

Enclave tourism and its socio-economic impacts in the Okavango Delta, Botswana

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Abstract

This paper draws on the dependency paradigm to explain the development of enclave tourism and its socio-economic impacts in the Okavango Delta, Botswana. Using both primary and secondary data source, the study indicates that international tourists, foreign safari companies and investors dominate the tourism industry in the Okavango Delta. The foreign domination and ownership of tourism facilities has led to the repatriation of tourism revenue, domination of management positions by expatriates, lower salaries for citizen workers, and a general failure by tourism to significantly contribute to rural poverty alleviation in the Okavango region. Tourism as a result has a minimal economic impact on rural development mainly because it has weak linkages with the domestic economy, particularly agriculture. Because of its nature, tourism in the Okavango Delta cannot be described as being sustainable from a socio-economic perspective. In order to address problems of enclave tourism development and promote more inclusive and beneficial tourism development in the Okavango, there is need to adopt policies and strategies that will ensure that substantial amounts of tourism revenue are retained in the Okavango and Botswana. These strategies should also ensure that tourism development in the Okavango Delta has strong linkages with the rest of the economy in Botswana.

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1. Introduction

Tourism is arguably the world's largest and fastest growing industry, accounting for 5.5% of the global Gross National Product and 6% of the employment (Glasson, Godfrey, & Goodey, 1999). Tourism is usually promoted by a country for its ability to spread economic development and reduce inequalities in income distribution by providing employment to people in a particular geographical area (Pearce, 1988; Coccossis & Parpairis, 1995; Wahab & Pigram, 1997). Governments, particularly in the Third World encourage tourism investment because of the assumption that it will contribute to economic development of their countries (Hall, 1995). In poor countries, regions, towns and cities, tourism is seen as a fast track to development (Glasson et al., 1999). Governments therefore, view tourism as 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., 1999).

In the Southern African state of Botswana, tourism was almost non-existent at the country's independence in 1966 (Mbaiwa, 2002). By 2000, it had grown to be the second largest economic sector in the country contributing 4.5% to Botswana Gross Domestic product (Botswana Tourism Development Programme, BTDP, 1999; Department of Tourism, DoT, 2000). Much of Botswana's holiday tourists visit the Okavango Delta (an inland wetland) and rich wildlife habitat located in northwestern Botswana (Fig. 1). The Okavango Delta became a wetland of international importance and a Ramsar site in 1997. It is home to 5000 types of insect, 3000 plant, 540 bird, 164 mammal, 157 reptile and 80 fish species as well as countless micro-organisms (Rothert, 1997). It is also home to over 122,000 people who live within and around the region (Central Statistics Office, CSO, 2002). The wide variety of wildlife species and a relatively pristine wilderness habitat attracts

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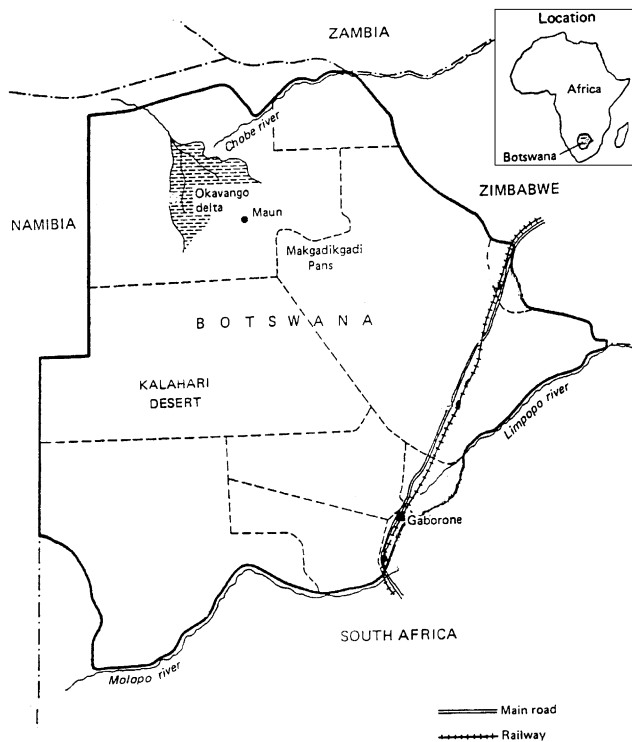


Fig. 1. Map of the Okavango Delta, Botswana.

tourists from around the world, making the Okavango Delta one of the most important tourist destinations in Botswana (NWDC, 2003).

In the past 5 years, more than a quarter of a million tourists came to the Okavango Delta, almost double the number of the previous 5 years (Mbaiwa, Bernard, & Orford, 2002). On average, about 50,000 tourists visit the Okavango Delta annually (Mbaiwa, 2002). The growth of tourism has stimulated the development of a variety of allied infrastructure and facilities, such as hotels, lodges and camps, airport and airstrips, within and around the Okavango Delta. These tourism services have led to a booming tourist economy built around what is perceived internationally as a “new” and “exotic” destination (Mbaiwa et al., 2002). Ahn, Lee, and Shafer (2002) state that tourism facilities and programmes are developed to create changes such as increased personal income or tax revenues to a host region. However, tourism as with any type of development can also create changes that remove opportunity or threatens the quality of life. Previous studies in Botswana (e.g. Fowkes, 1985; BTDP, 1999) focused on positive economic impacts of tourism such as foreign exchange earnings, employment creation and infrastructure development without necessarily touching on issues of negative socio-cultural and environmental impacts or whether there is an equitable sharing and distribution of tourism benefits by stakeholders. The growth of tourism in the Okavango Delta therefore raises questions of

sustainability. Wall (1997) notes that sustainable development provides for tourism to be economically viable, ecologically sensitive and culturally appropriate.

The dependency paradigm is one of the frameworks that has been used to describe tourism in developing countries (Oppermann & Chon, 1997). The paradigm notes that tourism in developing countries largely relies on demand from, and is organised from developed countries. This arrangement creates a type of tourism known as enclave tourism (Britton, 1982; Oppermann & Chon, 1997). The purpose of this paper, therefore, is to use the dependency paradigm in explaining the development of tourism in the Okavango Delta which is otherwise described as enclave tourism (Mbaiwa, 2002, 2003c). The paper also uses the concept of sustainable development to assess the sustainability of tourism in the wetland. In terms of structure, this paper is organised as follows: the first section deals with background and conceptual issues used in the paper, namely, sustainable development, the dependency paradigm and enclave tourism. The second section deals with the methodology used in the survey leading to the production of this paper. The third section and main body of the paper examines the demand pattern of tourism and countries where most tourists that visit the Okavango Delta originate. It also discusses the socio-economic impacts of enclave tourism, examines the rural poverty situation in the Okavango Delta and assesses the tourism policy on how it promotes the development enclave tourism in the wetland. The fourth and last section concludes the paper. It gives suggestions on strategies that can promote sustainable tourism in the Okavango Delta.

