

**INTERNATIONAL TOURISM AND LOCAL ECONOMIC DEVELOPMENT IN
KASESE DISTRICT, UGANDA**

**A Thesis Presented to the
College of Higher Degrees and Research
Kampala International University
Kampala, Uganda**

In Partial Fulfillment of the Requirements for the Degree
Master of Business Administration

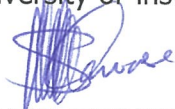
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DECLARATION A

"This thesis is my original work and has not been presented for a Degree of any other academic award in any university or institution of learning".



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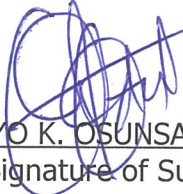
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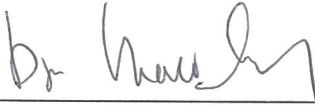
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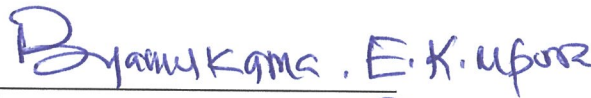
APPROVAL SHEET

This thesis entitled "**INTERNATIONAL TOURISM AND LOCAL ECONOMIC DEVELOPMENT IN KASESE DISTRICT, UGANDA**" prepared and submitted by **Kawase George Wilson** in partial fulfilment of the requirements for the degree of **Masters in Business Administration/ Tourism** has been examined and approved by the panel on oral examination with a grade of PASSED.



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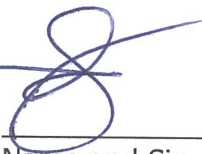


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Grade: _____

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DEDICATION

I would like to dedicate this thesis to my late Maama Tolofaina Kawase, my daughters Alice, Jemimah and Jorine who used to miss me during the weekend and also to my Supervisor and my classmates.

ACKNOWLEDGEMENT

The researcher would like to acknowledge the Almighty God for the good wellbeing of the mind and body which enabled him to complete this research.

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ABSTRACT

The study was prompted by the need to explore International Tourism and Local Economic Development in Kasese District, Uganda. The main objective of the research was to investigate the relationship between International tourism and Local economic development in Kasese District, Uganda.

A sample of 120 households selected to participate in the study in nine villages of Kasese district. Data collected through structured questionnaires and target respondent was the household head. Out of 120 questionnaires administered, 114 questionnaires were returned completed, representing a response rate of 95 percent.

Data was analysed using descriptive statistics and correlation, which helped to explain the relationship between international tourism and local economic development. Findings of the research showed that international tourism had no significant effect on local economic development in Kasese.

The researcher therefore concluded that even though tourism would possibly lead to local economic development that may not be realized unless there is proper infrastructure in place, such as good road network, sports facilities, catering services, hotels and accommodation services. The researcher therefore recommended that for Kasese district to be able to benefit from international tourism there is need to have in place adequate infrastructural and human resource facilities that would attract more tourists into the region.



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CHAPTER ONE

THE PROBLEM AND ITS SCOPE

Background of the study

Tourism is a social, cultural and economic phenomenon related to the movement of people to places outside their usual place of residence, pleasure being the usual motivation. Tourism is a unique phenomenon as it is defined by the consumer or the visitor.

Globally, tourism is one of the fastest growing segments of the world economy, UNWTO (2010), representing close to seven percent of total world trade including trade in merchandise. In Uganda, tourism is seen as an important source of foreign exchange earnings. In the 1960s and up to 1970, tourism was Uganda's third largest foreign exchange earner, after coffee and cotton. Other attributes are that tourism: is a job creator; is a generator of tax revenues for the different levels of government; impacts on regional (national) economic activity; fosters an enterprise economy in the way it attracts small and medium-sized enterprises; has strong linkages to other sectors of the economy like agriculture, transport, communications, and to some extent manufacturing industry; brings benefits to local communities; and has considerable potential for expansion and value-added, especially since the potential of the industry is only now being consciously tapped.

In an article on the economic contribution of gorilla tourism in Uganda, Moyini et al. (2000), point out that globally, excluding international transport, world-wide tourism receipts grew from about two point one billion United State dollars in 1950 to four hundred twenty five billion United State dollars in 1996. In total, over the same period, the value of world-wide tourism represented six point six percent and six point seven percent of total world trade, including trade in merchandise. World-wide international tourist arrivals

increased from twenty five point three million in 1950 to five hundred ninety five point six million in 1996 (same-day visitors excluded).

They further reveal that in Africa, over the same period, excluding international transport, Africa's tourism receipts grew from eighty eight million United State dollars in 1950 to eight billion United State dollars in 1996. Arrivals in Africa increased from five hundred two four thousand in 1950 to seven point three million in 1980 and, further, to twenty point six million in 1996. The continent's share of world arrivals increased from two point six percent in 1980 to three point four percent in 1995.

In East Africa, excluding international transport, East Africa's tourism receipts grew from four hundred fifty two million United State dollars in 1980 to one point six four billion United State dollars in 1995. Between 1980 and 1995, Eastern Africa was the fastest growing destination in terms of arrivals on the African continent. Arrivals increased from one point three million in 1980 to four point two million in 1995, representing an average annual growth rate of eight percent. Kenya, Tanzania and Uganda had their combined arrivals increased from one point one million to one point two million between 1991 and 1995.

Commercial tourism in Uganda began in the 1950s, though significant growth was only registered between 1962 and 1971. During this period, the tourism industry experienced a thirty four percent annual growth rate (Ministry of Wildlife Tourism and Antiquities (MwTA), 1996) with 1970 recording the highest earnings of Uganda one thirty two point three million Uganda Shillings (Eighteen million United State dollars). At that time, average per capita spending was two thousand three hundred and six United State Dollars and the industry was Uganda's third largest foreign exchange earner after coffee and cotton. However, due to the political instability of 1971-1986, the industry declined by thirteen point eight percent annually. In

1980 only one thousand tourists were received down from eighty five thousand in 1969. During this period, wildlife conservation areas were heavily poached to the extent that some species of wildlife became extinct and others came to near extinction. Hotels, infrastructures and most facilities were destroyed as government neglect of the sector was at its peak.

In the report on analysis of the economic significance of gorilla tourism in Uganda, Moyini et al. (2000), point out that in 1960s, revenue from tourism, including restaurants, hotels, and related services, increased faster than any other sector of the economy. In 1971, the peak year for tourist receipts, more than eighty five thousand foreigners visited Uganda, making tourism the nation's third largest source of foreign exchange, after coffee and cotton. After 1972, however, political instability destroyed the tourist industry. Rebels damaged and looted hotels, decimated wildlife herds, and made many national park roads impassable. Part of the airport at Entebbe was also destroyed.

Uganda was once rich in human and natural resources and possessed a favourable climate for economic development, but in the late 1980s it was still struggling to end a period of political and economic chaos that had destroyed the country's reputation as the "pearl" of Africa. Most of the economic infrastructure, including the power supply system, the transportation system, and industry, operated only at only a fraction of capacity. Other than limited segments of the agricultural sector--notably coffee and subsistence production-- cultivation was almost at a standstill. And in the wake of the much publicized atrocities of the Idi Amin Dada regime from 1971 to 1979 and the civil war that continued into the 1980s, Uganda's once flourishing tourist industry faced the challenges of reconstruction and restoring international confidence. Successive governments had proclaimed their intention to salvage the economy and attract the

foreign assistance necessary for recovery, but none had remained in power long enough to succeed.

Despite some setbacks over the last few years, resulting from the political instability in the Great Lakes Region, tourism has remained one of the fastest growing sectors of the economy with an annual growth rate of twenty one percent over the years 1992 – 2000. In 2010 Uganda recorded a total of more than nine hundred forty six thousand tourists, spending over six hundred sixty two million United State dollars (Uganda Bureau of Statistics, 2011).

