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Public and Private Sector Participation and Tourism Development in Cross River State, Nigeria

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PUBLIC AND PRIVATE SECTOR PARTICIPATION AND TOURISM DEVELOPMENT IN CROSS RIVER STATE, NIGERIA

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Public and Private Sector Participation and Tourism Development in Cross River State, Nigeria

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I. INTRODUCTION

Nigeria is a vast country richly endowed with ecological and cultural resources. The country offers a wide variety of tourist attractions such as extended and many rivers, ocean beaches ideal for swimming and other water sports, unique and diverse wildlife, vast tracts of unspoiled nature ranging from tropical forest, magnificent waterfalls and climatic conditions in some parts particularly conducive for holiday. Other attractions include traditional ways of life, preserved in local customs, rich and varied handicrafts and other colourful products depicting nature arts and life style, and the authentic unsophisticated but friendly disposition of many of the Nigerian populace.

Cross River State in particular can boast of abundant resources, natural and human whose importance, culturally, politically and economically is underscored by its rich social history in the country. It is on the basis of the above that the study is out to present the tourism potential that abound in state. This includes the following: Obudu Ranch Resort, The Legendary Mary Slessor Abode at Akpap Okoyong, Tinapa Business and Leisure Resort, Agbokim Waterfalls, Kwafalls. Canopy Walkway System, Old Residency Museum among others.

Despite the enormous natural resources that abound in the state and the pragmatic effort by the public sector (government) to develop tourism, the desire goal has not been realized due to limited resources available to the state. The private sector can contribute to tourism development to complement government efforts. This is in recognition of the fact that

the efforts of both sectors can lead to rapid development of tourism industry in the state. Within the past few years the private sector is gradually making her presence felt in towards the realization of the tourism vision of the state. This may be attributed to the stakeholders meeting convened by the previous administration lobbying the private sector to join hands with the government to develop the tourism potentials of the state.

a) Objectives of the Study

The study is set to achieve the following objectives:

- To assess the role of public and private sectors in the development of tourism in Cross River State
- To determine the level of collaboration between public and private sectors in tourism development and
- To investigate the factors that impede tourism development in Cross River State.

II. LITERATURE REVIEW

Tourism has the potential to enhance lives in a sustainable framework through wealth creation, choice, innovation and competition. For tourism to achieve the aforementioned services, and also to become a key growth area of the state economy, there is need for substantial public and private sectors' collaboration. For this reason, governments of both developed and developing countries have taken the initiatives to develop the tourism industry. These initiatives according to Gamble (1989) involve laws to ease the transfer of money in and out of the country, providing lax, incentives for investors, restricting the rights of trade unions speeding up the processes of planning, land purchase and trying to ensure political stability. Similarly the private sector on its part has been providing money used in building hotels, amusement parks, telecommunication, transportation, recreational centers, and supporting infrastructural development. All these are aimed at increasing export and stimulating tourism industry. While stressing the importance of public - private sector partnership in tourist industry. Oladiji (2000) opined that when public (government) sector provides the needed platform or facilities, private sector now uses these facilities to provide services for tourists. This will enhance the economy of the nation through taxes derived

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from both the facilities and services provided. For instance in Thailand, the government spent a huge sum of money to tar the roads, stabilize the political situation and make the environment to be clean. Then the private sectors facilitated in building of hotels, amusement park, provision of provision of telecommunication etc. Falade (2001) also opined that for tourism industry to develop, both public and private sectors must develop a positive attitude towards the industry, otherwise the industry would not flourish.

In a related assertion, Abokom-Aba (1997) stated that the common way for tourism promotion and development decision to be made and funded is through public and private organizations, public and private participation in an organization whose members include government officials and private investors. He further stressed that tourism related public/private organization usually has membership composed of government officials, tourism business owners and managers. These partnerships are being used more and more to fund the promotion and development of tourism. With the partnership the public sector (government) provides infrastructures, make positive and development oriented laws. The private sector on its part provides fund for the infrastructure (often with the help of tax rebate incentives). Together, the two sectors can promote tourism through collaboration.

The growth of tourism in any giving society or state is predicated upon the effective functioning of both public and private sectors. Both sectors must play a complementary role if tourism is to become the key growth area of any nation. Wale (2000) lamented the slow state of tourism development in nations and attributes it to lack of participation and involvement of private sector. He further stressed that the role of private sector should be recognized and encouraged. This will enable key tourism products like adventure and eco-tourism. Cruise and boat tourism, country side, recreational, historical and cultural tourism to be tapped. Aremu (2001) had asserted that if private sector is allow to participate in tourism development, the financial standing and developmental strides of the public sector (government) will be increased and appreciated. Perhaps, it is this that prompted Nwakama (1989) to assert that, the private sector need to be encouraged to invest in the tourism industry not just in the hotel and travel agency business, but also in the establishment of amusement parks, family vacation resorts and outdoor games facilities.