2. Conceptual background

2.1. Sustainable tourism development

The concept of sustainable development became a catchphrase in tourism research and in the international development community after the release of the World Commission on Environment and Development (WCED) Report in 1987. The term continues to be influential as much of tourism is on cultural, economic and environmental impacts (Ahn et al., 2002). According to Angelsen, Fjeldstad, and Rashid-Sumaila (1994) and Munasinghe and McNeely (1995), the concept of sustainable development is hinged on three broad approaches and concerns, namely: social, economic, and ecological sustainability.

Economic efficiency aims at producing the maximum output in order to achieve a high standard of living of the people within the constraints of the existing capital (Markandya, 1993; Pahlke, 1999). Although economic sustainability implies meeting the economic needs of

everyone through the use of natural resources, Ndubano (2000) states that the experience of Kenya has shown that it is possible to have a booming tourist industry while the majority of the local people live in poverty. The booming tourism industry in the Okavango Delta should therefore be assessed in the light of its ability to promote rural development, its contribution to poverty alleviation and how equitable tourism benefits are distributed among stakeholders, particularly to local people.

Social equity among other things advocates fairness and equal access to resources by all user groups. This is aimed at ensuring equity in the distribution of costs, benefits, decision-making and management, which in theory will eradicate poverty (UNCED, 1992). In the case of the Okavango Delta, social equity should refer to a situation where all individuals have the same opportunity to be actively involved in, benefit from, to make decisions about, and to manage natural resources for tourism development. The opportunity to benefit from tourism should ideally be the same for all stakeholders irrespective of their ethnic background, gender, age or economic status.

Ecological sustainability emphasises that the rate of renewable natural resources use should not be faster than the rate at which the natural process renews itself (Serageldin, 1993). This is based on the assumption that the dynamic processes of the natural environment can become unsustainable as a result of stresses imposed by human activity (Munasinghe & McNeely, 1995). Ecological sustainability therefore refers to maintaining a system's stability, which implies limiting the stress on ecosystems central to the sustainability of the global system (Perrings, 1991). Tourism, as an economic activity in the Okavango Delta should establish whether its development is carried out in such way that it does not pressure ecosystems beyond their inherent processes of renewal.

The three concerns of economic, social, and ecological sustainability are inter-related. Impacts on one are likely to affect all others. For example, the failure by safari operators in lodges in the Okavango Delta to observe prescribed waste management regulations might result in water pollution. This may lead to the Okavango losing its quality and attractiveness, a factor that can result in the decline of tourists visiting the Okavango and economic benefits such as income and employment opportunities. Oliveira (2003) notes that the environment that attracts tourists and tourism investment can be destroyed by tourism and consequently, the loss of environmental quality can ultimately destroy tourism itself. Plog (1974) also notes "tourism contains the seeds of its own destruction, tourism can kill tourism, destroying the very environmental attractions which visitors come to a location to experience".

2.2. *Dependency paradigm and enclave tourism*

The dependency paradigm can be used to explain the development of enclave tourism in destination areas such as the Okavango Delta in Botswana. The paradigm developed as a reaction to the diffusionist paradigm (Oppermann & Chon, 1997). While Rostow's model deals with sequential stages of economic development and places a particular country in one of the five stages of development (Rostow, 1960), the diffusionist approach's central assumption is that development within a country is inevitable, it occurs in stages, and that it is diffused from the core towards the peripheral areas at one point (Christaller, 1955). The dependency paradigm found its way in tourism studies in the late 1970s and early 1980s (Matthews, 1977; Britton, 1982; Oppermann & Chon, 1997). It gained currency when it became apparent that tourism did not necessarily act as the development agent (Oppermann & Chon, 1997). The multiplier effects of tourism in developing countries were considerably less than expected, the international orientation and organisation of mass tourism required high investment costs and led to a high dependency on foreign capital, skills, and management personnel (Bryden, 1973; Muller, 1984; Oestreich, 1977; Pavaskar, 1982; Oppermann & Chon, 1997). Therefore, tourism is not necessarily a powerful regional development agent in developing countries (Oppermann & Chon, 1997).

Britton (1982) notes that in physical, commercial and socio-psychological terms, tourism development in a peripheral economy can be conceptualised as an enclave industry. In enclave tourism, tourists arrival points in the periphery are typically the primary urban centres functioning as political and economic centres of former colonies, now functioning as political and economic centres of independent states. Britton further notes that if on package tours, tourists are transported from international transport terminals to hotels and lodges and resort enclaves. The transport, tour organisation and accommodation phases of their itinerary will be confined largely to formal sector tourism companies. Tourists will then travel between resort clusters and return to the primary urban centres for departure. Enclave tourism is also defined by Ceballos-Lascurain (1996) as tourism that is concentrated in remote areas in which the types of facilities and their physical location fail to take into consideration the needs and wishes of surrounding communities. Moreover, the goods and services available at these facilities are beyond the financial means of the local communities and any foreign currency generated may have only a minimal effect upon the economy of the host region. Enclave tourism is a kind of "internal colonialism". Natural resources in a host region mostly benefit outsiders while the majority of the locals derive little or no benefits

(Drakakis-Smith & Williams, 1983; Dixon & Hefferman, 1991).

Oppermann and Chon (1997) state that tourism is an industry used by the developed countries to perpetuate the dependency of the developing countries. Instead of reducing the socio-economic regional disparities in developing countries, tourism reinforces them. This is because tourism development in developing countries is largely enclave in nature. Tourism in developing countries becomes dependent on demand processes in the developed countries. Tourism in developing countries is as a result, spatially concentrated and organised in the metropolitan economy (Britton, 1982). Although Oppermann and Chon (1997) note that tourism in developing countries largely relies on developed countries, it is not always true for all developing countries. For example, South Africa has a developed tourism sector which does not necessarily depend on developed countries. However, the focus of the dependency paradigm on international tourism in some developing countries results in the neglect of domestic tourism and budget or drifter tourism, both of which display significantly different spatial organisation patterns (Oppermann & Chon, 1997). In addition, an elite-controlled tourism, or enclave tourism is associated with the lack of interaction between the foreign investors with the local people. This becomes a source of resentment and alienation between the local people and the tourism industry (Britton, 1982). Local communities tend to be treated with little consideration of their social and economic needs whenever an elite-controlled tourism development is introduced in their environment (Ceballos-Lascurain, 1996; BoB, 1999).

Critics of the dependency paradigm point out that its main focus is on foreign ownership of tourism facilities, however, not all accommodation or transportation chains are in the hands of developed countries (Oppermann & Chon, 1997). Oppermann and Chon note that many developing countries have established their own airlines and several of them are very successful. In addition, some companies in developing countries have become very prosperous hotel chains that are not only offering accommodation facilities in developing countries but also have bought or developed properties in industrialised countries. The most significant limitation of the dependency theory is its failure to formulate alternative prescription, for tourism development in developing countries (Oppermann & Chon, 1997). Despite these limitations, much is not known on the nature and characteristics of tourism in the Okavango and how it can be described using the dependency theory, hence an objective that this paper seeks to address.

In using dependency paradigm to explain enclave tourism in the Okavango Delta, this study is guided by

the following questions: (a) Where do most tourists that visit the Okavango Delta originate, (b) Who owns and controls tourism facilities in the Okavango Delta, (c) How are socio-economic benefits from tourism such as employment and income shared and distributed among stakeholders, (d) What is the contribution of tourism in poverty alleviation in rural areas of the Okavango, and (e) What is the role of the Tourism Policy of 1990 and other institutional and legislative structures in the development of enclave tourism in the Okavango Delta?

