

TOURISM AND SOCIO-ECONOMIC DEVELOPMENT: THE CASE OF NIGERIA

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ABSTRACT

This paper examined the relationship between tourism and socio-economic development in Nigeria. Based on the report of the World Travel and Tourism Council in 2014, the paper highlighted the need to harness the potentials of tourism industry in order to boost socio-economic development of Nigeria. Challenges facing tourism sector in Nigeria include, among others, lack of infrastructure and insecurity. The paper therefore recommends that deliberate efforts should be made by the Nigerian government to increase investment in infrastructure, step-up security and encourage public-private partnership to boost tourism industry in the country.

Keywords: *Tourism, Socio-economic Development, World Travel and Tourism Council, Nigeria*

INTRODUCTION

There is no gainsaying the fact that tourism is one of the major social and economic phenomena of modern times. It is worth mentioning that the tourism industry has shown, over the years, to be a vital and resilient economic activity that has fundamentally contributed to the socio-economic growth of nation-states by generating revenue amounting to billions of dollars in exports as well as job opportunity creation. Acknowledging these facts, according to Yusuf and Akinde (2015), many developing and developed countries today rely on tourism as an option for sustainable development of their nations. In fact, tourism industry has emerged as one of the leading service industries in the global economy and has contributed immensely to the socio-economic development of many nations both developed and developing ones. Since the early 1900s when, as a social activity, it was largely limited to a privileged minority, the opportunity to participate in tourism has become increasingly widespread. At the same time, distinctions between both tourism destinations and modes of travel as markets of status have become less defined; tourism, in short, has become increasingly democratised. It now also accounts for the single largest peaceful movement of people across cultural boundaries in the history of the world, an international movement of the people that, in 1999, amounted to over 662 million arrivals (Sharpley & Telfer, 2002). Moreover, if on a global basis domestic tourism trips are also taken into account, this figure is estimated to be between six and ten times higher. According to the World Tourism Organisation (WTO), in 2010, as a result of an ever increasing number of destinations opening up and investing in tourism development, modern tourism has become a key driver for socio-economic

development through the creation of jobs and enterprises, infrastructural development, and the export revenues earned (Tunde, 2012). More so, the contribution of tourism to worldwide economic activity is estimated at some 5% while its contribution to employment is estimated in the order of 6-7% of the overall number of direct and indirect jobs worldwide. Again, the World Tourism Organisation's report stated that, between 1970 and 2009, there was a 48-fold increase in international tourism receipts rising from US \$17.9 billion in 1970 to US \$852 billion in 2009 (Ekanayake & Long, 2012; ILO, 2010).

The recent publication of World Travel and Tourism Council (WTTC, 2014) indicated that in 2013, travel and tourism's total contribution to the global economy rose to US \$7 trillion, about 9.5% of global GDP, not only out-spacing the wider economy but also growing faster than other significant sectors such as financial and business services, transport and manufacturing and its total contribution to employment was nearly 266 million jobs about 8.9% of world employment. There is no doubt that, the sustained demand for travel and tourism, together with its ability to generate high levels of employment continues to prove the importance and value of the tourism industry as a tool for socio-economic development and job creation (Yusuf & Akinde, 2015; Honey & Gilpin, 2009). In other words, tourism has become a major driver of socio-economic development of many nations particularly those in western society. This is in line with the views of Ojo (2014), who posits that tourism is an alternative strategy for sustainability and diversification of economy for important policy of a good government. Thus, the tourism sector has become increasingly important industry to many developing countries, like Nigeria, as a source of revenue as well as employment. Tourism generates a vital amount of foreign exchange earnings that contributes to the sustainable economic growth and development of developing nations. The development of tourism as a critical sector of the economy has gradually taken a centre stage in the socio-economic agenda of most nations of the world. Over the past few decades, international attention on tourism as a critical sector of the economy has greatly increased. In sub-Saharan Africa, particularly Nigeria, organised tourism dates back to 1962 with the creation of Nigeria Tourist Association by group of tourism practitioners in the country (Yusuf & Akinde, 2015). This led to the establishment of the Nigeria Tourism Board (NTB) in 1976 by the Obasanjo's regime, but was later replaced in 1992 by Nigeria Tourism Development Corporation (NTDC). The Master Plan on tourism development in Nigeria started in 1982 with a tourism development policy first rolled out in 1990. According to Munzali (2011), to further consolidate the quest for quality service delivery in the tourism industry, the government created the Federal Ministry of Tourism and Culture to actualise the dream of catching up with the global train in tourism development. Despite all the efforts and tourism's increasing importance in Nigeria economy,

the sector has not invoked the desired passion and attraction. This paper therefore seeks to examine the important roles of the tourism sector as the main instrument in socio-economic development of Nigeria, if properly harnessed.