Recognizing the role tourism could play in economic development, the government assigned high priority to restoring the tourism infrastructure in its recovery development program. To this end, the government planned to rehabilitate hotels and promote wildlife management. International tourist arrivals gradually increased, from about thirty two thousand in 1986 to more than forty thousand in each of the next two years. Tourism earned roughly four point two million united state dollars in 1988.

In recognition of the importance of the tourism industry in Uganda, the government of Uganda developed and put in place a ten-year Tourism Master Plan. The Government of Uganda (GoU) also rationalised the institutional structures necessary for the effective development and promotion of tourism products. This rationalisation resulted in the merger of Uganda National Parks (UNP) and the Game Department (GD) in 1996 to form the Uganda Wildlife Authority (UWA). While UWA is primarily concerned with wildlife related tourism products development, the Uganda Tourist Board (UTB) is the primary institution for the promotion of the tourism products developed. In addition to reforms of institutional structures, government of Uganda also introduced a new Wildlife Policy and a Wildlife Statute in 1996. These institutional instruments are both pro-tourism.

Statement of the problem

The type of data on tourism required both by the public and the private sector have radically changed in nature. Besides descriptive information on the flow of visitors and of the conditions in which they are received and served, countries now need robust information and indicators to enhance the credibility of the measurements concerning the economic importance of tourism. There is serious shortcoming as far as international tourist receipts are concerned and the contribution of the sector to the local economic development of the country.

According to Barya et al. (2011), Uganda has made enormous progress in reducing poverty, slashing the countrywide incidence from fifty six percent of the population in 1992 to twenty four point five percent in 2009. And, at twelve percent, the reduction of poverty in urban areas has been even more marked. Notwithstanding these gains, however, poverty remains firmly entrenched in the country's rural areas, home to more than eighty five percent of Ugandans.

The researcher therefore wanted to find out if increased number of tourists had an effect on the local economic development of the district. The study also had the prevailing problem of identifying the necessary steps to be taken for the community to benefit from international tourism in terms of economic development.

Purposes of the study

- (i) This study intended to explore how the international tourism affects local economic development in Uganda, with specific focus on Kasese district, Uganda.
- (ii) This study identified the strengths and weaknesses in international tourism and local economic development;
- (iii) Further to validated the economic theory to which this study is based.

Research objectives

General objective: the study sought to investigate the relationship between International Tourism and Local Economic Development in Kasese District, Uganda.

Specific objectives: The specific objectives of the study were to determine

1. The demographic characteristics of the respondents in terms of:
 - 1.1. Gender
 - 1.2. Age
 - 1.3. Marital status
 - 1.4. Educational attainment
 - 1.5. source of income
 - 1.6. Housing type
 - 1.7. Housing ownership status
2. Extent of international tourism in Kasese district
3. Levels of local economic development in Kasese district
4. The relationship between the extent of international tourism and level local economic development in Kasese district



Research questions

The study tried to answer the following research questions:

1. What are the demographic characteristics of the respondents in terms of:
 - 1.1. Gender
 - 1.2. Age
 - 1.3. Marital status
 - 1.4. Educational attainment
 - 1.5. Source of income
 - 1.6. Housing type
 - 1.7. Housing ownership status
2. What is the extent of international tourism in Kasese district?

3. What is the level of local economic development in Kasese District in terms of?
 - 3.1 source of income
 - 3.2 type of housing unit
 - 3.3 ownership of housing unit
 - 3.4 investment in the area
 - 3.5 creation of jobs
4. Is there a relationship between extent of international tourism and level of local economic development?

Null hypothesis

1. There is no significant relationship between international tourism and local economic development.

Scope

Geographical

The study was conducted in Kasese District, located in South Western Uganda, about three hundred fifty kilometers from the Kampala, the Capital City. It was intended to investigate the relationship between international tourism and local economic development in Kasese District, Uganda.

Content

The study investigated and assessed the extent of international tourism in Kasese district, levels of local economic development in Kasese district and the cause of relationship between international tourism and local economic development of Kasese district in Uganda.

Theoretical perspective

The study was anchored on the Economic Theory by Stynes and Propst (1996) was reviewed which states that economic impacts are the changes in economic activity resulting from an action.

Time

The time scope considered for the study was the period of 2008–2010, because this was the time within which the district had registered a higher influx of tourists, in comparison to the previous 10 years.

Significance of the study

This study is expected to benefit the following;

1. Respondents of the study would benefit by acquiring jobs, transporting tourists, work as guides and sales of agricultural products to hotels due to international tourism.
2. Business owners and stakeholders in the tourism sector, such as hotel owners, artists also would benefit by increasing on their income from the sales of their services to tourists.
3. Policy makers can identify the loopholes that may be existing in the available policies, and therefore come up with strategies of addressing them, as one way of boosting the tourism sector in Uganda
4. Future researchers have some form of a baseline study, against which they can do further studies in the area of international tourism and its effect on local economic development in other parts of Uganda having contributed to the existing literature.

Operational definitions of key terms

The following concepts and definitions were adopted in this study (which is in conformity with the definitions adopted by the World Tourism Organization (WTO) and the Statistical Division of the United Nations).

A Tourist is a visitor who stays at least one night in collective or private accommodation in the place visited.

An international traveller refers to any person on a trip between two or more localities in different countries.

An international visitor is a visitor from a foreign country who stays at least one night in collective or private accommodation in the country visited.

Direct benefits refer to economic values that people place on the utilization of a resource; that is, what people are willing to pay for the enjoyment of a tourist attraction and related activities.

Indirect benefits measure the impacts on local and national components of Uganda's economy. These impacts are expressed in terms of: contributions to Gross Domestic Product (GDP); personal income; number of jobs; and revenues accruing to various levels of government from taxes.

International tourism receipts refers to receipts of a country resulting from consumption expenditures by international visitors

International tourism is when people travel globally outside of their region and home country. This means a temporary movement of people from the resident place to another place for different reasons such as recreational, health, business or some other reason.

Local economic development (LED) - LED means more than just economic growth. It is promoting participation and local dialogue, connecting people and their resources for better employment and a higher quality of life for both men and women.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

Introduction

This chapter covers an extensive review of concepts, opinions and ideas from different authors and experts on the subject of international tourism and local economic development, theoretical perspectives and major literature relating to variables of the study.

Concepts, opinions, ideas from authors/ experts

International tourism

Tourism is travel for recreational, leisure or business purposes. The World Tourism Organization defines tourists as people traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes (World Tourism Organization, 1995).

International tourism, with its emphasis on the exploitation of 'free' resources (sun, sea, sand and friendly people), became an attractive option for economic development for less developed countries (LDCs). Tourism, unlike other development options such as manufacturing, mining, forestry etcetera, is widely perceived to be a clean and renewable industry. Because it draws upon 'free' natural, historical, social and cultural resources it is thought to be less capital intensive in its requirements for development. Tourism is also seen to have potential to be a major driving force for economic development in many LDCs because of its large potential multiplier and spillover effects on the rest of the economy and its generation of jobs for unskilled and semi-skilled workers. For LDCs with limited exploitable natural resource basis in particular, tourism becomes a viable development option offering an important opportunity for economic diversification (World



Tourism Organization & International Hotel and Restaurant Association [WTO & IHRA], 1999, as cited in Berno & Bricker, n.d).

Local economic development

Local Economic Development (LED) is an approach to development, particularly in the Developing World that, as its name implies, places importance on activities in and by cities, districts and regions. This involves added micro-economic measures at the local level to compliment macro-economic measures at the national level. LED encompasses a range of disciplines including physical planning, economics and marketing, all with the goal of building up the economic capacity of a local area to improve its economic future and the quality of life for all (World Bank, 2012).