3. Methodology

This paper is based on the results of a survey conducted by the author between January 2001 and July 2002. Although the survey relied on information obtained from both primary and secondary sources, it largely used secondary data. Secondary data collection centred on the use of the literature collected from government policy documents, reports and in any other published and unpublished documents on tourism in the Okavango Delta and Botswana. Primary data collection involved the administration of structured and semi-structured questionnaires to 65 safari managers and 98 safari workers in the Okavango Delta. Information from safari managers and workers centered on issues of ownership of tourism facilities, employment opportunities and salary benefits. Informal interviews were also conducted with the central and local government officials at the North West District Council (the regional local government organisation), Departments of Wildlife and National Parks and Tourism, and community-based tourism organisations in the Okavango Delta.

4. Socio-economic impacts of enclave tourism

4.1. *Tourists origins*

In the Okavango Delta, photographic tourism draws a greater number of visitors who stay in a variety of accommodation types depending on the market segments, ranging from luxury lodges to basic camping facilities (NWDC, 2003). Tourism activities include vehicle and aircraft game viewing, mokoro (canoe) game viewing, guided game viewing walks and bird watching and safari hunting. Data of tourists visiting Moremi Game Reserve (located in the heart of the Okavango Delta) also show that the majority of the photographic tourists come from Europe, North America, and New Zealand/Australia and South Africa (Table 1). Given the high charges in tourism facilities, citizens of Botswana do not use resources found in the

Table 1
Tourist Numbers according to country of residence, 1999–2001

Country	1999	2000	2001	Totals
Citizens of Botswana	3761	2787	3353	9901
Residents of Botswana	3456	2595	5500	6601
South Africa	9625	5007	9213	23,845
Other Africa	987	613	3031	4631
South America	1057	6154	8331	15,542
North America	7461	693	1933	10,087
United Kingdom	3762	2426	4968	11,156
Other Europe	14,122	8993	19,625	42,740
Australia & New Zealand	1761	1148	2550	5459
Asia	347	109	875	1331
Other	821	130	277	1228
Total	47,160	30,835	31,076	109,071

DWNP (2000, 2001, 2002).

Okavango Delta in large numbers. This is shown by only 9901 tourists that visited the area in the 3 years (1999–2001).

Safari hunting is also a major activity that attracts high spending hunters from developed countries (NWDC, 2003). Scout Wilson Consultants (2001) note that safari hunting in the Delta starts in the United States where hunters from all over the world attend the Safari Club International (SCI) convention in January every year. At this convention safari hunting companies operating in the Okavango Delta sell their hunts for up to 2–3 years in advance. Scout Wilson Consultants further note that the majority of the safari hunters are Americans, followed by Spanish and Italians. The high spending photographic and safari tourists visiting the Okavango show that the demand of tourism in the area is mainly focused on international tourists from developed countries. As a result, government and safari companies operating in the Okavango Delta market tourism in the Delta mostly in developed countries. The NWDC (2003, p. 243) states that in an effort to intensify the international marketing activities of Botswana's tourism industry, government has engaged "professional marketing companies in North America, Germany and the United Kingdom to promote the country's tourism industry". Dependency on international tourists is also peculiar to Latin America, Asia and other developing countries. For example, Oliveira (2003) notes that between 50% and 79% of the tourists from industrialised countries visit Latin America and can be claimed as potential eco-tourists. This confirms Britton (1982)'s ideas that tourism in developing countries or peripheral areas is very much dependent on developed countries and international tourists. Dependency on international tourists often leads to the neglect of domestic tourism as is the case in the Okavango Delta.

4.2. Tourists transfers into the Delta

As Britton (1982, p. 341) points out, in enclave tourism, tourists (package) are transported from international transport terminals to hotels and resort enclaves. These tourists travel between resort clusters and return to the primary urban areas for departure. Maun International Airport act as primary center for arrivals and departure by international tourists from developed countries. Maun Airport serves as the main transfer link of tourists visiting the Okavango Delta. The NWDC (2003, p. 83) states, "that Maun International Airport links the Okavango to Johannesburg. It is also the main transfer hub linking with major tourist centres like Victoria Falls (Zimbabwe) and Windhoek (Namibia). The airport also caters for small aircrafts that transport tourists to the Delta ...". Most tourists from developed countries fly into Maun and upon arrival are immediately flown to exclusive camps in the Delta. They come back to Maun after a four to six day stay in the Okavango Delta, using the Maun Airport as a point of departure (Mbaiwa, 2002). Some tourists are clients of mobile operators, from Maun Airport they are also driven into the Delta (Mbaiwa, 2002). The nature of tourists arrivals and departure from Maun Airport reduces the interaction with the local people and eliminates chances of tourists spending money in Maun and other villages in the Okavango Delta region. The lack of interaction of tourists with local people presumably contributes to the poorly developed levels of cultural tourism and weak linkages of tourism with other sectors of the economy.

4.3. Contribution to gross domestic product (GDP)

The primary concern of tourism in destination areas is its ability to have strong linkages with the domestic economy, particularly agriculture, manufacturing, construction, wholesale and retail trade, hotels and restaurants, transport, banking and insurance services, water and electricity, and social and personal services. Therefore, an assessment of tourism's contribution to development 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 (BoB, 1999).

The available literature indicates that in Botswana, tourism's contribution to gross domestic product (GDP) is minimal, mainly because of the poor forward and backward linkages and heavy reliance on foreign services (BoB, 1999). For instance, the BTDP (1999) assessed the impact of tourism on Botswana's economy, it estimated that tourism contributed 4.5% to GDP in 1996/97 and 6.9% of the non-mining revenue (although these figures are old, they represent the current state of

affairs as they are recently quoted in Botswana's National Development Plan Nine (Botswana Government, 2002). This estimate is much higher than that of an earlier work done by the Central Statistics Office (CSO) which indicated that tourism contributed 1.1% to GDP (1.6% to non-mining GDP) in 1994/95 (BoB, 1999). The CSO estimate used a narrow definition of tourism based on sub-sectors in the national accounts that are seen as being tourist oriented, such as hotels and restaurants. In contrast, the BDTP study was based on information from the 1993/94 Social Matrix together with survey work on tourist businesses, which estimated linkages with most sectors in the economy.

Despite the differences in contribution of tourism to Botswana's GDP, both studies confirm that tourism does not perform and contribute to government revenue as expected, mainly because it has weak linkages with the rest of the domestic economy. The BoB (1999) notes that tourism has weak linkages with agriculture, mining, construction and manufacturing. For example, in 1999, the 0.5% contribution of tourism to agricultural output is small. In part, this low linkage reflects the poor state of the agricultural sector, but it also suggests that if the linkage could be strengthened, tourism could be a spur to agricultural development (BoB, 1999). Since agricultural development in the Okavango and Botswana as a whole is low, much of the food products are imported from South Africa (BoB, 1999; Mbaiwa, 2002). Because of its poor contribution to GDP, the NWDC (2003, p. 3) notes that while the Okavango Delta and its wealth of natural resources form the base of the tourism industry in Botswana, it has not been able to promote a sustainable tourism industry. The minimal contribution

of tourism to GDP and to the local economy is in part explained by the fact that bookings and payments for tourism services in the Okavango are done in developed countries hence little revenue is retained in Botswana (Hartle, 1990; Department of Tourism, 2000; Mbaiwa, 2002).

