic development and that there are discernible economic benefits in tourism industry development in the Gambia. To evaluate the role of tourism in the Gambian economy, the study focuses on how tourism contribute in the foreign exchange earnings, and its impact towards the gross domestic product and the gross national product, employment and income generation. The study also examined the positive and negative impacts of tourism on the socio-cultural fabric of the country.

- Research carried out provided general information on the international and national significance of tourism as a revenue earner and its importance in general. It also contains the aims of the study and begins by providing conceptual definitions of tourism and tourists. The research designed an analytical framework which is both qualitative and quantitative.
- The research contains the literature review. It provides a historical background of the genesis of tourism in the country including the institutional framework and formation of the Gambia Tourist Authority. It also provides information on rates of growth of visitor arrivals and market sources, and occupation of visitors.

- The research also provides information on the research findings. It begins with the quantitative results of the sample survey, followed by the qualitative data collected from various sources, including national statistical indicators on tourism. The paper contains a general discussion on International Tourism in the West Africa region, to put the Gambian situation in comparative perspective. It also provides information and analysis on trends on visitor arrival, including nationality, duration of stay, age group categories, levels of expenditures and expenditures patterns.

- **INTRODUCTION**

- This paper is an evaluation study of the role of tourism in the Gambia Socio-Economy. Tourism is seen as a catalyst to economic development. In this context, tourism is seen as an agent for economic development and that there are discernible economic benefits in tourism industry development in the Gambia. To evaluate the role of tourism in the Gambian economy, the study focuses on how tourism contribute in the foreign exchange earnings, and its impact towards the gross domestic product and the gross national product, employment and income generation. The study also examined the positive and negative impacts of tourism on the socio-cultural fabric of the country.

- **TOURISTS ARRIVALS BY NATIONALITY**

- The diversifications of the sources of tourist's arrival to the Gambia have shift radically from the Scandinavian markets to the British market as the major source of tourist supply. The following table shows visitor arrivals my market source. The British constitute the largest percentage of visitor arrivals ranging from 40% to 50% of visitor arrivals followed by the Dutch who constitute some 11% of visitors' arrivals. The table below also shows the potential to further diversify the sources of tourist supply to the Gambia. The Dutch market for the Gambia has been expanding over the years largely as a result of the thrice weekly flight from Belgian by SN Brussels formerly Sabena Airlines.

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- There is also the potential to increase tourist arrivals from other European countries including Poland, the Czech republic, France, Germany and also from America as the Gambia is ideally located for short haul flights of less than 7 hours from Europe or from the Eastern states of the USA. Traffic can also be increased from Grand Canary where some 5,000,000 visitors arrive every year. Grand Canaries is only two-and-half hours away from the Gambia by air travel.

- **TOURISTS ARRIVALS ON MONTHLY AND ANNUALLY FROM 2004 - 2007**

- With the expansion of hotel accommodation in the country in the 1970s and the 1980s visitor arrivals also continued to grow. Today there are some 26 hotels of international standards registered with the Gambia Hotel association, with a total room capacity of some 3000 rooms or 6000 beds.
- As the report puts it, by the beginning of the 1980s' tourist visit arrivals had reached some 70,000 arrivals. Today it is estimated that some 100,000 tourist visitors come to the Gambia annually. It should also be indicated that the Gambia's markets have also been diversified over the years whereas in the early development of the industry some 70 percent of all visitor arrivals came from Scandinavia, and mainly Sweden. Today the majority of visitors arrive from the United Kingdom market. This shift in the source of visitor supply has had some tremendous advantages to the country as the language affinity has helped to create visitor repeats and customer loyalty as some 45% of visitors are repeat visitors from the UK

- **TOURISTS' ARRIVALS BY OCCUPATIONS**

- It is important to identify arrivals by occupational categories as these will show the particular market segment that the destination or the tourist product is attracting. This information will also help the tourism developer and planner to know the earning and income capacity of the visitor and to price its products and services according to income or occupational levels. The following table gives the categories of arrivals by occupations.

- The above figures show that the holiday makers are employed workers with high earning power and propensity to spend on holidays and leisure. The figures also show that there is a great potential to develop the student travel market through overseas study tours and study abroad programmes. The increases in the volume of students visitors coming to this country is attributable to the growing study abroad programmes based on short stays from students in tertiary institutions mainly coming from Europe and north America.