CONCEPTUAL CLARIFICATION

It is imperative that in social sciences and in a discourse of this nature in particular, concepts are defined for purposes of clarity. In this wise, the concepts of tourism and development will be defined in line with this work. In other words, attempts at giving a workable definition will be made. Owing to its rapid and continuing growth and associated potential socio-economic contribution, it is not surprising that tourism is widely regarded in practice and also in academic circles as an effective means of achieving development. That is, in both the industrialised and developing countries of the world, tourism has become an important and integral element of their development strategies. Yet, it is difficult to define the term tourism in a manner that is generally acceptable. As a result, tourism is defined in different ways by different scholars and experts. According to Nash (1981) cited in Sharpley and Telfer (2002), tourism is defined as simply the activity undertaken by a person at leisure who also travels. In the views of Ikwu (1992), the term tourism refers to a temporary short movement of people to destination outside the place where they normally live and work. From these definitions, it can be deduced that tourism is primarily a social activity. By implication, tourism is an activity which involves individuals who travel within their own countries or internationally, and who interact with other people and places. It is, in short, a social phenomenon which involves the movement of people to various destinations and their (temporary) stay there.

Development, according to Sharpley and Telfer (2002), seems to defy definition, although not for want of definitions on offer. This shows that development as a concept is ambiguous and is used descriptively and normatively to refer to a process through which a society moves from one condition to another, and also to the goal of that process; the development process in a society may result in it achieving the state or condition of development. Again, development is considered to be virtually synonymous with progress, implying positive transformation or good change. In the light of this, we can say that development is neither a single process nor set of events, nor does it suggest a single, static condition.

TOURISM AND SOCIO-ECONOMIC DEVELOPMENT IN NIGERIA

Throughout the world, the most compelling reason for pursuing tourism as a development strategy is its alleged positive contribution to the local or national economy. Internationally, tourism represents an important source of foreign

exchange earnings; indeed, it has been suggested that the potential contribution to the national balance of payments is the principal reason why governments support tourism (Honey & Gilpin, 2009). As such, tourism industry has witnessed rapid growth across the globe which has had a tremendous impact on Nigeria. Tourism industry has played significant roles in socio-economic development of many nations including Nigeria. This is not far fetch because it contributes towards alleviating the major political, social and economic problems that bedeviled the rural areas. According to Ojo (2014), tourism has been discovered to be a very important instrument to poverty alleviation, attainment of the Millennium Development Goals (MDGs) and sustainable development. It is worthy of mention that tourism ranks as one of the programme initiatives that contribute to national development. To this end, tourism could contribute greatly to the socio-economic development of Nigeria if properly harnessed (Munzali, 2011).

Tourism is also considered to be an effective source of income and employment. Mention has already been made to the global contribution of tourism to employment and GDP and for many countries or destination areas; tourism is the major source of income and employment for the locals. In Nigeria, for instance, the contribution to government revenue from levies on hospitality sector (i.e. registration and other charges) recorded N1.149m in 2004 while N100m was generated in 2009. In addition, records from National Bureau of Statistics (NBS) indicate that N313m was generated by company tax. In 2011, tourism industry contributed about N1,232.2 billion, representing 3.3% to the GDP in Nigeria. In its report, the World Travel and Tourism Council (WTTC) forecasts that the industry will generate 897,500 jobs representing 1.4% of Nigeria's total workforce in 2012 and, that over the next 10 years, the amount is expected to grow by 6.5% per annum to N483.4 billion in 2022 (Ojo, 2014). From the foregoing, it is clear that, the only way to have sustainable tourism is through the development of the entire neglected tourist sites in Nigeria. This would translate to increased contribution towards Gross Domestic Product, employment generations, improved economic and social progress within Nigeria and Africa as a whole. The immense socio-economic impacts and benefits of tourism have in recent time been recognised by several states and the Federal Government of Nigeria. To this effect, part of the effort towards diversifying the economy of the nation has been to harness and develop tourism (the untapped non-oil sector) (Akpan & Obang, 2012; Tunde, 2012). A foreign exchange earnings is another crucial area in which tourism industry has immense contribution to the socio-economic development of Nigeria. For many developing countries like Nigeria, tourism sector has become one of the principal sources of foreign exchange earnings while even in developed countries the earnings from international tourism may make a significant contribution to the balance of

payments in general, and the travel account in particular. For example, the Tinapa or Obudu Cattle Ranch in Cross River State attract foreigners to the site annually for site seeing and holiday visit.