4.4. Ownership of tourism facilities

The core of business enterprises in the Okavango is tourism related. Government sees the private sector as providing tourism facilities (e.g. lodges and hotels), expertise (including in-house training, employment) and marketing (NWDC, 2003). Foreign companies and investors dominate the ownership of tourism facilities in the Okavango Delta. Table 2 shows that 53.7% of the tourism facilities in the Okavango Delta are foreign owned, citizens own 17.9% and 23.3% are jointly owned between citizens and non-citizens. This suggests that foreign companies and investors have an influence of about 79.0% of the tourism facilities in the Okavango Delta.

Earlier and similar studies by Mbaiwa (2002) confirm the foreign domination of the tourism industry in the Okavango Delta by foreign companies and investors. In Table 3, Mbaiwa shows that about 81.5% of the lodges and camps in the Okavango Delta have foreign ownership. Of these, 53.8% are 100% foreign owned and about 27.7% are jointly owned (between citizens and foreign investors). Only 18.5% are fully owned by citizens.

Licensing data (Table 3) from the Department of Tourism indicates that in 2000, out of 103 tourism

Table 2
Tourism enterprises and ownership status

Category	Definition	Ownership status in North West district				
		Citizen	Non-citizen	Joint	Unknown	Total
A	Operations that offer facilities only on site such as hotel, motels, guesthouses, & apartments	3 (23.1%)	6 (46.2%)	3 (23.1%)	1 (7.7%)	13 (100.0%)
B	Operations that offer facilities on and off site such as tourist Camps, lodges, caravans, hunting camps and tented tourist Camps which operate tours that require the services of professional hunters	12 (14.0%)	45 (52.3%)	27 (31.4%)	2 (2.3%)	86 (100.0%)
C	Operations that offer facilities off site only, such as Safari or tour operators and any enterprises that receives and transport travelers and guests	13 (23.6%)	32 (58.2%)	8 (14.5%)	2 (3.6%)	55 (100.0%)
D	Operations that act as agents only, such as travel agents	1 (12.5%)	4 (50.0%)	3 (37.5%)	0 (0.0%)	8 (100.0%)
Total		29 (17.9%)	87 (53.7%)	41 (25.3%)	5 (3.1%)	162 (100.0%)

Source: NWDC (2003).

Table 3
Ownership of tourism facilities in the Okavango Delta, 2001

Ownership	Frequency and percentages	
	Tourism facilities	Data from Department of Tourism
Citizen owned	12 (18.5%)	16 (15.5%)
Jointly owned	18 (27.7%)	36 (35.0%)
Non-citizen owned	35 (53.8%)	51 (49.5%)
Totals	65 (100.0%)	103 (100.0%)

Source: Mbaiwa (2002)

related businesses registered, and operational in Maun and the delta, 16 (15.5%) were citizen owned, 36 (35.0%) were jointly owned (between citizens and non-citizens) while 51 (49.5%) were non-citizens owned. Thus 87 (84.5%) of the tourism related companies registered in Maun and operational in the Okavango region had some foreign ownership. Foreign investors and companies were also noted to be dominating concession areas leased by the Tawana Land Board in the Okavango Delta (the Tawana Land Board is the government institution charged with land allocation and management for the Okavango region). Out of 15 concession areas leased by the Tawana Land Board, 4 (26.7%) are leased to citizen companies, 6 (40.0%) to joint venture companies, and 5 (33.3%) to non-citizen companies. Non-citizen companies are thus directly involved in 11 (73.3%) of the 15 concession areas under the control of Tawana land Board. Hartle (1990, p. 190) notes that “even though a substantial part of the most scenic, wildlife-rich areas in Botswana are leased to resort and safari operators, the rents paid to the tribal and national authority are trivial relative to the benefits received”.

Based on the evidence above, it is obvious that foreign companies who own most of the tourism facilities and have concessional rights to wildlife and tourism areas dominate the tourism industry in the Okavango Delta. Foreign domination of the tourism sector appears to be occurring in other developing countries such as Turkey. Seckelmann (2001) notes that with the expansion of tourism in Turkey from the 1990s, small local investors, who formed the bases of the first developments, were displaced by supraregional, often foreign-based companies. This indicates that where small and local investors are not protected by government policy, foreigners easily displace them, as is the case in Turkey.

Glasson et al. (1995) note that the dominance of the tourism industry by foreign investors and non-local investment can reduce control over local resources and that this loss of local autonomy is the most negative long-term effect of tourism. A local resident may also suffer a loss of sense of place, as his/her surroundings

are transformed to accommodate the requirements of a foreign-dominated tourism industry. Informal interviews with community leaders and household representatives in the Okavango indicate that there is a general assumption that the Delta has been taken from them by government and given to foreign tour operators. As a result, citizens view the approach negatively because they perceive the dominance of non-citizens as “selling out” their resources. They believe that their resources have been usurped from them by foreign tourism investors (Mbaiwa, 1999).

Since foreign companies dominate the tourism industry in the Okavango, equal access to and decisions about the use of resources now largely excludes local people. This situation is not inline with the ideals of sustainable development which emphasises equal access and participation in decision-making about the use of natural resources by all user groups and stakeholders. A sustainable tourism industry should be sensitive to the needs and aspirations of the host population and provide them the opportunity to participate in the decision-making process (Glasson et al., 1995; Ceballos-Lascurain, 1996). This appears not to be the case at in the Okavango Delta. The domination of the tourism industry by foreign companies indicate that the ideals of economic efficiency are not adhered to, that is, a situation where all stakeholders have an equal opportunity to derive economic benefits from using resources around them.

The NWDC (2003, p. 83) explains the low citizen involvement in running tourism enterprises in the Okavango Delta as being the result of a variety of factors, namely: limited knowledge, experience and business skills; lack of training; difficulties in sourcing start-up capital; carrying capacity limitations and limited marketing skills and land which is not always readily available. It can therefore be argued that the low level of Botswana’s economic development, a great deal of capital needed for tourism development and high levels of management in the tourism sector contributes to tourism in the Okavango Delta being under the control of foreign investors. However, Botswana’s financial initiatives such as the recently ended Financial Assistance Policy (FAP) meant to promote citizen participation in tourism development were poorly designed. The FAP was designed to support unskilled labour intensive industry, however, tourism is based more on investment in capital and skilled labour. As a result, the volume of grants was low relative to total costs to the extent that some investors never attempted to access the FAP funds (BoB, 1999). The NWDC (2003, p. 83) also notes that “the Financial Assistance Policy and the Small Micro and Medium Enterprise Schemes did assist in encouraging citizens start tourism businesses, however, these were few and largely small-scale guesthouses catering for budget business rather

than tourists". This shows that past attempts by government to encourage citizens to participate in tourism were unsuccessful.