III. RESEARCH METHODOLOGY

The population of this study comprises of all the staff of the Tourism Industry in Cross River State. The population is derived as shown in Table 1 from the following: eco-tourism (1840), hospitality Industry (4000), Cross River National Park (700). Cultural Tourism

(400) and Old Residency Museum (60) (Mofi News. 2001). In all. the entire population of staff in the tourism organization is 7000. Stratified random sampling procedure was adopted in other to effectively represent the different organizations or industries used for this study. From the population of seven thousand (7000), a total of one hundred and seventy five respondents representing 2.5% of the total population were drawn as the sample for the study using purposeful sampling technique. The research instruments used for data collection in the study were the questionnaire and interview. Section A of the questionnaire was designed to elicit data from respondents on the contributions of public and private sectors in the development of tourism industry in Cross River State. Section B contains 15 items on private sector involvement, while section C contains 17 items on public sector involvement. The items here were based on ranking from 1-10. The highest option being 10 and the lowest 1. Section D seeks to obtain data on the collaboration between public and private sectors in tourism development. This section of the questionnaire contains 16 items. And the respondents were expected to indicate who (private or public sector or both) should provide each of the facilities represented in the 16 items. Section H was designed to draw information on how conducive Cross River State environment is for investment in tourism by the private sector while Section F looks at factors militating against tourism development in Cross River State. The semi structured interview was conducted with ten (10) management staff of the of selected organizations used for the study.

IV. RESEARCH RESULTS

The results in Table 2 show the means and t-value on the contributions of the private sector in 15 areas of tourism development in the State. The results indicate that the mean ranged from 4.78 for establishing business resort up to 6.98 for developing road map guide for tourists, while the t-value ranged from 1.63 to 4.63. The mean score for 14 out of the 15 areas were found to be statistically significant ($P < .005$) suggesting that the private sector was perceived by the respondents as contributing in these areas of tourism development. The means score for private sector was not statistically significant ($P > 0.05$) in the area of business resort indicating that private sector was not contributing significantly in this area towards tourism development in the state. Judging from the mean score and t-value. the private sector contributes more in the development of road maps for tourist (mean = 6.98; $t = 4.63$); followed by building of hotels to accommodate tourists (mean = 6.94; $t = 4.34$), providing employment for citizens (mean 6.73; $t = 4.21$), provision of tourism libraries and information (mean: 6.61; $t = 4.09$) and providing communication centres (mean - 6.42; $t = 3.86$),

providing efficient means of transportation (mean = 6.27; $t = 3.03$), providing airlines (mean = 6.00; $t = 3.01$), building good roads (mean 5.98; $t = 2.98$), setting up of tour agencies and tour guides, (mean = 5.90; $t = 2.78$), providing adequate security (mean = 5.85; $t = 2.59$), providing adequate security (mean = 5.83; $t = 2.54$), building tourists sites (mean = 5.41; $t = 2.49$) and advertising youth and social activities (mean = 5.38; $t = 2.22$) in that order.

Table 1 : Population and sample of the study

S/N		Sector	Population	Sample size
1.	Hospitality industry (hotels) private sector	Private sector	4000	100
2.	Ecto-tourism (Obudu Ranch Resort)	Private sector	1840	46
3.	Cross River National Park	Public sector	700	17
4.	Cultural tourism (Cultural Centre)	Public sector	400	10
5.	Histo-tourism (Old Residency Museum)	Public sector	60	2
	Total		7000	175

Table 2 : Contributions of the private sector to tourism development

SNo.	Areas of Contributions	Estimated means	t-value	I. level
1.	Building and running of hotels	6.94	4.34	.000*
2.	Development of tourism sites	5.41	2.49	.030*
3.	Transportation	6.27	3.03	.000**
4.	Provision of adequate security	5.83	2.54	.028*
5.	Increased investment in the state	6.40	3.45	.000**
6.	Build good roads	5.98	2.98	.001**
7.	Airlines provided airlines	6.00	3.01	.000**
8.	Employment opportunities	6.73	4.21	.000**
9.	Tour agencies and guides	5.90	2.78	.001**
10.	Scholarship for tourism studies	5.85	2.59	.002*
11.	Business resorts	4.78	1.63	.096ns
12.	Advertisement of youth and social activities	5.38	2.22	.041ns
13.	Provision of libraries/tourism information	6.61	4.09	.000**
14.	Road map guide for tourists	6.98	4.63	.000**
15.	Communication centres	6.42	3.86	.000**

** $P < .001$ (significant at 0.001)

- $P < .005$ (significant at 0.005)
- ns $P > .005$ (not significant at 0.05)