Tourism serves as an effective tool for wealth redistribution. Both internally and domestically, tourism is seen as an effective means of transferring wealth and investment from richer, developed countries or regions to less developed, poorer areas. Agreeing with this, Sharpley and Telfer (2002), assert that the redistribution of wealth occurs, in theory, as a result of both tourist expenditures in destination areas and also of the investment by the richer, tourist-generating countries in tourism facilities. This suggests that investors will be willing to invest in areas designated as tourist sites in Nigeria. Besides, indirect effects occur through the tourism value chain. Tourism draws on inputs from the food and beverage, construction, transportation, furniture, and many other sectors. Evidence suggests that in developing countries such as Nigeria, this inter-sectoral impact adds an extra 60-70% on top of the direct effect of tourism. For example, a lot of people in tourists' sites in Nigeria derive from tourism via the supply chain (Honey & Gilpin, 2009). Tourism industry could also cause cultural revival or reawakening, thereby promoting natural arts and crafts which in turn create a good relationship between man and his natural environment as well as conservation and protection (Abdulrahman, Muhammad & Muhammad, 2014).

CHALLENGES OF TOURISM INDUSTRY IN NIGERIA

The story of Nigeria's tourism industry is one of unfulfilled potentials and opportunities. It is not incorrect to say that the country is tailor-made for tourism given it's over 370 ethnic groups with their diverse and rich cultural heritage as well as its unique wildlife and a very favourable climate. Yet, very little effort has been made at the national level to tap the potentials of the tourism sector. The tourism sector in Nigeria is bedeviled with a number of challenges which include, among others, the following: One of the major problems of tourism industry is political instability; insecurity and criminality that have taken over the country. There is absence of the enabling environment for tourism to thrive. For tourism, particularly international tourism, to flourish, a country needs to be peaceful and safe. But for most of its post-independence history, Nigeria has for many years witnessed political instability, violence, ethnic rivalry as well as high level of crime. This ugly situation has prevented citizens of other countries from travelling to Nigeria for purposes of tourist attractions. Another area of concern which poses a great challenge to tourism industry is poor infrastructure and communication network. Nigeria as a one of the largest country on the African continent has small and badly maintained road network. Tourists would struggle to travel between different regions due to the

nature of the Nigerian roads. Some parts of the country are almost cut off and dangerous too for tourists to visit (Ojo, 2014). Tourism industry in Nigeria is also faced with lack of organisation and institutional capacity at the national level. Indeed, it is sad that for most of its history, Nigeria has not had a national tourism strategy, and government departments and agencies seem to overlap at the national and regional levels regards responsibility for the sector, making it difficult to devise a coordinated plan. According to Muhammad and Muhammad (2014), government officials don't even give reliable figures on the number of international arrivals to and departures from the country.

Endemic corruption which has eaten deep into the Nigerian fabric is another barrier to tourism industry in Nigeria. High level of corruption in Nigeria has tended to undermine government efficiency, deterred potential investors in the tourism industry, and scared off tourists and other potential investors who would have contributed greatly to the socio-economic development of the country. Tourism industry cannot succeed in the midst of poverty. People need to develop a culture of travel but this can only be made possible when they have the wherewithal to do so. The way forward for achieving a prosperous tourism industry in Nigeria is for the government to have the political will to invest in the sector by improving infrastructural development. Without a modicum of peace and stability, combined with strategic planning at the national level, Nigeria will struggle to persuade tourists to risk a visit.

CONCLUSION AND RECOMMENDATIONS

This study examined the dynamic relationship between tourism and socio-economic development; the case of Nigeria. The paper has shown the potentials of tourism sector which, if properly harnessed, can go a long way towards enhancing the socio-economic development of Nigeria. In other to boost the tourism industry in Nigeria, the paper recommends, inter-alia that Nigeria government as well as state government should made concerted efforts towards public-private partnership so as to facilitate rapid growth of the tourism sector. Government should put in place a deliberate policy aimed at diversifying its revenue base in order to encourage socio-economic development of the entire country. There should be improvement in record keeping of international arrivals to and from Nigeria.

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