LED is seen as one of the most important ways of decreasing poverty. Local economic development must aim to create jobs by making the local economy grow. This means that more businesses and factories should be started in the different areas. The approach requires key stakeholders in the community to come together and take decisions to make the economy grow and create income opportunities for more people, especially the poor.

LED offers local government, the private and not-for-profit sectors, and local communities the opportunity to work together to improve the local economy. It focuses on enhancing competitiveness, increasing sustainable growth and ensuring that growth is inclusive.

The main aim of LED initiatives is to encourage local participation and consensus building to determine economic and social welfare initiatives for the locality and the community. The concept of local economic development is based on promoting local approaches that respond to local needs and conditions. There is no single model of how to implement local economic development or of what strategies and actions to adopt, as the efficiency and effectiveness of regional

development is influenced by a range of institutions and processes. The importance of local ownership of the development process is however central to most local economic development approaches, which simultaneously views development within the context of governance and civil society at all levels.

Local economic development requires the creation of an environment that enables the stimulation of new opportunities, in rural and urban regions where there may be limited existing opportunities for economic growth. Local economic development programmes should aim to strengthen and re-enforce good governance, and identify sustainable income generating opportunities for the local community, particularly for the poor (www.nri.org)

International tourism and local economic development

The World Tourism Organization estimates that tourism accounts for up to 10 percent of global gross domestic product, making it the world's biggest industry. The potential for tourism to contribute significantly to poverty alleviation is considerable (Godwin and Robson, 2009).

To measure the economic impact of tourism various methods are used, from the simple estimation of its contribution to complex mathematical models. One important tool to estimate the economic effect of tourism in an economy is the Input-Output Analysis.

According to Frechtling (1994), an economic impact analysis traces the flows of spending associated with tourism activity in a region to identify changes in sales, tax revenues, income, and jobs due to tourism activity. The most direct effects occur within the primary tourism sectors: lodging, restaurants, transportation, amusements, and retail trade. Through secondary effects, tourism affects most sectors of the economy. According to Stynes (1999), the economic impact of visitor spending is typically estimated by some variation of the

following simple equation: Economic Impacts of Tourist Spending = Number of Tourists * Average Spending per Tourist* Multiplier.

Stynes (1999) further observed that the foregoing equation suggests three distinct steps and corresponding measurements or models, as follows: (a) estimate the change in the number and types of tourists to the region; (b) estimate average levels of spending (often within specific market segments of tourists in the area; and (c) apply the change in spending to a regional economic model or set of multipliers to determine the secondary effects. These methods and corresponding information typically involve distinct methods, models and information sources.

Stynes (1999) further observes that regional economists distinguished direct, indirect, and induced economic effects. Indirect and induced effects are sometimes collectively called secondary effects. The total economic impact of tourism is the sum of direct, indirect and induced effects within a region. Direct effects are the changes in economic activity during the first round of spending. For tourism this involves the impacts on the tourism industries (businesses selling directly to tourists) themselves. Indirect effects are the changes in sales, income or employment within the region in background-linked industries supplying goods and services to tourism businesses. The increased sales in linen supply firms resulting from more hotel sales is an indirect effect of visitor spending. Induced effects are the increased sales within the region from household spending of the income earned in tourism and supporting industries. Employees in tourism and supporting industries spend the money they earn from tourism on housing, utilities, groceries, and other consumer goods and services. This generates sales, income, and employment throughout the region's economy.

In a study conducted by the World Bank in the Caribbean region (Hayakawa and Rivero, 2009) share that financing alone cannot generate local economic development through tourism. Like any business, micro-enterprises require some basic finance and tourism enterprises can benefit enormously from technical assistance in language, in cultural understanding (for international clients in particular), in marketing and web-management. They emphasise that while tourism cannot be developed everywhere, in “destinations” with potential, tourism can lead to robust local economic development, as these positive experiences demonstrate. Whether they support a stand alone community-based project, development of a specific destination, or a micro-credit program, tourism projects can bolster local economic development.

Theoretical perspectives

The research was underpinned by the economic theory by advanced Stynes and Propst (1996). This theory examines a number of issues. The first is the net economic benefits of tourism. The second is the economic impact of tourist expenditures. The net economic benefit of wildlife-related tourism is a measure of the value people attach to a tourist attraction. According to Environment Canada (1998), since wildlife is a renewable resource that can be expected to provide benefits year after year, there is an important related question on the present value of the future benefits that will result from well-managed wildlife populations today. When estimated thus, the net economic benefit can be used to provide an estimate of the value of the wildlife-related tourism. According to Stynes and Propst (1996), there appears to be some confusion between the notion of economic value or benefit and economic impact. The former involves economic efficiency, while impacts usually involve the distribution of costs and benefits associated with economic activity across designated regions.

Stynes and Propst (1996) further elaborated on economic impact as the changes in economic activity resulting from an action. These changes have traditionally been expressed in terms of sales, industrial output, income, value added, employment, and government revenues and costs. Tourism is an export activity in that it brings income and foreign currency into a region in exchange for products and services produced within that region. An important use of economic impact assessment tools is to measure or predict the regional economic effects of changes in tourism development and activity.

Related studies

International tourism

Many studies found out that respondents (or their relatives, friends, and neighbors) who depend upon a tourism-related job had a statistically significant positive relationship with the positive tourism factors (King, 1994; Lankford & Milman, 1994,). Social contacts between tourists and local people may result in mutual appreciation, understanding, tolerance, awareness, learning, family bonding respect, and liking. Residents are educated about the outside world without leaving their homes, while their visitors significantly learn about a distinctive culture. Local communities are benefited through contribution by tourism to the improvement of the social infrastructure like schools, libraries, health care institutions, internet cafes, and so on. Besides, if local culture is the base for attracting tourists to the region, it helps to preserve the local traditions and handicrafts which maybe were on the link of the extinction.

Local economic development

The tourism industry generates multiple economic benefits to the receiving countries and to the tourism-sending countries. In the developing countries, one of the main reasons to sustain and promote tourism is the expected economic growth. Thus, tourists spent an

important amount of money to buy products in a tourist destination, starting with accommodation, food and beverage, recreational activities and so on, generating a direct effect on business and on the economy measured by incomes that are paying the wages and taxes. At the same time, the tourism businesses have to buy goods and services necessary to satisfy the visitors' needs, and the direct incomes are used further to make investments and to buy other goods and services. These expenses made by the tourism businesses because of the growing number of visitors generate indirect effects through the creation of jobs and wages for other local business offering goods and services to the tourism businesses.

International tourism and local economic development

Literature reviewed reveals that incomes for national citizens related to their employment in the tourist sector are also important. The recent study of the economic growth performance in Greece. Dritsakis, (2004), shows that tourism has a long-run economic growth effect. Using Spain's economic data, Balaguer and Cantavella-Jorda (2002) confirm the validity of tourism-led growth hypothesis for long-run economic performance. Proenca and Soukiazis (2005) examine the impact of tourism on the per capita income growth of Portuguese regions and draw the conclusion that tourism can be considered as an alternative solution for enhancing regional growth in Portugal, if the supply characteristics of this sector are improved. While Cunado and Garcia (2006) also find some evidence of conditional correlation toward the African regional average (for Benin, Cameroon, Cape Verde, Djibouti, Egypt, Ghana, Kenya, Mali, Uganda, and Zimbabwe) and the U.S. (for Cape Verde, Egypt, Mauritius, Seychelles, and Tunisia), the coverage given to the contribution of tourism has been scanty. Comparing the relative growth performance of fourteen "tourism countries" within a sample of 143 countries, Brau et al, and Pigliaru (2003) document that tourism countries grow faster than all the other

sub-groups (OECD, Oil Exporting, LDC, Small). Many developing countries have thus started to consider tourism as an important and integral part of their economic growth and development strategies as it serves as a source of scarce financial resources, job creation, foreign exchange earnings, and technical assistance (Dieke, 2004).

