

The Economic Impact of Tourism Development in Ile-Ife, Osun State, Nigeria

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Abstract

This study examined the effects of tourism development on the economy of Ile-Ife, Osun State, Nigeria. Economic contribution of tourism gives the tourism industry great respect among other industries in Ile-Ife community, as well as concern before business men and women, tourists, government officials, and the general public. Data for this study were collected from personal survey and the random administration of questionnaires on respondents in the four Local Government Areas in Ile-Ife. Results from this study showed that tourists very frequently, visit Ile-Ife, due to large number of tourists' attraction sites in the area. This study recommended that, there is need for improvement of tourists' attraction sites in the study area. This study will be of great help to tourists, environmentalists', researchers, planners and policy makers in the tourism industry.

Keywords: Economy, Development, and Tourism

1.1 INTRODUCTION

Tourism is known to create jobs at various levels that are essential to the growth of the rural and national economy (Ekechukwu, 2010). Tourism is now one of the world's largest industries and one of its fastest growing economic sectors (Creace and Querini, 2011). They further noted that for many countries, tourism is seen as a main instrument for regional development, as it stimulates new economic activities.

Tourism is one of the world's largest rapidly growing industries. In the 21st century, global economy is driven by three major industries and these are: technology, telecommunication and tourism (Adeleke, 2006). Tourism is a human activity which arises from the economic consequences and preferences of consumers. It also has economic consequences, both good and bad, for nations and their regions (Holloway and Taylor, 2002). Recently, there are many countries that have been rated high based on their tourism activities and how it has affected their economy, for example, Kenya in Africa.

Tourism activity also involves economic costs, including the direct costs incurred by tourism businesses, Government costs for infrastructure to better serve tourists, as well as congestion and related costs borne by individuals in the community. Community decisions over tourism often involve debates between industry proponents touting tourism's economic impacts (benefits) and detractors emphasizing tourism's costs. Sound decisions rest on a balanced and objective assessment of both benefits and costs and an understanding of who benefits from tourism and who pays for it. Tourism's economic impacts are therefore an important consideration in state, regional and community planning and economic development. Economic impacts are also important factors in marketing and management decisions. Communities therefore need to understand the relative importance of tourism to their region, including tourism's contribution to economic activity in the area (Daniel, 2013).

Tourism has been given different definitions by different people based on their different views or perspectives of tourism. According to Okpoko (2006), these definitions are as a result of growth and development of tourism related activities. For decades now, there has been a common definition that has been accepted and is still in use. "Tourism is the temporary movement of people to destinations outside their normal places of work and residence, the activities undertaken during their stay in those destinations, and the facilities created to cater for their needs" (Okpoko, 2006). This definition shows that tourism include a wide array of people, activities and facilities. To some, tourism is an industry comprising of other sub-industries to make it function effectively while others see it differently.

Tourism development in any nation or country has environmental, social, economic, cultural and political impacts affecting every other aspects or sectors of the nation. Nigeria is a nation with various tourist

attractions that are categorized under the various types of tourism people engage in, depending on their interest. The development of tourism in Nigeria has given it the opportunity to impact the economy of Nigeria, thereby competing with the oil sector. Every State in Nigeria has one type of tourism or the other. Some even have almost all the types of tourism. This study was carried out to know the impact of tourism on the economy of Osun State, with special focus on Ile-Ife. The economic effect of tourism can be viewed from the fact that tourism has been opined by some authors to be an industry, which will be further discussed in the literature review of this report just like every other industry has effect on the economy of a nation, so also do tourism.

TOURISM DEVELOPMENT

According to Ehizuelen (1996), there are various views of tourism development based on the discipline. For instance, political scientists regard tourism development as freedom from political rule (self rule). They focus attention on the problems of nation building as modernization occurs. Economists view development as economic growth i.e., rapid and sustainable rise in real output per-head and the attendant shift in technological, economic and demographic characteristics, particularly of the developing countries. On the other hand, Sociologists and Social Anthropologists see development in terms of the process of differentiation that characterized modern societies. In general, Ehizuelen (1996), see development as material advancement, modernization, industrialization, scientific and technological advancement, the emergence of nuclear energy, the electronic and biological revolution and new knowledge about man and the universe among others.

According to Agbonlahor and Ukhnochor (2006), based on the above definitions, development can be seen as a process through which a society's political, social and cultural institutions are transformed in order to improve the living standard and life chances of the people within that society. Tourism development according to Wall and Alister (2006) gives rise to different benefits and costs in different areas. Many of these differences are attributable to variations in the economic structures of destination areas, the institutional framework surrounding tourist development and their geographical locations.