- **TOURISTS ARRIVALS BY PURPOSE OF VISIT**

- The majority of visitor arrivals come for holidays and vacation purposes. It is estimated that over 80% visit the Gambia for holidays and vacations. Tourism is therefore essential Leisure industry in the Gambia. The following table shows visitor types to the Gambia by purpose of visit.

- **TOURISM REVENUE AND TOURIST EXPENDITURE**

- Tourism revenue however is based on the money spent in the country; that is out of pocket expenditure and the incomes and taxes that are derived from tourists spending. Tourist expenditure has increased from D508, 012,000 in 1999 to D1, 447,369,000; in 2007 that is a growth of some 100%. The average annual tourist expenditure in 2007 was D10, 148. 24 of which, food accounted for more than 50% of the average expenditure per person. The average expenditure per person is largely influenced by the British tourists, as Britain is the major tourist market for the Gambia and represents some 46% of total air arrivals in 2007.

- **SOCIAL PERSPECTIVE**

- The interpretation and focus within social perspective in different context could be very diverse. As we have discussed before, researches regarding tourism have been heavily concentrating on developing countries. Generally speaking, social perspective is concerned with achieving social justice, and therefore aims to achieve equity between rich and poor, women and men, old and young (Crane and Matten, 2007). The United Nations proclaimed that 80% of the world's gross domestic product belongs to the developed countries with 1 billion people, while the remaining 20% belongs to the poor inhabitants of the world and the developing countries, which consists of 5 billion people (UN 2005: 12 in Crane and Matten, 2007).

- Tourism has positive social impacts on the social development and modernization by contributing to employment creation, workers' training and the development of small and medium sized enterprises. Also, the increasing participation of local communities encourages the joint responsibilities between public institutions and the private sector. (UN, 1999c)
- Tourism also benefits the enlightening awareness of the local culture, improved life standard and preservation of local culture (Budeanu, 2005). These are all included into the advantages which tourism is striving to achieve.

- For the case of Gambia, where tourism is mainly based on wildlife and rural community, development has been benefited (UN,21 1999c). In our study, we see the culture and rural community in Gambia are the key concerns in the social perspective.
- The degree of the social impacts depends on a range of factors, for instance, the type and rate of tourism growth, the ratio of visitors to members of the resident community, seasonal trends and the socio-cultural resilience of the host community as well as the differing characteristics of visitors. (UN, 1999c) Just as what we have discussed in environmental perspective, tourism operators in the Gambia can help and contribute in the society by planning and controlling their business carefully concerning the impacts on the local community.

- **ECONOMIC PERSPECTIVE**

- Conventionally, economic aspect is the main concern for most of the companies especially for big corporations. Problems in other aspects occur when: *“the players have short-term perspective and are unlikely to embrace future-oriented issues, especially if they perceive these as a threat to their own priorities”* (Ioannides, 2009, p.53). *If a company wants to achieve a sustainable business, it should not focus on pursuing short-term goals, but instead aim for a long-term profit and slow but stable growth, this in a way for growing gradually. The companies’ attitudes and behavior have the biggest impact on the economic perspective, since their way of working influence the sustainability of the industry. (Crane and Matten,2007) The same phenomenon can also happen in the tourism industry context.*

- In the tourism industry, private sector tourism companies, including tour operators, have crucial roles in implementing the sustainable tourism imperative. Tourism businesses can influence the nature of tourism activity directly by modifying the products they offer and the methods they use in producing them (UN, 1999a). They bring along some positive impacts on the economic development, such as income generation, improvement of economic structure of a region and encouragement of entrepreneurial activity (Mathieson and Wall, 1982, in Vanhove, 2005). These can also be main benefits which result from promoting tourism in some less economically developed regions. Even in highly undeveloped countries, as in Gambia in this case, economic concern of tourism operators cannot be ignored in order to stay sustainable. The degree of the above impacts varies from different destinations even within the same country.

- They are depended on as the nature of the main facility and its attractiveness; the volume and intensity of expenditure; the level of economic development in the destination; the size of the economic base of the destination; the degree to which tourist expenditures re-circulate within the destination; and the degree to which the destination has adjusted to the seasonality of tourist demand. (Mathieson and Wall, 1982, in Vanhove, 2005)
- Another main factor which influences the possible impacts is the player's expectation and the business purpose. The majority of tourism operators in Gambia are small companies. Quite a number of approved tourism operators even report only one annual employee. (Nature's Best, 2009) Entrepreneurial and small companies are more likely to have main business goals and objectives which differ from economical growth, which is usually the main concern for a big company. However, at least a threshold economical target should still be set to achieve a sustainable business.