4.5. Repatriation of tourism revenue

Although tourism is a vitally important source of income and employment in many developing countries, the subject of taxation of tourism has been much neglected (Hartle, 1990). In Botswana, the tourism industry is criticised (e.g. by BTDP, 1999; BoB, 1999; DoT, 2000; Mbaiwa, 2002) for its failure to retain most of its revenue in the country. Over 70% of the tourism revenue in Botswana is repatriated outside the country (BTDP, 1999; BoB, 1999; DoT, 2000; Mbaiwa, 2002). For instance, tourists that visited Botswana in 1997 spent an estimated P1.1 billion. Of this gross expenditure, 55% (P605 million) was spent outside Botswana and a further 16% (P175 million) was lost through first-round leakages of receipts due to tourist-related imports. Only 29% (P320 million) was spent in Botswana on local goods, wages, taxes and other activities (BTDP, 1999; DOT 2000, 2002). Botswana's present tourism industry, dominated by foreign ownership thus transfers much revenue beyond Botswana's economy which is characteristic of enclave tourism throughout the world (Britton, 1982; Ceballos-Lascrain, 1996; Carter, 1991; Oppermann & Chon, 1997). This, therefore, confirms Britton (1982)'s claims that where tour packages are offered by foreign airlines, and foreigners run hotels, the destination countries receive on average 22–25% of the inclusive tour retail prices paid by the tourists.

A major area where tourism in the Okavango Delta is capable of generating substantial revenue is in hotel accommodation and air transport. However, where hotel accommodation is owned by foreign companies and payments made to parent countries as is the case with tourism facilities in the Okavango Delta, it is difficult for much of the accommodation revenue to be retained in the country. A locally owned accommodation sector within the tourism industry in the Okavango Delta can significantly increase net foreign exchange receipts for Botswana. In relation to air transportation, most tourists that visit the Okavango Delta do not use a Botswana based airline from their countries of origin. They only use the home-based Air Botswana from and to Johannesburg (South Africa) where they connect with other international airlines such as Lufthansa (German), Royal Dutch KLM (The Netherlands), British Airways (British) and South African Airways (South African) to North America, Europe, Australia or New Zealand (that is, countries where most high paying tourist originate). Payments to these international airlines result in much of the revenue being retained outside Botswana. To illustrate this point, Table 4 compares Botswana

Table 4
Regional trends in tourist arrivals and receipts

	1995	1996	1997	1998
Botswana				
Arrivals (000)	644	707	734	740
Share in Africa (%)	3.2	3.2	3.2	3.0
Receipts (%)	2.2	2.1	2.0	1.9
Namibia				
Arrivals (000)	399	405	502	510
Share in Africa (%)	2.0	1.9	2.2	2.0
Receipts (%)	3.8	3.4	3.7	3.5
South Africa				
Arrivals (000)	4488	4944	5437	5981
Share in Africa (%)	22.0	22.7	23.5	24.0
Receipts (%)	21.7	22.8	25.5	24.8
Zimbabwe				
Arrivals (000)	1539	1746	1495	1600
Share in Africa (%)	7.6	8.0	6.5	6.4
Receipts (%)	1.8	1.8	1.9	1.7

Source: World Trade Centre, WTO (1999).

with neighbouring countries in Southern Africa showing arrivals and receipts as a percentage of the total for Africa. The data provide some remarkable contrasts especially in relation to Namibia which has a smaller share of arrivals than Botswana but has a larger share of receipts. The contrast in performance in this respect largely reflects the fact that Namibia has a home-based international airline with flights to Europe especially Frankfurt in Germany where most of its long haul tourists originate. This results in Namibia retaining a substantially larger proportion of tourism revenue than is the case in Botswana. Although Zimbabwe also owns an international airline with flights to Europe, that country has very low tourists receipts compared to arrivals. This out-turn is explained by the low and declining value of the Zimbabwean Dollar when compared with other major currencies since the 1990s.

The low level of tourism revenue being retained in Botswana confirms conclusions from earlier studies by Hartle (1990, p. 190) who noted that "even though high cost tourists pay a great deal for their Botswana wildlife experience, their contribution to the national income (GDP) has been extremely low". According to Hartle, air transportation paid to international airlines and the payments made to overseas travel agents results in much revenue being retained outside Botswana. Silisthena and McLeod (1998, pp. 189–190) also note "a lot of money paid for tours by visitors never arrive in Botswana. Even if a tourists pays a local tour operator in Botswana for a safari to the Okavango, a large proportion of this money is used to pay for imported food, equipment and expatriate staff". This shows that tourism in the Okavango has been unable to promote other sectors of the economy especially agriculture and manpower

development. The result has been leakages of revenue through imports, an indication of the weak linkages that exists between tourism and other sectors of the domestic economy.

4.6. *Poor taxation by tourism companies*

As BTDP (2000, p. 2) notes “the one area where tourism does not appear to be making a substantial contribution to government revenue is taxation”. Findings by BTDP show that, of the 70 tourism companies listed in the 1999 edition of the Hotel and Tourism Association of Botswana (HATAB) Trade Directory, tax returns could only be found for 23. In 15 of the 23 tax returns, financial statements were unaudited and were prepared from records, vouchers and information supplied to the accountants by the directors. As a result, only 8 of the 23 companies were liable for company taxes on the basis of their most recent financial accounts. These results show that only 11% of the tourism companies in Botswana pay tax. Of this revenue, two companies accounted for 86% of it (BTDP, 2000). The failure to pay tax by tourism companies is associated with the fact that bookings and payments for tourists that visit the Okavango Delta are done outside Botswana where these companies’ head offices are located (e.g. South Africa, North America, Europe and Australia). This therefore makes it difficult for the Government of Botswana to obtain the necessary tax revenue when financial books are kept and audited outside the country. This indicates that businesses that have offshore earnings are more difficult to tax than businesses that receive most of their earnings from domestic sources. The collection of taxes from businesses with foreign source income poses some serious evasion and avoidance difficulties for tax administrators (Hartle, 1990).

The above results show that while the tourism industry is making a valuable contribution to Botswana’s economy through employment creation and payment of licences and other fees, it is failing through taxation. The failure of tourism to contribute to the domestic economy appears to be a problem in other developing countries as is the case in the Caribbean. Foreign companies and investors are noted for dominating the tourism industry in that region (Dixon et al., 2000). Dixon et al. (2000, p. 22) state “...investment incentives to foreign firms represent an effective transfer of tax revenue from the domestic economy to the foreign home of the firms in question...”. The lack of taxation on tourism companies in developing countries such as Botswana does not represent a sustainable tourism development, instead it shows that resources in developing countries are sometimes used to promote big economies in developed countries.

4.7. *Creation of employment*

Local participation in tourism in developing countries is primarily in employment rather than the tourism business where the high capital costs of entry, language, education, and skills are constraints (Healy, 1994). In 2001, accommodation facilities in the Okavango Delta employed 1658 people which is 16.6% of the formal tourism employment in Botswana (Mbaiwa, 2002). In total 10,000 people are employed in the tourism industry in Botswana, which is 4.5% of the total employment in the country (BoB, 1999, CSO, 1998).