ECONOMIC IMPACTS OF TOURISM

Tourism emerged as a global phenomenon in the 1960's and the potential for tourism to generate economic development was widely promoted by the national government (Adeleke, 2006). They appreciated the economic impact of tourism to the nations, regions as well as the communities; this gave rise to the creation of national authorities to help in promoting tourism and maximize international arrivals. However, awareness of the negative environmental, social and some other impacts also increased. According to Goeldner *et al* (2002), the economic impact of tourism spending is a function of the numbers of domestic and international visitors and their expenditures.

1.2 OBJECTIVES OF THE STUDY.

The general objective of this study is to evaluate the recent trends in the tourism industry, and assess the economic impact of tourism development on the community's economy.

The specific objectives of this study are to:

- i. evaluate how incomes are generated through tourism in Ile-Ife.
- ii. examine, whether or not, educational background of the people of Ile-Ife affect how they benefits from tourism in the area.

1.3 (i) STATEMENT OF HYPOTHESES

Hypothesis 1

(Ho): Frequency of tourists' visit To Ile-Ife has no effect on The Income of the people of Ile-Ife.

Hypothesis 2

(Ho): Educational background of the people of Ile-Ife has no significant effect on tourism patronage in Ile-Ife.

(ii) DECISION RULE

At 5% (0.05) level of significance, reject the null hypothesis, if p-value is less than 0.05, hence, accept the alternative hypothesis.

1.4 THE STUDY AREA

Ile-Ife is geographically located on longitude 4⁰32' East of the Greenwich Meridian and on latitude 7⁰28' North of the equator (fig. 1). The time zone used in Ile-Ife is Africa/Lagos.

Ile-Ife is an ancient Yoruba city in South-western Nigeria. Evidence of settlement of the city dated back as far as 500 BC. It is located in the present day Osun State, with a population of about 502, 952 according to National Population Commission, 2006. Using a 2.5% annual growth, the population was projected to be 541, 642, in 2010.

The people of Ile-Ife are mostly artisans and farmers. The chief industries in Ile-Ife include cocoa and palm processing, cotton weaving and sawmilling. Ile-Ife is a trade centre for farming activities like, yam, cassava, grain, cocoa and tobacco. Cotton is grown and used to weave clothes.

The primary religion practiced in Ile-Ife is the traditional religion, while the secondary religions are Christianity and Islam. The reason for the primary religion is because the founder of Ile-Ife, Oduduwa started the worshipping of gods. The practicing of other religion was based on colonialism.

The town experience wet and dry season. The wet season covers the month of March through October while the dry season spans November through February of the subsequent year. The average temperature is about 27°C with significant diurnal temperature difference.

Ile-Ife is divided into four Local Government Areas, due to the fact that it is a big city that requires proper administration and to foster further development Ile-Ife as the paramount ruler. He is seen as the supreme head sent from God. The following are the Local Government Areas in Ile-Ife:

- a) Ife Central Local Government
- b) Ife East Local Government
- c) Ife North Local government
- d) Ife South Local Government