It is well recognised that tourism can be a strong driver of local economic development: responsible tourism developments are able to create many jobs and other spin offs in the local community, including supplier development and demand for other tourism products in the destination (Rogerson, 2006). Tourism can also help 'brand' an area – and improve its attractiveness to tourists, investors and the like. When tourists visit a destination, they spend money not only on accommodation, restaurants, and activities, but in shops and petrol stations and on other service industries (such as banks, transport services, etc). With an increased local rates base brought by tourism enterprise growth and its effects, demands are increasingly placed on local government to respond to service delivery. This can have the effect of speeding up service delivery for the poor.

The World Trade Organization (WTO) projects that by the year 2005, tourism jobs will increase faster than those in traditional industries by as much as fifty nine percent. Employment generation by tourism varies from one economy to another depending on, among others, the size and extent of diversification. For example, in larger and more economically diversified islands, such as Jamaica and Puerto Rico, tourism generates about five percent of total employment. In smaller islands the share can go up to one-half and above. For example, in Bermuda tourism employs (direct and indirect) seventy five percent of the labour force. In other developing countries the figure is not big, as in Cyprus employment creation lies between five percent and ten percent, in Malta three point five percent, in Fiji five percent, in Tahiti three percent and in Bali less than one percent.

It further shows that direct employment in hotels is the most reliable indicator of the sector's contribution to employment, given that data on other direct employment, indirect employment and capital goods employment is hard to get. In Tunisia and Malta, for example, hotels employ about point four persons per bed. In Bali each twin-bedded room averaged one point five employee in 1974, but generally hotel employment affected many more persons since employee turnover averaged twenty-one months. Although larger hotels do better here than small ones, other factors such as location, price category, standard of service do matter. In Tanzania, official data indicate that there were around one fifty seven people supposed to be working in the sector in 2001 compared to ninety six thousand in 1995 (URT, 2002). This may still be under-estimation, since indirect employment is not taken into account. In 1996 in Zanzibar, tourism employed directly an estimated four thousand people and twenty one thousand indirectly.

In Kenya tourism is estimated to create about one eighty thousand formal jobs and three eighty thousand informal ones, a number that could be doubled if tourism was to be managed and planned more properly, with less crime and political violence interrupting the industry. In Tunisia the service sector's (including tourism) contribution to the creation of job opportunities increased from fifteen percent of the labour force in 1986 to thirty six percent in 1995.

In Seychelles the figure rose from thirteen point five percent of the labour force in 1985 to fifteen percent in 1994 (United States Bureau of Public Affairs 1987, Focus Multimedia, 1997 and Seychelles Home Page). In Malta direct employment in hotels increased from about seven thousand employees in 1990 to about nine thousand employees in 2000 (Malta Tourism Authority, 2001). In other countries potential and actual job creation may differ widely, but the net balance

may still be worthwhile, in view of limited alternatives for job creation. Tourism has the ability to generate employment both in the formal and informal activities. Evidence indicate that the level of employment in tourism activities is high, for example accounting for point five million jobs in Spain and about five million in India (Sinclair, 1998). The study further reveals that employment is also often higher in tourism than in other sectors and wages compare well with other sectors but inversely related to jobs. Wages of hotel employees compare favourably with those in agriculture, and even more when compared to subsistence agriculture.

Unskilled hotel employees in Cyprus earned between fifty percent and seventy five percent more than other unskilled workers in 1973. Those in managerial positions earned about twenty five percent more than those in other sectors. In Tunisia and Spain although industrial workers were earning a bit higher than hotel workers, there was little difference in their living standards (Huit, 1979). More recent information from Nepal indicates that, profits from tourist related activities are higher than those not intended for tourists. For instance, in a 1995 study it was found that profits from fruit cultivation in a district near a National Park were much higher than those from grain crops. Per hectare yields from a fruit orchard was worth ten times that from a paddy field and more than thirty times that from a maize crop. Tourists provided the main market for fruit harvest (Shah and Gupta, 2000).

From a study carried out in Tanzania in 2005 about tourism and poverty alleviation, it was noted that tourism is an important opportunity to diversify local economies. It can develop in poor and marginal areas with few other export and diversification options. Remote areas, particularly, attract tourists because of their origin, cultural, wildlife and landscape value. Thus, poverty may be reduced as tourism creates new employment opportunities and income generating

activities. Sometimes the infrastructure and social service facilities are established or improved using earnings from tourism. Using such facilities the poor not only improve their incomes but also their social well being and capabilities.

The study by United Nation Economic and Social Commission by Asia in 2003 further revealed that tourism offers labour intensive and small scale opportunities compared to other non-agricultural activities, it employs a high proportion of women and values natural resources and culture, which may feature among the few assets belonging to the poor. Thus, tourism offers opportunities in terms of employment creation and income generation, to the vulnerable groups such as women to reduce their poverty.

Currently, tourism is one of the world's largest growing and dynamic economic sectors in many countries. The important rates of growth and development, the volumes of outflow of foreign exchange, infrastructure development, new management techniques and the training experience are affecting different sectors of the economy, which are positively contributing to the economic and social development of a country (United Nation World Tourism Organization, 2012).



CHAPTER THREE

METHODOLOGY

Research design

The researcher employed the descriptive design specifically descriptive correlation strategy. Descriptive correlation design was used to establish whether there was a relationship between the extent of international tourism and local economic development. The descriptive studies are very important in describing the characteristics of a particular individual or a group as it is non-*experimental* research.

Research population

The target population comprised of a total of 173 households who were selected from 9 villages in the whole district. These villages were selected from rural and urban settings in the sub counties of Bwera and Kyondo.

Sample size

Due to the large population size, this study was based on a sample. The sample size for study area was 120 households. This was derived using the Sloven formula below to determine the sample size:

$$n = \frac{N}{1 + (N \cdot e^2)}$$

Where: n= sample size; N=target population; e=margin of error

1= constant

Response rate

A total of 120 survey questionnaires were administered to the households in the nine villages in Kasese district. Out of 120 questionnaires administered, 114 questionnaires were returned completed, representing a response rate of 95 percent. This meets the requirement of 54 percent or higher stipulated by Holbrook et al (2005) as being a more accurate representation. Therefore, in this study, 114

questionnaires were analyzed and used to test the study hypothesis. The Table 1 shows in detail the response rate of the study.

Table 1
Response Rate

| | Number | Percent (%) |
|----------------------|--------|-------------|
| Total sample | 120 | 100 |
| Total responses | 114 | 95 |
| Non-useful responses | 6 | 05 |

Source: primary data, 2012

Sampling procedure

A two stage cluster sampling was adopted for the households to be interviewed. The first stage was the selection of villages and secondly the ultimate stage was used to select the households.

Probability proportional to size (PPS) sampling was considered an efficient procedure since it is used widely in multi-stage sampling designs. Given that UBOS had an updated list of villages of Kasese district; this acted as the sampling frame to select villages for this study. At the last stage village household list was obtained to select the households for the study.

Research instruments

A researcher devised questionnaire to collect data about the perception of the head of the household about the international tourism and local economic development.

The questionnaire was used to collect information from the households and the main respondents were the heads of the households. The main information that was collected included the demographic characteristics, extent of international tourism and levels

of local economic development in Kasese district. This was done by a questionnaire instrument with items that were rated on a four point scale, ranging from 1-4 as; (Scale: 1 =Strongly Disagree, 2= Disagree, 3 = Agree, 4 = strongly Agree).