Table 3 : Contribution of public sector to the development of tourism

S/No.	Areas of Contributions	Means	t-value	P. level
1.	Creating an enabling environment	6.07	3.48	.000**
2.	Provision of tour guards	5.79	3.21	.000**
3.	Providing road maps for tour guards	5.34	2.48	.030*
4.	Friendly policies	6.63	2.49	.000**
5.	Providing adequate security	4.91	1.42	1.104ns
6.	Building of tourism sites	5.20	1.82	.089ns
7.	Building of good roads	4.75	1.31	1.43ns
8.	Providing clean and potable water	3.87	0.98	.93ns
9.	Providing electricity	3.90	1.23	1.136ns
10.	Providing a clean environment	5.23	1.921	.62ns

11.	Providing conducive environment	5.23	3.01	.000**
12.	Carrying out awareness campaign for people to be friendly	5.19	1.49	.91ns
13.	Removal of toll-gate on roads	5.09	1.36	.12ns
14.	Building of hotels	3.87	1.09	.146ns
15.	Reduced taxes, rates/levies	4.71	1.17	.712ns
16.	Cultural and social development	6.31	4.13	.000**
17.	Establishing airlines	4.58	1.15	200ns

**P<.0(0)1 (significant at 0.01)

* P<05 (significant at 0.05) ns

P>.05 (not significant at 0.05)

Table 3 shows that the means and t-value on areas of contribution to tourism development by the public sector ranged from 3.87 for provision of clean and portable water to 6.63 for formulating environmentally friendly policies to promote tourism; while the t-value ranged from 6.63 to 3.87. The mean for 10 out of 17 areas were statistically significant ($P<.05$) indicating that the public sector was perceived by respondents in these 10 areas is contributing tourism guard. From the mean scores, the public sector -1 contributes more in formulating environmentally friendly policies to promote tourism (mean = 6.63; $t = 4.29$), than in any other area, followed by promotion of social and cultural development (mean = 6.31; $t = 4.13$) and creating enabling of environment (mean 6.07; $t=3.48$). Others are providing tour guards tourist (mean = 5.79; $t = 3.21$), providing road maps to-guards tourists (mean = 5.34; $t = 2.48$), providing clean environment (mean = 5.23; $t= 1.921$), building of tourism site (mean = 5.20; $t = 1.82$), carrying out awareness campaigns (mean = 5.19; $t = 1.49$) and removal of toll gates on roads (mean = 5.09; 1.36).

The results that the private sector has contributed in all areas listed but one to the development of tourism equally confirm the findings of Heeley (1986) who reported that more than 10 percent of the 2.2m workers in leisure industry in the U.S. are from the private sector. Equally Boo (1989) state that in Thailand, the private sector has contributed significantly to tourism development through the establishment of holiday homes, airlines operation transportation and general accommodation e.g. camping grounds, bed and break fast, and establishment of motels. Similarly, finding shows that the public sector has made major contributions in tourism development in Cross River State. Of the 17 areas measured, results shows that the public sector has contributed significantly in 10 of the area. The interview results equally confirm this position. One of the interviewees had this to say: "The public sector has played a regulatory role in the development of tourism in the State, For instance, the public sector has licensed a number of tourism outfits in the State."

a) Collaboration between the public and private sector

Findings show the perception of respondents on areas of collaboration between the public and private

sectors. The results show that most of the respondents 112 out of 175 are of the opinion that the public sector should get involved in building and expansion of airports while a higher percentage of the respondents 56% routed for the private sector in the operating of airlines. The results agree with Lee (1999) who revealed that the Tunisian government built the Tabarka airport in order to encourage tourism by attracting more tourists. Studies by Tarbush (1985) and Young (2003) also showed that in Seychelles the building of airport was seen as a save way of promoting tourism hence airports were built by government using public funds. This may be due to the huge financial implications of buildings airports and the security implications.

The results also show that respondents are of the opinion that government need to build good roads as well as work towards the promotion of cultural activities.

Generally, the result shows that most of the respondents are of the opinion that both the public and private sectors need to collaborate for the development of tourism. 10 of the 16 items responded to show that collaboration is needed to develop tourism. A look at the top areas listed for collaboration (good transport) system, training and retraining of hospitality industry, staff, provision of infrastructures/facilities, creating of employment opportunities etc) are areas of high monetary demand/investment that one sector alone will find it difficult to provide the needed services.

Wale (2000) lamented that the slow pace of tourism development is due to the slow pace of collaboration between the public and private sectors. He emphasized that both sectors must play complimentary roles if tourism is to become one of the key factors of the economic growth of any nation. The survey results in the ten areas of collaboration between the public and private sectors are in conformity with Aremu (2001) who concluded that if the public and the private sectors work together, the financial standing and developmental strides of the public sector will be boosted by that of the private sector.

Interestingly, no area out of the 16 areas respondent was seen as an exclusive preserve of the private sector. This may be due to the small or significant presence of private investors and industries in the state.

