

## A Note on Ecotourism

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### 1. What is ecotourism?

In the 1990s, tourism received increasing attention especially in developing countries as it has potential for generating income while creating incentives for conservation. It is argued that tourism allows for the use of areas, which are otherwise of low value, such as remote beaches, but perfectly meet the demands of the growing travel industry (WWF, 1995). In India, for instance, there has been a large increase in international tourism in the last few years. In the year 2002, there has been a 14.6% increase in international tourist arrivals along with 22.4% growth in foreign exchange and most of this increase is due to India's system of national parks and variety of biodiversity present in these parks. Nature-based tourism a sub-sector of tourism can be an important channel for redistributing resources from countries who demand higher nature based vacation to developing countries, which comprise mega-biodiversity regions and protected parks (Gossling, 1999). This is because an overwhelming majority of species are located in developing countries. But these developing countries face more serious problems like rapid population growth, debts, over-exploitation of wild resources, agricultural expansion, deforestation etc., which result in the loss of valuable biodiversity and degradation of national parks. Industrialized countries on the other hand are characterized by high and increasing demands for nature-based vacations, with protected areas representing first-rate attractions (WWF, 1995). Tourism could therefore be a means of redistributing economic resources, mitigating the socio-economic situation both at local and national scale and contributing to biodiversity conservation.

For nature tourism to be sustainable – a number of environmental, economic and social requirements have to be fulfilled. This has led to the introduction of 'ecotourism', as a nature tourism eco-label. Given the important role played by nature-based tourism, the year 2002 has been declared as the International Year of Ecotourism. There have been several definitions of ecotourism. The World Conservation Union (IUCN) and ecotourism society define ecotourism as "responsible travel to natural areas that conserves the environment and sustains the well-being of the local people." However for tourism to be called ecotourism, it should be fully compatible with the conservation goals of the country, while at the same time pose minimum threat to the continuation of local culture and society. Moreover, it should contribute by means of income and education to the contribution of ecosystems (Brown et al. 1997). Based on these definitions, the criteria for tourism to be called ecotourism employed in the literature may be summarized

as follows:

1. Minimum physical and social impacts on the visited area
2. Ecological education of the tourist at the natural site
3. Notable economic participation by local tourists.

### **Ecotourism and its Impacts**

There were two conflicting views about the impacts of ecotourism. The optimistic view is that tourists are an economic force that can promote the conservation of the natural attractions that entice the tourists in the first place. Under this concept, revenues from tourists, in the form of entrance fees, domestic airfares, accommodation and food, hiring charges of the guide, sale of local goods such as handicrafts and souvenirs and tax revenues levied on the above, are distributed among the population that is most likely to exploit the natural areas. Such a transfer of revenue establishes a direct link between conservation and personal income. In addition, complex economic linkages transmit the impacts from those who sell goods and services to tourists to others in the local economy (who sells goods and services to the agents). For example, hotels, restaurants, and bars, hire local workers, pay rents to locals, and purchase local “intermediate inputs” like fruits and vegetables, fish, meat etc. Outside agents, including operators of boats also purchase locally supplied goods and hire local workers. Payments for these goods and services enter the economy, influencing the incomes of local agents who may not have any direct contact with tourists. These agents, in turn, stimulate new rounds of local expenditures that influence the incomes of still more local agents.

For example, the CAMPFIRE project in Zimbabwe (which is a community based wildlife management for safari tourism and sport hunting), generates yearly revenues of up to 4000 USD per household. In Asia, the ecotourism in Annapurna Conservation project have allowed for a basically self-sustaining financing of integrated conservation and development activities, to the benefit of the local population (Wunder, 2000). In Latin America, according to a study by Groom et al. (1991) for Madre de Dios region in Peru, tourism benefits depend heavily on the type of destination. They found that easily accessible areas with already intervened natural environment provide less revenue compared to a remote rainforest reserve that caters to wealthier tourists. Drumm (1991) found for the Ecuadorian Amazon region that in spite of much higher tourism spending on tours in exclusive and pristine destinations, local income is found slightly higher in backpacker destinations. Lindberg and Enriquez (1994) concluded that the communities in Belize have profited significantly from tourism directed towards adjacent protected areas

by selling handicrafts, providing accommodation and other services. The pessimistic view has been that ecotourism cannot lead to sustainable development. Yu et al. (1997) finds the conditions under which the standard models of ecotourism can breakdown in Amazonian Peru. Taylor et al. (2003), finds that in Ecuador's Galapagos islands, by creating economic disparities between tourist destinations and the economies that surround them, the expansionary influences of tourism also create pressures for population growth through migration to fill jobs linked directly or indirectly to tourism. In addition to these due to flying, tourism causes significant environmental damage costs. For example, Gossling (2000) has estimated that a two-week package tour covering a typical return-flight distance of 7000 passenger kilometers is based on the use of 325 kg of fuel or air travel, including a national connecting flight, and another 100 kg of fuel for different purposes at the destination. This translates into a CO<sub>2</sub> equivalent of about 3385 kg, including the effects of NO<sub>x</sub> and H<sub>2</sub>O. Viewed in terms of contribution of tourism to climate change, this can be substantial.

### **Some issues and future of Ecotourism**

Tourist impacts on the environment, society, and economy are complex. As the nature-based tourism demand is mainly for the pristine undegraded areas, the pressure on such ecosystems can be quite high. The IUCN (1992) lists tourism as the second major threat to protected areas. If ecotourism grows rapidly beyond a certain extent several problems can emerge. These can be environmental problems, related cultural and social changes, disruption of the traditional economic activities etc. Even the local population may not be willing to tolerate visitor's beyond a particular limit. One way to deal with this problem is to find the carrying capacity of the region. Any tourism beyond the acceptable carrying capacity should be strictly prohibited. The carrying capacity can be physical, social and economic. Another major issue arising out of tourism is the distribution of benefits from tourism. As any conservation of protected areas for the purpose of tourism entails huge opportunity costs, if the benefits were not distributed fairly, this would result in huge welfare loss to the society. Most often as is the case, a greater proportion of tourism revenue gets concentrated in the hands of a few powerful players. This is because as the tourism linkages are often quite tenuous, local populations often cannot provide the services that foreign tourists demand which only large tourism operators can provide. This leaves large tourism operators with almost no competition and hence the wealth is concentrated in the hands of few large operators, while the costs of tourism (say rising prices for goods and services) have to be borne by people living in that area.

Another issue of concern is as more and more tourists arrive in the country, governments in developing countries often turn to ecotourism as the major option to generate economic benefits without adequate planning. This can lead to unsustainable growth in the country, which can be avoided only through

appropriate measures. Further, as mentioned before flying can cause significant damage to the environment and hence, these environmental costs must be internalized by suitable policy instruments. In addition to all these, one should consider the fact that the economic potential of ecotourism has remained unrealized so far because a major proportion of the nature-based tourism is characterized by non-use values. These non-use values often accrue to tourists from the global community, while the developing countries face the costs for preservation. Basically, the economic value of tourism captured by developing countries is often minor. Many nature based tourist destinations in India charge a nominal fee or no fees at all. At present, most ecotourism spots do not even generate enough financial resources to cover their maintenance costs. Unless the costs of maintenance of the parks and the opportunity cost of protection of these nature-based tourist destinations are realized in the form of entrance fees, this would result in a huge burden on host countries. Thus , effective planning, management and control are a precondition for the sustainable growth of ecotourism.

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