In enclave tourism, citizens and local people usually hold poor and unskilled jobs while management and better paying positions are held by expatriates (Britton, 1982; Healy, 1994; Ceballos-Lascurain, 1986; Oppermann & Chon, 1997). In the Okavango Delta, the jobs occupied by local people in the tourism sector are mainly unskilled and attract low salaries. These jobs include manual labour and work as drivers, maids, cleaners, night watchmen, gatekeepers, and cooks. For instance, 62% of the junior workers in the tourism industry of the Okavango Delta were found to be paid salaries that range between P300 (US\$60) and P990 (US\$165) per month in 2001. Most of these salaries are lower than Botswana’s poverty datum level which in 2000 was P955 or US\$159 (Ndubano, 2000). About 80% of the expatriate safari managers in the Okavango Delta were in 2001 found to be paid salaries above P3, 000 (US\$500) per month (Mbaiwa, 2002). The BTDP consultants, whose main focus was salaries in the tourism industry at the national level note that even though the percentage of foreigners in the tourism employment is small (about 4% in the hotel and lodge sectors), they dominate the better paying jobs (BTDP, 1999). According to BTDP, median salaries range from around P500 (US\$83) per month for the lowest paid categories to around P5, 000 (US\$833) per month for the highest paid. The BTDP consultants further report that the gap between citizen and expatriate levels of remuneration becomes still wider when benefits and allowances are taken into consideration. Most expatriate employees qualify for generous tax free gratuities, home leave passages, children’s education allowances, furnished housing allowances, and encashment of leave allowances.

Salaries paid in the tourism sector in the Okavango Delta appear to be consistent with those of other developing countries, notably the Caribbean and Asia or Middle East. In the Caribbean, Pantin (1998) states that in St. Lucia nine out of ten managers in the hotel and restaurant sectors were expatriates and their average salaries were several times higher than the earnings of unskilled local labourers. In Asia or the Middle East, Seckelmann (2002, p. 88) notes that the expansion of tourism in Turkey and its domination by foreign

companies resulted in local people becoming “a pool for the provision of a working force instead of being the main actors and beneficiary of the growing businesses...the jobs provided by tourism bear many disadvantages for employees...they are usually low-income jobs...” In the Okavango Delta as locals employed in the tourism industry hold lower positions with no opportunities for advancement to managerial positions due to the low level of education and training they have (Mbaiwa, 2002).

4.8. *Enclave tourism and poverty*

Poverty in rural areas of the Okavango Delta is described as widespread (NWDC, 2003). The NWDC further notes that the majority of the people living in the Okavango region can be classified as rural. At a national level, roughly 47% of the people of Botswana (38% of the households) were living in poverty in 1993/94 as opposed to 59% in 1985/86 (MFDP, 1997; GoB, 2002a, b). In the Northwest District of which the Okavango Delta is a part, the overall income poverty was reduced from 85% in 1985 to 24% in 1993 (MFDP, 1997; GoB, 2002a, b). However, the Ministry of Finance and Development Planning (MFDP) (1997, p. 22) warns that the 24% poverty level is unrealistic and not accurate thus should be treated with caution. The MFDP notes, “for the rural northwest, the Household and Income Expenditure Survey (HIES) sample was small and unrepresentative of the region as a whole. Maun and Gumare which are among the more prosperous centres in the northwest had a disproportionate weighting, with the results that the estimated 1993/94 poverty rates for the region are believed to significantly understate the actual rate of poverty”. Although HIES data is outdated and inaccurate, it is the latest available government data used in assessing poverty issues in Botswana. Despite the problem with HIES data, it provides useful background information on poverty levels in the Okavango and Botswana. In addition, minor poverty assessment and livelihood surveys focusing on particular villages in the Okavango have recently been carried out by Agency for Co-operation and Research in Development (ACORD) and Conservation International to provide an update and relatively true picture of the poverty situation in the area.

Poverty in the Okavango Delta is a result of several factors, which include the enclave nature of tourism which is characterised by weak linkages with the rest of the domestic economy. The poor performance of the Community-Based Natural Resource Management (CBNRM) programme is another factor that has resulted in increased poverty levels in the Okavango Delta. CBNRM was among other reasons introduced to promote rural development through the involvement of

local communities in tourism thereby reducing the resentment and alienation with foreign investors (BoB, 1999; Mbaiwa, 2003b). CBNRM also aims at alleviating rural poverty and advance conservation by strengthening rural economies and empowering communities to manage resources for their long-term social, economic and ecological benefits (Rozemeijer & Van der Jagt, 2000). However, recent studies on CBNRM in the Okavango Delta indicate that the approach is currently performing poorly (Rozemeijer & Van der Jagt, 2000; Kgathi et al., 2002; BoB, 1999; Mbaiwa, 1999, 2002). This poor performance is a result of factors such as lack of entrepreneurship and managerial skills in the tourism business, lack of understanding of the CBNRM programme and lack of re-investing of revenue derived from CBNRM (Rozemeijer & Van der Jagt, 2000; Mbaiwa, 2002). The poor performance of CBNRM and the so far modest participation of local people in tourism indicates that the programme does not significantly contribute to poverty alleviation in the Okavango.

A recent study by Fidzani, Mlenga, Atlhopheng, and Shatera (1999) has also given reasons why poverty levels in the Okavango are relatively high. Fidzani et al., indicate that the failure of crop and livestock production in the Okavango has increased poverty levels in the district especially from the late 1990s. They note that the outbreak of the Cattle Lung Disease in 1995 resulted in the killing of over 300,000 cattle in the Okavango (GoB, 1997) and this has caused major social and economic hardships in the region, some of these hardships are irreversible (Fidzani et al., 1999, p. 49). Furthermore, they state that some households opted for 100% cash compensation for their cattle and the majority of these households used the cash for routine household expenditure to meet their immediate needs. Eight years after the eradication of the cattle in the Okavango, the rural communities whose livelihoods relied on livestock production, find themselves trapped in poverty.

Studies by ACORD (2002a–d), respectively, report high levels of poverty in the villages of Gunotsoga and Eretsha, Habu, Gudigwa and Qangwa in the Okavango region. ACORD (2002a, p. 2) notes that unemployment and lack of employment opportunities, low income levels, lack of food, few food sources, crop failure and crop damage by elephants, lack of capacity to advocate for their rights in the use of natural resources in the area, vulnerability to diseases among women, lack of institutional capacity, and lack of opportunities and limited options resulting from various factors like limited education attained are some of the factors that aggravates poverty in the Okavango. Recent studies by Mbaiwa (2003a) also notes that in the three villages of Shakawe, Nxamasere and Xhaoga in the western side of the Okavango Delta, the failure of crop and livestock

farming, the exclusive nature of tourism and its lack of diversification to include culture, the lack of formal employment opportunities have resulted in people of the Okavango vulnerable to poverty. Mbaiwa found that in West Okavango sub-district which has a population of 49,642 people, 1,055 or 2.1% of the people were classified and registered as destitutes and their basic human needs such as shelter, food and clothing were provided for by the government. Informal interviews with social workers at Shakawe, Nxamasere, Xhaoga and Gumare in the Okavango cautioned that the destitute statistics provided is not accurate and do not show the true state of affairs on the ground. It is an underestimate as there are many cases that have not been reported, registered and assessed. Therefore, the destitute statistics in the Okavango sub-district is likely to be higher. Watlala (2003, pers. Com.) cynically noted, “the poverty situation in the Okavango sub-district is very serious such that very soon, we might find ourselves registering all households as destitutes”. The poverty situation in the Okavango sub-districts provides a picture of the poverty situation in the entire Okavango region.