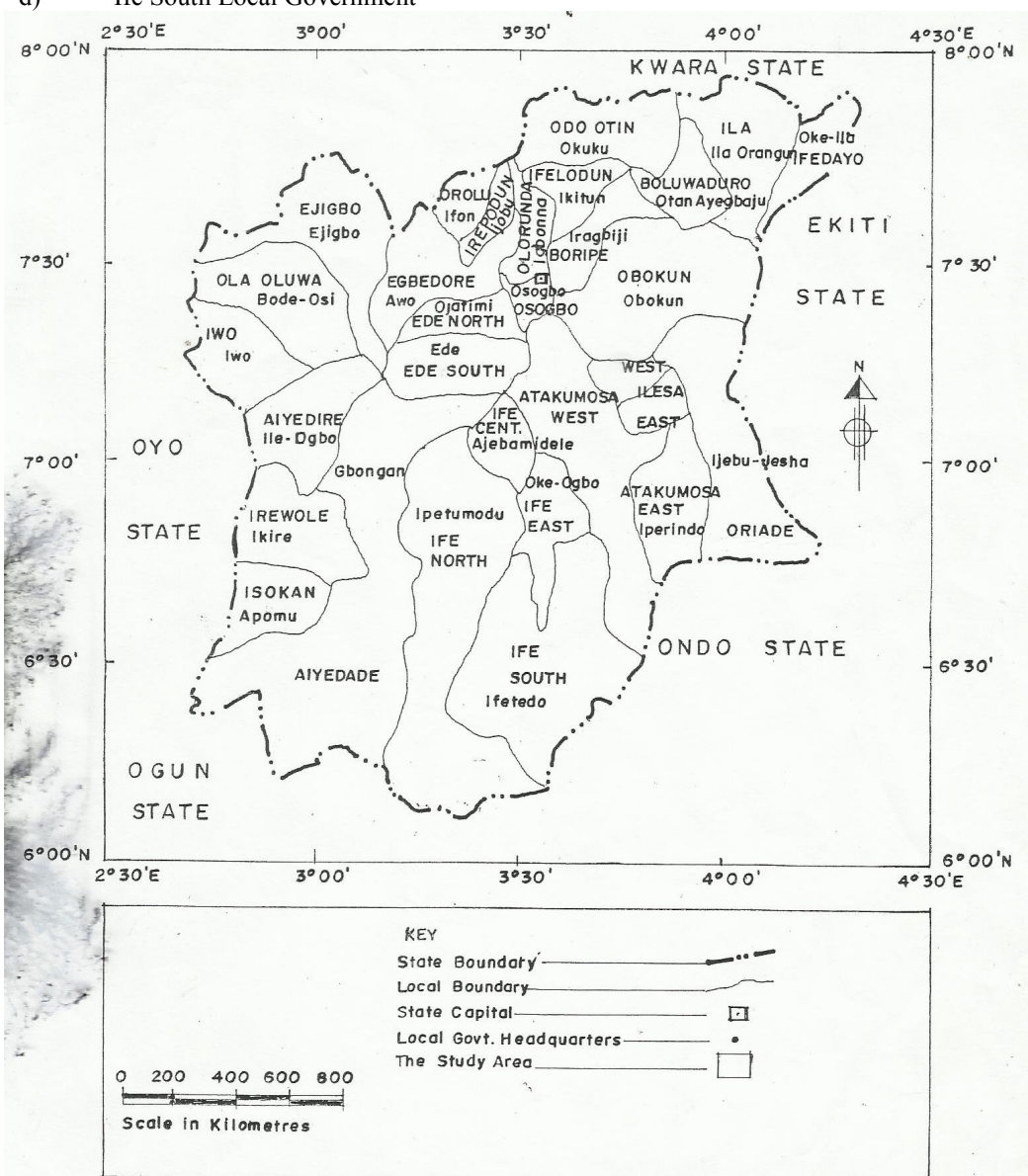


FIG. : THE STUDIED AREA WITHIN OSUN STATE SHOWING ILE-IFE AS SAMPLING LOCATION.

SOURCE: Ife Central Local Government Secretariat, Ile-Ife, Osun State/ Department of Geotaphy and Planning Science, Cartographic Unit, Ekiti State Uni. EKSU, Ado-Ekiti, Ekiti State.

1.5 THEORETICAL FRAMEWORK/LITERATURE REVIEW

The theory of Butler 1975 was applied to this study. This study is based on the theory, explained in Mason (2008). He explained that this model appeared in 1980 and he did not only acknowledge that his ideas were linked to earlier theories, but he also indicated that they were based on business/marketing concepts of product life cycle. The product life cycle is a theory in which sales of a new product are seen to slowly grow and then experience a period of rapid growth, before stabilizing and subsequently declining. When applied to tourism destinations, the model suggested that resorts develop and change over time and there are a number of linked stages: which are: During these stages, a tourism industry develops and the destination has an increasing number of tourists.

Tourism, according to Neto (2003), cited in Eze-Uzomaka (2006) is one of the important aspects of development policies in developing countries. She continued by saying that as a matter of fact, tourism is now the second largest source of foreign exchange earnings in the Least Developed Countries (LDCs) as a whole, for tourism to be developed, it has to incorporate the community members as opined by Butler (1975), who said that opportunities for contact between the local government and tourism would therefore be greater, where the tourists development, is a part of, or contiguous with local settlements rather than separated from it.

According to Marguba (2001), tourism has to do with tourists or visitors at a given destination provided they are neither income yielding nor permanency or perpetual nature. This means that tourism involves movement to a place on a temporary basis and incurring some expenses at the destination without making profit. Okpoko (2006), viewed tourism as “the movement of persons from one place to another for leisure or business and the mobilization of facilities to cater for the welfare and comfort of such person”. This means that tourists can visit a place for the purpose of leisure or for the purpose of business transaction, which can afterwards, lead to leisure.

Adeleke (2005) observed that as far back as the middle of the 15th century, the world had started experiencing upsurge in travel. She continued by saying that factors that enhanced this upsurge in travel were the transportation infrastructural development during the Roman empire, the policy of peaceful co-existence in the world during the period, and the exploration ambition of the people.

1.6 RESEARCH METHODOLOGY

Data for this study were from primary sources, which were personal survey and the administration of questionnaires. The questionnaires were designed in two forms: Open ended and closed ended questions. A total number of two hundred (200) copies of the questionnaires were randomly administered to source for information from residents of Ile-Ife. The questionnaires were randomly administered on the residents of the four different Local Government Areas in Ile-Ife. One hundred percent (100%) response rate was achieved in the retrieval of the questionnaire administered. While the personal survey method was used in knowing, if the tourists’ sites were well developed and attractive to encourage great inflow of tourists in the study area. Descriptive method of data analysis using frequency table and percentages was adopted to analyze the data.