The questionnaire consisted of three sections. The first section on the demographic characteristics of the respondents in terms of Sex, Age, Marital status, Literacy level, Educational attainment, Source of income, housing type and housing ownership status. The second section consisting of 18 questions relating to international tourism, these questions exist under three main constructs (Tourism infrastructure and facilities, Evaluation of tourism services and Development of tourism). The third section focused on 13 items collecting data on levels of local economic development.

Validity and reliability of the instruments

1 Reliability of the instruments was tested using SPSS reliability analysis, revealing a cronbach alph (α) of 0.82 for the instrument on international tourism and 0.88 for instrument on local economic development; for the instruments on the two variables it was $\alpha = 0.85$. This complies with the minimum reliability coefficient of .70 or higher and therefore is considered "acceptable" as is the case in most social science research (see Appendix 3).

2 Validity of research instrument refers to the extent to which the instrument measures what it is supposed to measure (Amin, 2005). To ensure validity of the research instrument, the researcher used expert in tourism and research supervisors at the college of Higher Education at Kampala international University. The rated findings were used to calculate content validity index (CVI) using the formula:

$$CVI = K/N$$

Where K = Total number of items in the questionnaire declared valid by both experts in tourism and research supervisor.

N = Total number of items in the questionnaire

The computed CVI of the instrument was 0.8. This was considered valid because the minimum CVI recommended in the survey studies is 0.7 (Amin, 2005: 288). (see Appendix 3).

Data gathering procedures

Before the administration of the questionnaires

1. An introduction letter was obtained from the College of Higher Degrees and Research.
2. When approved, the researcher secured a list of the villages of Kasese district from UBOS for selecting the sample villages. Household lists were obtained from the LC1 chairperson for selecting the households to be interviewed.
3. The respondents received explanation about the study and were requested to sign an information consent form.
4. The researcher produced sufficient questionnaires for the research.
5. Lastly, the researcher selected research assistants were briefed and oriented in order to be consistent in administering the questionnaires.

During the administration of the questionnaires

1. The respondents were requested to provide answers to all questions put to them.
2. The research assistants carried out face to face interview and they came back with the questionnaires on the same day.
3. All returned questionnaires on recovery, were checked, verified to see if all were answered.

After the administration of the questionnaires

The data gathered was collected, encoded into the computer and statistically treated using STATA and SPSS.

Data analysis

The frequency counts, percentage distribution and tables were used to analyse the demographic characteristics of the respondents.

The mean was applied for the extent of international tourism and levels of local economic development.

The following mean range was used to arrive at the mean of the individual indicators and interpretation the levels of international tourism and local economic development:

| Mean Range | Interpretation |
|-------------------|-----------------------|
| 3.26-4.00 | High |
| 2.51-3.25 | Moderate |
| 1.76-2.50 | Low |
| 1.00-1.75 | Very Low |

STATA software was used for data editing and analysis, excel software was used for the graphic presentation, while word software was used for report writing.

A correlation coefficient to test the hypothesis on correlation was employed to give the relationship of international tourism and level of local economic development. The regression analysis R^2 (coefficient of determination) was computed to determine the influence of the independent variable on the dependent variable.

Ethical consideration

The researcher observed the following to ensure confidentiality of the information provided by the respondents:

Since the study used primary and secondary data and bearing in mind the law governing data collection in Uganda, all information obtained in this respect was strictly treated confidential and was exclusively used for research purposes only.

For primary data the name of the head of the household was not recorded anywhere on the questionnaire in to observe confidentiality. With the secondary data used in this study, permission was sought to use the existing data at UBOS (population estimate of Kasese and International tourism data).

Acknowledgement to the authors quoted in this study was made by citations and referencing.

Limitations of the study

One of the limitations of this study was the small number of observation due to lack of funds to consider a larger sample.

Extraneous variables which were beyond the researcher's control such as respondents' honesty due to the fact that some respondents feared or assumed the information might end up local government authority even after being assured otherwise; this was minimised by researcher and his assistants requesting the respondents to answer the questionnaires as objective if possible with the assurance of utmost confidentiality

The research instruments some times can have a problem however this was minimised by carrying out a reliability test in order to produce a credible measurement of the research variables.



CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

Demographic Characteristics of Respondents

In this study, respondents were described according to demographic characteristics as regards gender, age, marital status, level of education, source of income, housing type and ownership.

Gender of respondents (Household headship)

Table 2
Household head distribution by demographic characteristics

| Age group | Male (%) | Female (%) | Total |
|-------------------------------|-----------------|-------------------|--------------|
| Below 18 | 1.3 | 0.7 | 1.1 |
| 18-30 | 25.0 | 48.9 | 33.6 |
| 31-45 | 43.3 | 33.8 | 39.9 |
| 46-65 | 26.1 | 15.0 | 22.1 |
| over 65 | 4.3 | 1.7 | 3.3 |
| Total | 100 | 100 | 100 |
| Gender | 64 | 36 | 100 |
| Marital Status | | | |
| Currently Married/Cohabiting | 47.7 | 68.6 | 56.1 |
| Separated | 10.4 | 2.0 | 7.0 |
| Widow/Widower | 6.6 | 0.0 | 3.9 |
| Never Married | 35.3 | 29.4 | 32.9 |
| Total | 100 | 100 | 100 |
| Literacy | | | |
| Illiterate | 43.8 | 30.1 | 38.2 |
| Literate | 56.2 | 69.9 | 61.8 |
| Total | 100 | 100 | 100 |
| Educational Attainment | | | |
| No Formal Education | 24.7 | 35.0 | 29.8 |
| Primary | 43.8 | 47.5 | 45.7 |
| Secondary | 27.4 | 10.0 | 18.7 |
| Tertiary | 4.1 | 7.5 | 5.8 |
| Total | 100 | 100.0 | 100.0 |
| Type of housing unit | | | (%) |
| Independent house | | | 89.8 |
| Tenement (Muzigo) | | | 9.6 |
| Boys quarters | | | 0.6 |

| | |
|---|------------|
| Total | 100 |
| Ownership status of the housing unit (%) | |
| Owned | 87.4 |
| Rented (Normal) | 10.5 |
| Supplied free by employer | 1.0 |
| Rent paid by relative | 1.1 |
| Total | 100 |
| Tourism activities | % |
| Households involved | 56 |
| Households not involved | 44 |

Source: primary data, 2012

Table 2 above clearly reveals that 64% of households in Kasese are headed by males as compared to only 36% headed by female respondents. This is consistent with the fact in Uganda most of the households are dominated by males as per Uganda National Household Survey 2011. The table 2 above further reveals that majority of the male respondents were in age group of 31-45 years (43.3 percent) and while most of the female respondents were in the age group of 18-30 years (48.9 percent). The least number of respondents' for both males and females was noted to be for those below 18 years. This could be due to the fact that most households in Kasese are not always headed by children.

Marital status, literacy levels and educational attainment

The study showed that the majority of the respondents were married (56.1%) followed by those who never married which comprised of 32.9% and the least category were those who had separated. This is further illustrated in table 2 above.