- **IMPACT OF TOURISM ON THE GAMBIA**

- It is no doubt that tourism has a huge impact on the government of the Gambia and the lives of ordinary men and women as well. The impacts could either be positive or negative, and can have bearing on the socio-economic, political, and cultural life of that small emerging democracy. When tourism established roots in the Gambia, there were certain norms and values of the country that have been greatly influenced, and those that immediately responded to it were the young people who by virtue of the fact that they are more prone to changing their life style. However, the impact of tourism can be categorised into economic impact, socio-cultural impact, environmental impact, and developmental impact.

- **ECONOMIC IMPACT**

- On how tourism industry would impact on the economy of the Gambia, 60% of the respondents strongly agreed that tourism has a positive impact on the economy of the Country, while 20% agreed that the industry has a positive impact. Only 10% of the respondents strongly disagreed that tourism has a positive impact on the economy of the Country. The data collected from statistical records confirmed that tourism has impact on the economy of the Country.
- As indicated from the findings made on whether tourism is a major income earner for the Country, 70% strongly agreed while 20% agreed. Similarly some 70% of the respondents also indicated that tourism was also a major employment generator, while 90% saw it as a major foreign exchange earner. However some 40% of the respondents strongly agreed that tourism contributes to the increase in the cost of living.

- **SOCIO-CULTURAL IMPACT**

- According to data collected on the impact of tourism on the socio-cultural fabric of Gambian society, 70% of the respondents indicated that tourism has negative impacts on the Gambian society. On the subject of whether tourism promotes Gambian culture, 68% of the respondents strongly agree. On the issue of tourism contribution to improving the standard of living of Gambians, 50% strongly agree while 40% agree. Similarly some 42% of those surveyed strongly agree that tourism contributes to the development of health and education, while 40% strongly disagree and on the question whether tourism contribute to social mobility, 70% of the respondents strongly disagree. While only 19% agree.

- **ENVIRONMENTAL IMPACT**

- The survey on environmental impact shows that 90% of the respondents believed that tourism has negative environmental impacts in the Country, and 69% indicated that tourism contributes largely to the problem of waste disposal. Some 94% indicated that tourism depletes environmental resources.

- **DEVELOPMENTAL IMPACT**

- On the question on overall impact of tourism on the developmental agenda of the Country, some 92% of the respondents strongly agree. Similar 75% strongly agree that tourism has helped in the development of infrastructure and some 60% agree that it generates high tax revenue for the Country, while 75% strongly agree that it contributes to that eradication of poverty.

- **CONTRIBUTION TO GROSS NATIONAL PRODUCT**

- The tourism sector is the fastest growing area in terms of local and foreign investments, and it contributed 13% to the GDP in 2004, which has risen to 16% by June 2006. Tourism in 2006 accounted for 20% of all private sector formal jobs. It is a major foreign exchange earner and has created employment opportunities for many Gambians. The sector has linkages with the agricultural sector which has been beneficial to horticultural and poultry farmers in particular. The livestock and fisheries sectors have also significantly benefited from the expansion of the tourist industry.

- **CONTRIBUTION TO FOREIGN EXCHANGE EARNINGS**

- International tourism also significantly adds value to the national coffers through taxation and public service delivery e.g. postal revenue base for the government as well as the balance of payment. In 2005, international tourism receipts totalled \$682 Billion that is an average of 2 Billion a day. However, Africa only receives 4 % international tourism receipts. **In the Gambia total revenues remaining in the country from investments in tourism are estimated to be closer to US\$50 million. This is a significant contribution to the foreign exchange earnings of the country, more than agriculture or any other economic sector in the Country. In a recent announcement made by the Department of State for Finance, the total tax revenue generated from Tourism in 2007 reached a record of D1.7 Billion Dalasi or more than half of Government's recurrent expenditure.**

- **DEVELOPMENT OF HUMAN RESOURCES IN TOURISM AND RELATED SECTORS**

- Tourism is a service industry and therefore the human factor plays an essential role in the delivery of the product. While the friendly attitude of the staff in hotels and other tourist enterprises is regarded as very positive by the visitors, there is an evident lack in terms of professional skills and service standards. The design and implementation of a coherent training and education system in tourism is imperative to meet present and future demand in terms of quantity, quality and qualifications. (G.T.A, 2007)