1.7 RESULTS AND DISCUSSIONS

The results on the frequency of tourists visit to Ile-Ife revealed that 30.0% of the respondents stated very frequently, 20.0% of the respondents observed frequently, 15.0% of the respondents noted occasionally, 20.0% of the respondents stated rarely, while 15.0% of the respondents have never been there (Table 1). This suggested that majority of the respondents frequently visit tourists attraction centres within the study area, due to high number of attraction.

Table 1: Frequency of Tourists’ Visit to Ile—Ife

Issues	Frequency	Percentage
Very frequently	60	30.0
Frequently	40	20.0
Occasionally	30	15.0
Rarely	40	20.0
Never	30	15.0
Total	200	100.0

Source: Fieldwork Report, 2010.

The findings on the benefits of tourism on Ile-Ife showed that 30.0% of the respondents observed that tourism has contributed to the economic development of Ile-Ife, 8.5% of the respondents stated historically/culturally, 10.0% of the respondents noted educationally, 12.5% of the respondents stated socially, 15.0% of the respondents noted entertainment benefits, 9.0% of the respondents observed psychological benefit,

and 15.0% of the respondents stated that they have not benefited from tourism in the area (Table 2). This implies that the major contribution/benefit of tourism on Ile-Ife is economic benefit.

Table 2: Benefits for Tourism

Issues	Frequently	Percentage
Economically	60	30.0
Historically/Culturally	17	8.5
Educationally	20	10.0
Socially	25	12.5
Entertainment	30	15.0
Psychologically	18	9.0
No benefit	30	15.0
Total	200	100.0

Source: Fieldwork Report, 2010.

The results on the awareness of Ile-Ife as tourist destination by respondents revealed that 91.0% of the respondents noted their awareness of Ile-Ife as tourists' destination, while 9.0% of the respondents were not aware of Ile-Ife as tourists' destination (Table 3). This implies that Ile-Ife is blessed with a lots of tourists' activities large enough to attract tourists to the area.

Table 3: Awareness of Ile-Ife as Tourist Destination

Issues	Frequency	Percentage
Aware	182	91.0
Unaware	18	9.0
Total	200	100.0

Source: Fieldwork Report, 2010.

Table 4: t-test of the Hypothesis

Variables	Mean	Standard deviation	t	df	Sig (2tail)
Income of tourists' visit on the people of Ile-Ife.	.51316	2.02974	2.204	75	.031
Educational background of the people, on the benefit of tourism in Ile-Ife.	-.65882	3.17937	-1.910	84	.059

Hypothesis one, which stated that, the frequency of tourists' visit to Ile-Ife has no significant effect on the income of the people of Ile-Ife, was rejected in favour of the alternative hypothesis that, the rate of tourists' inflow to Ile-Ife have had significant effect on the economy, through the income of the people, which is believed to be affected by the rate of tourists' inflow to Ile-Ife (Table 4).

Hypothesis 2: Educational Background of The People of Ile-Ife has no Significant Effect on How the People Have Benefited from Tourism.

Hypothesis two, which stated that the educational background of the people of Ile-Ife has no significant effect on how the people have benefited from tourism was rejected; since the significant level is lower than the alpha level that is, the t calculated value. This means that, the educational background of the people of Ile-Ife has no effect on how the people have benefited from tourism. Thus, the benefits people gets from tourism in the area was not dependent on their level of education. Both the educated and non-educated benefited from tourism either directly or indirectly provided they can afford it.

1.8. RECOMMENDATIONS

* In-view of the findings in this study, government at all levels should increase the amount of money budgeted for tourism development in the area, to enhance more contribution from tourism on the socio-economic development of the area.

* The sub-industries should work hand-in-hand, since they are meant to complement each other in the success of the industry.

* There is need for the improvement of transportation system in the area to enable tourists' to conveniently and satisfactorily move to tourist sites in the area because this will encourage more tourists migration to the area.

* There is need for the creation of more awareness on the availability of tourists' attraction sites in the area.

* There is need for private bodies or individuals to contribute their own quotas to boost tourism development in Ile-Ife.

* In-ensuring the successful development of tourism in the area, the moral ethics and culture of the people of Ile-Ife should be closely guided and spelt out to tourists' in the area.

1.9 CONCLUSION

Ile-Ife has always been referred to as the cradle of Yoruba civilization. It is the place, where the Yoruba culture began and has much history and tourists' sites. Due to this fact, Ile-Ife is a place where many tourists, resources and planners would love to visit as regards its features and long standing history. The findings of this work will be of great importance to planners, researchers, Government at all levels, captains of industries and all relevant stakeholders in the tourism industry. The outcome of this work will serve as a tool in national policy making towards the sustainable economic contributions of tourism in the development of the region.

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