In terms of the educational attainments of the respondents, table 2 above shows that 29.8% of respondents had no formal education; 45.7% of respondents attained some primary; 18.7% had attained secondary and 5.8% had tertiary. This is consistent with the

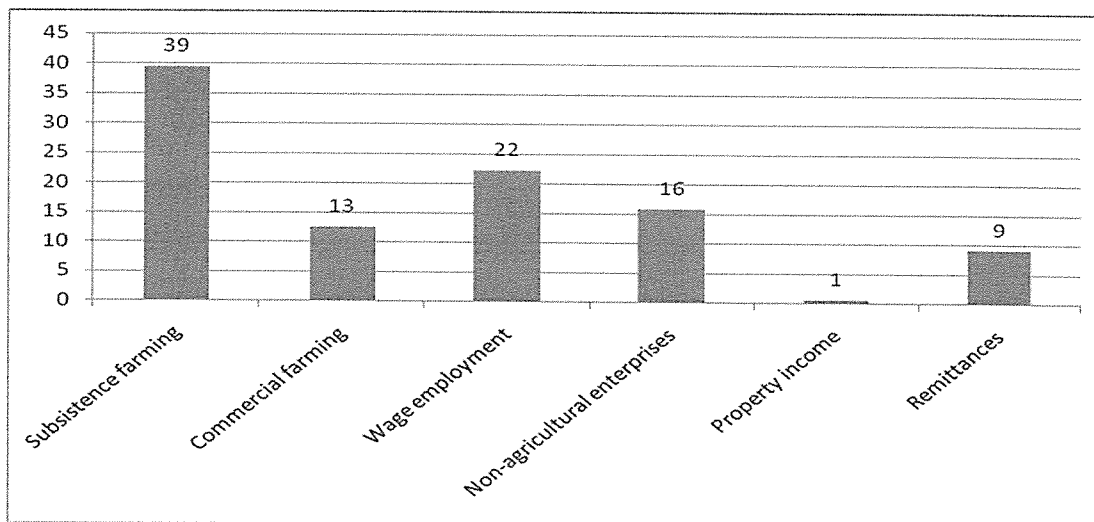
fact that most people in the rural setting drop out of school after primary school this can be evidenced in survey by UBOS (Uganda National Household Survey 2011). The table 2 further revealed that majority of the respondents were literate (61.8 %) as compared to 38.2 % who were illiterate.

Respondents' housing unit characteristics

The respondents' type of housing unit and ownership status were examined in order to determine the level of local economic development in Kasese district. The results from the table 2 above showed that majority of the respondents had independent houses (89.9%), while 87.4% indicated they had ownership of their housing.

Source of income

Figure 1: Household's main source of Income



Source: primary data, 2012

Figure 1 above reveals that majority of the respondents' source of income was subsistence farming (39%), followed by those in the wage employment with 22% and 1% of the respondents derived their income from the income from the property they own.

Extent of International Tourism in Kasese district

Table 3

Tourism infrastructure, services and facilities in Kasese

n=114

| Indicator | Mean | Interpretation | Rank |
|--|-------------|-----------------|------|
| <i>Tourism infrastructure and facilities</i> | | | |
| Opportunities for entertainment and social activities in district | 1.70 | Very low | 7.5 |
| Shopping options (sales network) | 1.65 | Very low | 9.5 |
| Range and availability of the accommodation | 1.61 | Very low | 12 |
| Transport infrastructure (roads, parking) | 1.60 | Very low | 14 |
| Availability of public transport | 1.60 | Very low | 14 |
| equipment for sport activities in the district | 1.60 | Very low | 14 |
| Range and availability of catering facilities | 1.50 | Very low | 17.5 |
| Subtotal | 1.61 | Very low | |
| <i>Tourism services</i> | | | |
| Care about cleanliness and tidiness (garbage, cleaning of streets, toilets etc.) | 1.84 | Low | 3 |
| Level of accommodation services | 1.72 | Very low | 5 |
| Level of staff in tourism services | 1.71 | Very low | 6 |
| Services for cyclists | 1.70 | Very low | 7.5 |
| Services for motorists | 1.54 | Very low | 16 |
| Level of public catering | 1.50 | Very low | 17.5 |
| Subtotal | 1.67 | Very low | |
| <i>Development of tourism</i> | | | |
| Providing information about the district (information center, web site) | 1.90 | Low | 1 |
| Care of visitors safety | 1.90 | Low | 1 |
| Care of environment | 1.76 | Low | 4 |
| Small retail shops (refreshment, souvenirs, stands) | 1.65 | Very low | 9.5 |
| Care of monuments and tourist attractions | 1.63 | Very low | 11 |
| Subtotal | 1.77 | Low | |
| Average mean | 1.68 | Very low | |

Source: Author, 2012

| Mean Range | Interpretation |
|-------------------|-----------------------|
| 3.26-4.00 | High |
| 2.51-3.25 | Moderate |
| 1.76-2.50 | Low |
| 1.00-1.75 | Very Low |

Range and availability of accommodation, catering, transport infrastructure, equipment for sport activities, public transport, shopping options and options for entertainment, were among the issues that were considered to be likely determinants of tourism economic development according to objective two. The research findings on all these indicators of tourism economic development gave as mean of 1.61 which was regarded as very low it indicated that there is a huge shortage of facilities that would attract the tourists and even those that are available, are not in an enviable condition. The mean values corresponding to tourism services outlined as level of accommodation, level of public catering, services to motorist and cyclists, staff and cleanliness these items indicated that services was also very low as according to the average mean of 1.67 from the table above. In the third construct of development of tourism average mean was registered as 1.77, which was considered low.

The lowest ranked indicators are levels of public catering and range and availability of catering facilities, both having a mean of 1.50, they are followed by services for motorists which had a mean of 1.54. Though all the indicators prove to be low or very low the best performing indicators included care of visitor safety and Provision of information about the district, both of which ranked first with a mean of 1.90. These two indicators were followed by Care about cleanliness and tidiness which had a mean of 1.84.

Level of Local Economic Development

This section gives the descriptive analysis of respondents' response to local economic development.

Table 4
Level of local economic development
n=114

| Indicator | Mean | Interpretation | Rank |
|--|-------------|-----------------|------|
| Tourism has given economic benefits to local people and small businesses. | 2.14 | Low | 1 |
| Tourism has created more jobs for your community. | 1.90 | Low | 2.5 |
| Our standard of living has increased considerably because of tourism. | 1.90 | Low | 2.5 |
| The costs of developing public tourist facilities are too much. | 1.87 | Low | 4 |
| Tourism has lead to more spending in your community. | 1.76 | Low | 5 |
| Local residents have suffered from living in a tourism destination area. | 1.68 | Very low | 6 |
| The prices of goods and services have increased because of tourism. | 1.65 | Very low | 7 |
| Tourism has attracted more investment to your community. | 1.63 | Very low | 8 |
| Tourism has encouraged a variety of cultural activities by the local residents. | 1.58 | Very low | 9 |
| Construction of hotels and other tourist facilities have destroyed the natural environment | 1.54 | Very low | 10 |
| Tourism has increased the crime rate. | 1.49 | Very low | 11 |
| High spending tourists have negatively affected our way of life. | 1.38 | Very low | 12 |
| Tourism has resulted in more cultural exchange between tourists and residents | 1.37 | Very low | 13 |
| Average mean | 1.68 | Very low | |

Source: Author, 2012

Mean Range

3.26-4.00

2.51-3.25

1.76-2.50

1.00-1.75

Interpretation

High

Moderate

Low

Very Low

Table 4 reveals that the level of local economic development is very low (mean=1.68), this hints that the very low level of international tourism (see table 3) might explain this phenomena. The highest ranking indicators in the level of local economic development are: Tourism has given economic benefits to local people and small businesses (Mean = 2.14), Tourism has created more jobs the community and standard of living has increased considerably because of tourism (both with mean of 1.90). On the other hand the lowest ranked indicators include: High spending tourists have negatively affected our way of life (Mean = 1.38), Tourism has increased the crime rate (Mean = 1.49) and Construction of hotels and other tourist facilities have destroyed the natural environment (Mean = 1.54).

Test the null hypothesis of no significant relationship between levels of international tourism and local economic development.

The null hypothesis tested for this research was: there is no significant relationship between levels of international tourism and local economic development. Table 5 reveals the results of the correlations.