The irony that exists in the Okavango Delta is that, while tourism rapidly grew in the last 10–15 years, becoming the second largest economic sector in the country (after diamonds) and by far the most important industry in the Okavango Delta, rural poverty has been on the increase. Therefore, if tourism fails to contribute measurably in meeting basic needs of Okavango Delta residents, it is unlikely that these people will co-operate in efforts to sustainably manage the Okavango Delta. Hartle (1990, p. 193) notes that “one cannot reasonably expect the good citizens of Botswana to promote their wildlife and scenic resources unless they receive, and realise they are receiving, a much greater personal benefit from those resources”. Studies in Zimbabwe by Murphree (1993) and Mwenya, Lewis, and Kaweche (1991), in South Africa by Prosser (1996) and in Namibia by Ashley (1995) and Rihoy (1995) have shown that local people tend to support the wise use of natural resources such as wildlife in their local environment if they derive socio-economic benefits from them. Rihoy (1995, p. 15) states, “for a community to manage its resource base sustainably it must receive direct benefits arising from its use. These benefits must exceed the perceived costs of managing the resource and must be secure over time”. Socio-economic benefits from tourism may foster individuals and communities living in natural resource areas to maintain a sustainable ecological base (Mbaiwa, 1999). That citizens and local communities as yet derive minimal socio-economic benefits from tourism and general live in poverty is likely to affect attempts meant to promote effective sustainable management of the Okavango Delta.

4.9. *The Tourism Policy of 1990 and enclave tourism*

The key policy in the promotion of tourism in Botswana and the Okavango Delta in particular is the Tourism Policy of 1990. The policy describes tourism as the new “engine of growth” of which the main aim is to diversify the country’s economy from reliance on diamond mining through the promotion of tourism (GoB, 1990). The policy emphasises the promotion of high-cost low-volume tourism (GoB, 1990). This strategy was adopted to raise the needed revenue for the industry to sustain itself. From the 1990s, there has been a shift from encouraging casual tourist campers in favour of tourist who occupy permanent accommodation. The policy presumed that low volumes of tourists are more consistent with the need to protect the environmental basis by the industry (GoB, 1990). The Tourism Policy was implemented through targeted marketing and imposition of high fees for the use of public facilities. High-spending tourists have as a result been encouraged to visit the Okavango Delta while low budget tourists are indirectly being discouraged by the high fees charged. The BoB (1999) state that the high cost low volume tourism was adopted when it was estimated that only 20% of the tourists (those occupying permanent accommodation) accounted for over 80% of the total tourists expenditure in Botswana. Conversely, it was estimated that 80% of the tourists particularly from neighbouring countries (e.g. South Africa), occupy temporary accommodation such as camping, and account for only 20% of the total tourist expenditure. It is from this background that high-quality tourism facilities that charge high prices for services have been developed in the Okavango Delta.

The problem with the Tourism Policy is that it has so far succeeded in keeping casual budget and campers from visiting most parts of the Okavango Delta. It has also succeeded in preventing citizens from visiting the Okavango Delta mainly because of the high prices charged in tourist facilities in the Okavango Delta which are unaffordable to the majority of the local people and citizens of Botswana. The low figure of 8.1% of the citizens who managed to visit Moremi Game Reserve in 1999 while 91.9% of the visitors non-citizen tourists illustrates this point (DWNP, 2000). On average, a tourist is expected to pay US\$400 as accommodation charge per night in a tourist camp or lodge in the Okavango Delta (Mbaiwa, 2002). These prices are paid in United States Dollars and in some facilities there is no provision for citizens to make bookings and pay within Botswana as such services are done outside the country (e.g. in Johannesburg, Pretoria, Harare, New York, London or Berlin). The Okavango Delta therefore is more accessible to high spending tourists from industrialised countries who in most cases afford the high prices charged. The other problem with the high-cost

low-volume tourism policy is that it has managed to discourage local investors from doing business in the Delta as high-quality facilities needed in the wetland are beyond the financial means of these small investors. Besides, financial assistance is not readily available to promote citizen participation in tourism development.

4.10. The tourism institutional and legislative framework and enclave tourism

The socio-economic problems of enclave tourism in the Okavango Delta are also a result of a tourism institutional and legislative structure that is not effective and organised to meet the current demands of the industry. The organisational structure has not been able to adequately promote citizen participation and ownership of tourism facilities as already noted in the case of the Tourism Policy of 1990. In relation to tourism financial institutions, there are several of them that generally facilitate investment in Botswana, however, there is none that is focusing only in tourism (DoT, 2000). The failure to have particular financial institutions designed to promote local investment and participation in tourism has led to a few citizens of Botswana being involved in the industry. In contrast, Ondicho (2000) notes that in Kenya, the Kenya Tourist Development Corporation (KTDC), a government parastatal within the Ministry of Tourism and Wildlife was established in 1965 through an act of parliament. The main goals of the KTDC were; to provide finance and technical support to potential investors in different sections of the tourism industry with emphasis on small and medium size hotels, lodges and other forms of accommodation; to ensure government direct participation in commercial investments in the tourism industry, and to act as the executive agency for the government's digitization policies. From this policy framework, Kenya's tourism development objectives were among other things, to increase tourism's contribution to the growth of Gross Domestic Product (GDP); raise the foreign exchange earning capacity; create more employment opportunities; and increase Kenyan ownership and management of the industry. In furthering its commitment to tourism development, the government of Kenya established the Kenya Tourist Board (KTB) in 1996, to market and promote Kenya as a tourist destination both locally and internationally (Ondicho, 2000). While the government of Kenya took initiatives to promote tourism as a commercial enterprise and control it through the establishment of institutions, in Botswana much has not been done in that direction. In addition to the lack of an institution responsible for financing tourism projects, Botswana does not have a Tourism Board. The Tourism Board would otherwise relieve government of the burden of tourism marketing both locally and internationally.