Table 5
Relationship between level of international tourism and local economic development in selected villages in Kasese district

| Variables correlated | Computed r-value | P-value | Interpretation of correlation | Decision on Ho |
|---|------------------|---------|-------------------------------|----------------|
| Level of international tourism vs. Local economic development | 0.073 | 0.813 | No correlation | accepted |

p < .05=significant, r = 0.073 = no correlation
Source: primary data, 2012

Table 5 indicated that there is a no significant relationship between extent of international tourism and level of local economic development. No correlation implies that a rise in international tourism

doesn't increase local economic development in the area; this a further confirmed that any increase in local economic development might be due to other factors other than increase in international tourism.

Table 6
Regression analysis between dependent and independent variables

| Variables Regressed | Computed F-value | R² | t-value | Interpretation | Decision on Ho |
|--|-------------------------|----------------------|----------------|-----------------------|-----------------------|
| Level of local economic development vs. level of international tourism | 0.058 | 0.005 | 0.242 | Not significant | accepted |

p < .05 = significant effect, F = 0.058
Source: primary data, 2012

The table 6 above shows that there is no significant effect between the dependent and independent variables, which means that international tourism doesn't determine the level of local economic development. It means that 5 percent of the variations in levels of international tourism cannot explain adequately the level of local economic development.



CHAPTER FIVE

FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

Introduction

This chapter presents the summary of major findings, conclusions, recommendation and areas for further research.

Summary of major findings

The demographic characteristics of the respondents, extent of international tourism and levels of local economic development were used to determine the relationship between international tourism and local economic development in the study area.

Data was analyzed using STATA to give the descriptive statistics on the effects of international tourism to economic development in Kasese district. The findings showed that, overall the households were mainly headed by males.

The research findings on tourism economic development indicators indicated that there was a huge shortage of facilities that would attract the tourists and even those that are available, are not in a desirable condition. The mean values corresponding to these items indicated that available activities in relation to tourism in Kasese registered a mean of 1.77, which was considered low.

The findings further revealed that the levels of local economic development in Kasese were low, with a mean of 1.68, which was ranked as low. The regression results also affirmed the earlier results, showing that there was no significant correlation between tourism and local economic development.

The study when it came to the relationship between extent of international tourism and local economic development and with all the 13 parameters that were used to measure the impact of tourism indicated a negative trend, with majority of the respondents showing

dissatisfaction. This finding draws a sharp contrast with most of the existing literature which in most cases shows that tourism has a close link with local economic development.

Conclusions

The researcher in this section gives conclusion to the study finding in relation to the purposes of study. The overall purpose of this study was to explore how the international tourism affects local economic development in Kasese district.

The null hypothesis that stated that there was no significant relationship between international tourism and local economic development in Kasese district was accepted. The rise in the international tourists was not causing any significant impact on the local economic development in the area. The development in the area might be attributed to several other factors, such as industries put up in the area like cement industry, copper mine, cobalt and other industries might have contributed positively in the economic development in the area than international tourism.

As regards the strengths and weaknesses in international tourism and local economic development the study concluded that, overall tourism does not represent a clearly identifiable industry. Tourism's economic contribution can be sometimes not clearly recognized, since tourism is not a clearly identifiable industry. In other words, tourism is such a multi-facial activity, involving many other economic sectors that it could be very difficult to attribute the growth of a country to tourism defined as a "specific" and "unique" industry.

Whereas the resource valuation theory observes that for communities and public policy decision makers, economic valuation techniques offer insight into the value of a given ecosystem and the services it provides, be it provision of resources such as water or food for direct consumption, services such as watershed catchments

protection and climate regulation, or cultural values and tourism uses, the study respondents had indicated that there has not been any significant and considerable improvement in the standard of living, which could be attributed to tourism and the costs of developing public tourist facilities are not too much, even though there is nothing much in place.

Recommendations

Based on the findings of the study the following recommendations were made:

1. The government of Uganda through the national tourism board should invest more time and effort marketing and encouraging international tourism into Uganda and Kasese in particular. Thought the use of media channels such as the internet, international magazines and conferences.
2. In order to sustain or encourage the tourism to stay and even come back again and again, infrastructures should be improved, such as hotels, souvenir stalls, and more so catering facilities that can exhibit the rich diversity of Ugandan food and local delicacies. This can be done by offering tourism packages that include accommodation, transportation, feeding (on local meals) and other incentives that will make the international tourists feel the have taking advantage of a good deal. This will also help reduce the hustle and stress of trying to get these different services from different locations and arrangement by the tourists.
3. It is also wise to sensitize locals on how tourism can benefit the community financially, socially, etcetera through engaging local stakeholder by the government and the tourism board; this will help local form a positive perception about the effects of tourists and tourism in their community.

4. Increase in local security should also be initiated by both the government and the local leaders to ensure the safety of both locals and tourism belongings, enlisting community youth to act as guards can also stimulate employment from the presence of tourism and keep the youth from being idle.
5. There is need for construction of tourism facilities by government and private sector such as hotels should be done in a way that the natural heritage of the district and even the country will not be destroyed; it is therefore advisable that the government and all stakeholders engage in sustainable tourism and eco-friendly practice to attract both tourist interests, comfort and maintain the beauty of the natural environment.
6. The local government of Kasese should make sure that at the community level, there are benefits from collaborative action by hotels and resorts working with local authorities and communities and with the wider local industry. There should be strategies in place, to ensure that hotels and resorts maintain good relationships with their "neighborhood" and return a profit to the owners. Hotels and resorts are to a significant degree dependent upon the maintenance and development of the environment in which they operate by employing the locals in their businesses and buying of their agricultural products.
7. Efforts should be put to train community guides by government, organizing community groups to provide equipment that can be rented to tourists who may wish to take part in an activity in the area, home stay experiences and development of marketing materials.
8. There is need to improve the transport infrastructure in Kasese district. The local government of Kasese and Ministry of Tourism should ensure development of key maps, construction of good roads, improvement in the condition of airstrips and airfields and

introduction of cheaper scheduled flights to the national park areas so as to shorten the long driving distances.

9. All service providers in the tourism business should ensure there is adequate training of existing and new tour guides as well as hospitality staff. Efforts should be put in place to encourage the local media and NGO's to become partners in the tourism awareness process at all levels, promotion of the involvement of the private sector in the provision of training.
10. It is important that local governments in collaboration with the local communities have in place mechanisms of building on and compliment existing income strategies by promoting tourism
11. There is great need to increase the number of hotels in the district to accommodate the increasing number of tourists. Otherwise, the district stands to lose out on revenue generation from tourism, due to inadequate or poor accommodation facilities.
12. The different players in the catering industry in Kasese district need to be thoroughly trained in order to be equipped with the desirable skills, so as to attract and grow the numbers of tourists in the region.

Suggestion for Future Research

Despite all the effort made by the researcher in investigating matters about the topic, it was very hard for the researcher to make a conclusive decision. This therefore, brings areas requiring future further research by any one who might be interested in the topic. So a more comprehensive study that will cover both domestic and international tourism might be necessary to validate, invalidate or supplement the findings that have been generalized by the researcher.

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APPENDIX 1 A

TRANSMITTAL LETTER FROM SPGSR

**OFFICE OF THE DEPUTY VICE CHANCELLOR (DVC)
COLLEGE OF HIGHER DEGREES AND RESEARCH (SPGSR)**

Dear Sir/Madam,

**RE: INTRODUCTION LETTER TO CONDUCT RESEARCH IN
YOUR INSTITUTION**

Mr. Kawase George Wilson is a bonafide student of Kampala International University pursuing a Master degree in Business Management.

He is currently conducting a field research for his thesis entitled,

**International tourism on local economic development in
selected villages in Kasese district, Uganda.**

Your district has been identified as a valuable source of information pertaining to his research project. The purpose of this letter then is to request you to avail him with the pertinent information he may need.

Any data shared with him will be used for academic purposes only and shall be kept with utmost confidentiality.

Any assistance rendered to him will be highly appreciated.

Yours truly,

Novembrieta R. Sumil, Ph.D.

Deputy Vice Chancellor, SPGSR

APPENDIX 1B

TRANSMITTAL LETTER FOR THE RESPONDENTS

Dear Sir/ Madam,

Greetings!

I am a Master degree in Business management candidate of Kampala International University. Part of the requirements for the award is a thesis. My study is entitled, **International tourism on local economic development in selected villages in Kasese district, Uganda**. Within this context, may I request you to participate in this study by answering the questionnaires. Any data you will provide shall be for academic purposes only and no information of such kind shall be disclosed to others.

Thank you very much in advance.

Yours faithfully,

Mr. George Wilson Kawase

Appendix 2

Research Instrument

L O C A L R E S I D E N T Q U E S T I O N N A I R E

This survey is part of a research project conducted by Kawase George, a student of Master's degree (MBA) majoring in Tourism. The aim of the study is to find out about people's perception about International tourism and local economic development in Kasese district. We very much appreciate your participation in this research, and all responses will be treated confidentially.

Section I: General Information

1 What is your sex? Please circle 1 = Male 2 = Female

2 Please indicate your age group by circling the appropriate answer

- 1 Below 18
- 2 18 -30
- 3 31- 45
- 4 46 – 65
- 5 Over 65

3 What is marital status? Please circle the appropriate answer

- a) Currently married/cohabiting
- b) separated
- c) Widow/widower
- d) Never married

4 Can you read and write in any language? 1= Yes 2= No

5 What is you're your education attainment? Please circle the appropriate answer

- a) No formal education
- b) primary
- c) secondary
- f) tertiary

- 6 In what type of housing does this household live? Please circle the appropriate answer
- 1=Independent house
 - 2=Tenement (Muzigo)
 - 3=Independent flat/apartment
 - 4=Sharing house/flat/apartment
 - 5=Boys quarters
 - 6=Garage
 - 7= other
- 7 What is the ownership status of this housing? Please circle the appropriate answer
- 1= Owned
 - 2= Rented (Normal)
 - 3= Rented (subsidized)
 - 4= Supplied free by employer
 - 5= Supplied free or rent paid by relative or other person
 - 6= Other (specify)
- 8 What is the Household's main source of Income? Please circle the appropriate answer
- 1= Subsistence farming
 - 2= Commercial farming
 - 3= Wage employment
 - 4= Non-agricultural enterprises
 - 5= Property income
 - 6= Transfers (pension, allowances, social security benefits,)
 - 7= Remittances
 - 8= Organizational support (e.g. food aid, WFP, NGOs etc)
 - 9=Other (specify)
- 9 Do you or any member in your household involved in any tourist activities?
- Circle the appropriate code 1=Yes 2=No

Section III: Level of Local Economic Development

13 The following questions are related to tourism development impacts measurement on the scale from 1 to 4.

| | Strongly Disagree | Disagree | Agree | Strongly Agree |
|--|--------------------------|-----------------|--------------|-----------------------|
| 1. Tourism has created more jobs for your community. | 1 | 2 | 3 | 4 |
| 2 - Tourism has attracted more investment to your community. | 1 | 2 | 3 | 4 |
| 3- Tourism has lead to more spending in your community. | 1 | 2 | 3 | 4 |
| 4- Our standard of living has increased considerably because of tourism. | 1 | 2 | 3 | 4 |
| 5- The prices of goods and services have increased because of tourism. | 1 | 2 | 3 | 4 |
| 6- Tourism has given economic benefits to local people and small businesses. | 1 | 2 | 3 | 4 |
| 7- The costs of developing public tourist facilities are too much. | 1 | 2 | 3 | 4 |
| 8- Tourism has encouraged a variety of cultural activities by the local residents. | 1 | 2 | 3 | 4 |
| 9-Tourism has resulted in more cultural exchange between tourists and residents | 1 | 2 | 3 | 4 |
| 10- High spending tourists have negatively affected our way of life. | 1 | 2 | 3 | 4 |
| 11- Local residents have suffered from living in a tourism destination area. | 1 | 2 | 3 | 4 |
| 12- tourism has increased the crime rate | 1 | 2 | 3 | 4 |
| 13. Construction of hotels and other tourist facilities have destroyed the natural environment | 1 | 2 | 3 | 4 |

Appendix 3

Reliability Analysis (using Cronbach's alpha)

International Tourism

| Case Processing Summary | | |
|-------------------------|-----|-------|
| | N | % |
| Cases Valid | 114 | 95 |
| Excluded ^a | 6 | 5 |
| Total | 120 | 100.0 |

| Reliability Statistics | |
|------------------------|------------|
| Cronbach's Alpha | N of Items |
| .822 | 18 |

a. Listwise deletion based on all variables in the procedure.

Local Economic Development

| Case Processing Summary | | |
|-------------------------|-----|-------|
| | N | % |
| Cases Valid | 114 | 95 |
| Excluded ^a | 6 | 5 |
| Total | 120 | 100.0 |

| Reliability Statistics | |
|------------------------|------------|
| Cronbach's Alpha | N of Items |
| .884 | 13 |

a. Listwise deletion based on all variables in the procedure.

Both International Tourism and Local Economic Development

| Case Processing Summary | | |
|-------------------------|-----|-------|
| | N | % |
| Cases Valid | 114 | 95 |
| Excluded ^a | 6 | 5 |
| Total | 120 | 100.0 |

| Reliability Statistics | |
|------------------------|------------|
| Cronbach's Alpha | N of Items |
| .853 | 31 |

a. Listwise deletion based on all variables in the procedure.

Content Validity Index

$$CVI = K/N$$

$$= 40/49$$

$$= 0.8$$

Appendix 4

CURRICULUM VITAE

A. PERSONAL DATA

| | |
|-----------------------|--|
| Name | : KAWASE GEORGE WILSON |
| Place of Birth | : MAFUBIRA BUTEMBE JINJA |
| Date of Birth | : 27 th 09 1966 |
| Sex | : Male |
| Marital Status | : Married |
| Nationality | : Ugandan |
| Email | : kawasesekabira@yahoo.com |
| Contact | : +256 772443310 |

B. SUMMARY OF EDUCATION

| | |
|-------------|---|
| 2009 - 2011 | Kampala International University M.B.IA. Tourism (Candidate) |
| 1985– 1988 | Makerere University Bachelor of Science |
| 1983 – 1985 | Jinja College Uganda Advanced Certificate of Education |
| 1979 – 1982 | Jinja Senior Secondary School Uganda Certificate of Education |
| 1972 – 1978 | Uganda Army Primary School - Jinja Primary Leaving Examination |



G. LANGUAGE PROFICIENCY

| | | | |
|----------------|------------------------------|-----------------------------|-------------------------------|
| English | Speaking Excellent | Writing Very Good | Hearing Outstanding |
| Lusoga | | | |

Excellent Outstanding Excellent
 Good Average Outstanding

I. HOBBIES

- ❖ Making new developmental friends
- ❖ Adventuring
- ❖ Reading managerial/Administrative literature
- ❖ Listening to Gospel music
- ❖ Swimming

H. REFEREES

1. Mr. Dhizaala Moses
 Head of Department
 Uganda Planning Authority
 Mobile: 0772 404795.
2. Mrs. Helen Nviiri
 Principal Statistician
 Uganda Bureau of Statistics
 Kampala
 Mob: 0772492162
3. Ms Grace Aulo Mbabazi
 Commissioner
 Ministry of Tourism
 Farmers House
 Kampala



I. DECLARATIONS

I KAWASE GEORGE WILSON, do declare that the information given above is true and confirm to the best of my knowledge