Since tourism is more of a new and foreign business in Botswana, much has also not been done in terms of institutional development to raise the level of awareness among the local people. The DoT (2000, p. 61) notes that there is a "limited awareness about the opportunities of tourism and a general lack of entrepreneurship tradition in Botswana". This also explains the limited local participation in tourism by citizens and the foreign ownership and management of the industry. Government is also noted to have been unaware of the potential economic benefits that tourism was likely to have in the improvement of Botswana's economy until the 1990s (Tsiang, 1991). This lack of awareness and failure to be proactive by government towards tourism at the initial stages of its rapid development also contributes to a relatively ineffective tourism institutional and legislative structure in the country. To illustrate this point, Pfothenhauer (1991, p. 1) notes, "previously left mostly to its own devices by a government preoccupied with more pressing developmental priorities (e.g. health, education, infrastructure), tourism has developed over the last three decades in a rather uncontrolled manner, with few external demands and regulations set by government or any other governing body". Due to the historical development of tourism and the lack of an effective institutional and legislative structure to ensure the necessary planning and monitoring of tourism activities, it has not been possible for government to effectively enforce tourism regulations. For example, the two most key tourism institutions of the Department of Tourism and that of Wildlife and National Parks are inadequately funded and staffed to implement government tourism policy requirements (Pfothenhauer, 1991; Mbaiwa, 1999; DoT, 2000). The DoT (2000, p. 61) notes, "the present tourism organisation is not appropriately equipped in terms of staff and funds to fulfill its task in developing, promoting and monitoring Botswana's tourism". The lack of qualified tourism personnel to enforce regulations partly contributes to problems such as poor taxation in the tourism sector in the Okavango Delta. It should be noted that Botswana's Income Tax Policy of 1992 requires that all licenced companies operating in the country and have a minimum turnover of over P150,000 (US\$25,000) should pay 4.5% of the annual profit they generate as tax to government (GoB, 1992). Because of the lack of adequately trained staff and the fact that most tourism companies keep and audit their financial books outside Botswana, it has been difficult to implement this requirement. In addition, Botswana does not have a law that requires foreign-based tourism companies to keep and audit their financial books in Botswana. The problem of taxation in the tourism sector is acknowledged by Botswana's Finance Minister in his 2003/04 Budget speech when he stated, "one area where government has not done much is in taxation" (Gaolathe, 2003).

Because a weak tourism organisational and legislative structure in Botswana, the rapid growth of tourism in the Okavango Delta in the last two decades found the Government of Botswana not adequately prepared to deal with issues of tourism planning, regulation and monitoring. Instead of giving the necessary attention and address the tourism organisation and legislative problems, government became preoccupied with the need to promote economic development through tourism particularly through the adoption of a Tourism Policy in 1990. This, therefore, explains the role of Botswana's institutional and legislative structure in the development of enclave tourism and its host of socio-economic problems in the Okavango Delta.

5. Conclusion

Although enclave tourism in the Okavango Delta has socio-economic disadvantages, it however, has some advantages as well. Its socio-economic advantages are relatively small when compared to disadvantages. The growth of tourism in the last 10–15 years stimulated the development of a variety of allied infrastructure and facilities, such as hotels, lodges and camps, airport and airstrips, within and around the Okavango Delta. Through its backward linkages, wholesale and retail businesses have also been established especially in Maun to offer various goods to the tourism industry. Tared roads and other communication facilities in the region particularly in Maun have also been developed. Tourism is also a source of employment and revenue generation for Botswana. It has become the second largest source of government revenue (that is, after diamond exports) contributing 4.5% to Botswana's Gross Domestic Product. Despite its positive socio-economic aspects, enclave tourism has been unable to promote rural economic development and poverty alleviation in most parts of the Okavango region.

Tourism in the Okavango Delta depends on international tourists, foreign companies largely own tourism facilities, tourism is generally organised from developed countries, and domestic tourism and citizen participation in tourism are very low. The industry is also characterised by the repatriation of revenue from Botswana, failure to pay tax by tourism companies and that tourism has weak linkages with the domestic economy. Because of its nature, it is described as enclave tourism (Mbaiwa, 2002, 2003c). In order to address problems of enclave tourism in the Okavango Delta, there is need for a long-term tourism framework that allows for equal treatment of domestic and international tourism. For its part, domestic tourism allows the economic development of the local people thereby enhance social sustainability and contributes to a more balanced regional development. Seckelmann (2002)

points out that domestic tourism does not require an extensive investment and could become a basic element of socially and economically sustainable regional development. This suggests that even though government policy in Botswana promotes foreign investment, it should give priority to a citizen and locally controlled tourism industry. According to BoB (1999), in promoting manufacturing, the Industrial Development Policy is designed to facilitate the growth of not only large manufacturing firms but also small and medium scale activities. Government policy is also aimed at encouraging citizen-owned construction companies. Similarly, with respect to tourism, government policy should promote citizen participation and provide the necessary financial support to citizen investors. As was the case with Kenya's Tourist Development Corporation (KTDC) established to finance and promote tourism ventures by citizens, the Botswana Government should establish a financial body to promote ownership and participation of tourism facilities by citizens of Botswana.

Domestic tourism will require local and citizen empowerment particularly entrepreneurship and managerial skills in the tourism business. It will also require the production of small-scale projects that match the capabilities and require local skills and knowledge. Small-scale locally controlled projects such as leatherworks, curio shops, campsites, community tour operations, cultural tourism activities such as the provision of traditional accommodation, traditional dishes, music, dances, walking and canoe safaris can have a significant impact on raising living standards of the local people. Carter (1991) states that large-scale tourism development is often the precursor to small-scale development. As tourism development proceeds, indigenous firms and locals gain knowledge and experience in the tourism business. A locally owned tourism sector could usher in small-scale development which could contribute to a more socio-economically and ecologically sustainable tourism in the Okavango Delta. However, care should be taken when promoting small-scale enterprises in the tourism industry. Data (1993) has shown that the implementation of the Financial Assistance Policy in Botswana led to more economic benefits from the scheme and projects accruing to men than to women. Cassidy (2001) has also noted that economic benefits from community-based natural resource management projects in Botswana accrue mostly to men than to women. Therefore, policies and strategies that promote small-scale tourism enterprises in the Okavango Delta should take into consideration gender issues.

The high-cost low-volume tourism policy did not necessarily promote environmental conservation as was initially intended. Instead, it led to the establishment of high cost facilities with high prices being charged for services in these facilities. The policy did not also result

in the reduction in numbers of tourists visiting the Okavango Delta hence the potential threat of environmental degradation of the wetland. It also resulted in the exclusion of citizens from tourism development (Mbaiwa, 2002). Therefore, it is appropriate that the Tourism Policy should be reviewed with the aim to promote small-scale tourism facilities and budgetary tourists in the Okavango Delta, this will in the process promote domestic tourism. However, caution should be taken to ensure that limits of acceptable change in these areas are observed. As a result an assessment of limits of acceptable change should be undertaken to guide all tourism development in the Okavango Delta. In addition, government policy should also ensure that much of the revenue from tourism is retained in the country. For instance, tax revenue can be increased through a policy designed to ensure that the financial statements of tourism companies operating in the Okavango Delta are kept in Botswana. Auditing of these books should be done by a locally based auditing company and that government should have access to audited statements to facilitate proper collection of government tax from such companies as demanded by Income Tax Law of Botswana. The Botswana Government should also decentralise some of its activities particularly tourism marketing and monitoring which could be carried out by an independent body particularly the Tourism Board. Tourism as a rapidly growing economic sector in Botswana needs an effective institutional and legislative structure to deal with issues of licensing, planning, taxation and monitoring. Finally, it is important that sustainable tourism development in the Okavango Delta should be given a priority and should not only promote domestic tourism and local participation, but should also ensure that the environment is not degraded.

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