Cross River State has been known over the years as a civil service state. Respondents may have been influenced by the former state of Cross River when they were responding to the questions. That the state had no viable factories and industries could have also influenced the direction of thought of respondents who may be obvious of the importance of the private sector in economic development of any nation.

However, the general result on table 3 shows that there is need for collaborative efforts if Cross River State is to develop her full tourism potentials. Perhaps it is in recognition of the importance of collaboration that Cross River State government is canvassing for a public - private sector driven tourism. This is collaborated by the interview result. One of the respondents interviewed summarized the collaborative effects of the public private sector as: yes, there are so many areas which the public and the private sector have been collaborating to promote tourism in Cross River State. In 2005, Moboho (a ward used by the Efiks to mean a gathering of the coining together of people) was held at the state library in collaboration with other tour operators, travel agent, airport operators, airlines, eatery Journalist and other government officials. According to the tourism official, the aim of this conference was to enable the private sector have a credible knowledge of tourism attraction in Cross River State. Another Mboho was held in 2006 at the cultural centre to market tourism potential. Tinappa business resort is another area which the two sectors (public and private sectors) have collaborated to establish.

b) Conducive nature of Cross River State for public-private investment

Table 3 shows the friendly nature of Cross River environment to enhance a public private tourism development. The result shows that Cross River environment is generally friendly. The state is acclaimed as the cleanest in Nigeria. The result of the study equally supports this position. Result equally shows that there is a good security network in the state. This is in line with the general perception of people about the state of security in Cross River State. Many people who have had course to relocate to the state from other neighbouring States of the Niger Delta attest to this. It is a fact that events of kidnapping, assassinations, arm robbery, ethnic fighting, pipelines vandalisation, religious fighting occurring daily in other Niger Delta States as well as other parts of Nigeria are hardly experienced in Cross River State. Interestingly, the study shows that there is high occurrence of intertribal wars in the state. The result may be due to the increasing cases of intertribal wars in the slate, a phenomenon that was hardly heard of before the current political dispensation in the country. Cross Riverians are not given to violence hence little skirmishes happening in rural communities are perceived as capable of threatening the

peaceful nature of the state. Clean and portable water was also seen as one factor that is threatening the conducive environment of Cross River State with 81.7% saying that there is no clean water. This however opposed to the Cross. River Water Board Bulletin (2005) report that the State through the World Bank assisted water programme enjoys a good supply of water. Tourists need clean and portable water for bathing, drinking and washing. The direction of the result may be due to the fact that the state currently has only succeeded in providing clean and portable water in the state capital and few surrounding local government areas, while other local governments are still groping with the problem of clean and portable water. However, it is hope that the current efforts by the state in conjunction with the World Bank assisted water project.

The public sector was not perceived to play statistically significant roles in the following areas: provision of adequate security (mean = 4.91; t = 1.42), building of good roads (mean 4.75; t = 1.31), reduction in taxes and levies (mean = 4.71; t = 1.17), establishment of airlines (mean = 4.58; t = 1.15); provision of electricity (mean = 3.90; t = 1.23); provision of clean and portable water (mean = 3.87; t = 1.097), and building of hotels to accommodate tourists (mean 3.87; t=1.09).

V. DISCUSSION OF RESULTS

a) Contributions of the public and private sectors to tourism development

The finding of this study show that the private sector has done much in the area of development of road maps to guide tourists, building and running of hotels, generating employment for citizens, provision of tourism workers and information among others. These findings arc in conformity with previous works of Nwakana (1980), Smith (1979) and WTO report (1967). These studies shows that the private sector has over time invested in hotels and tour agency business, and financial support to the public sector for the development of tourism. For instance, Smith (1979) stated that the United Nation's and World Tourism Organization have consistently encouraged the growth of tourism in developing countries through financial assistance and technical advise respectively. Equally, the World Bank is said to be one major source of financial support to developing countries for tourism development (Smith, 1979), while Boo (1989) reported the efforts of World Wildlife Fund (WWF) in supporting tourism development. Richtcr (1985) also stated that in United States, 99% of U.S. Travel businesses are established by the private sector will soon solve the problem in all local Majority of the respondents (68%) also said the state lacks a tax friendly environment that will promote tourism. Tourism strives better in slates with friendly tax laws. Young 2003 reported that to promote tourism in Karnataka, the government had to

offer 4% tax concession for three years on advocating fuel to encourage domestic aviation industries to operate flight to tourist destinations. Also Gamble (1989) traced the development of the tourism industry in Egypt to tax incentives for investors among others.

VI. CONCLUSION AND RECOMMENDATIONS

Both the public and private sectors have contributed immensely in the development of tourism in cross river state. While the private sector contributed in the area of road map development to guide tourists, building and running hotels, generating employment for citizens, the public sector on its part has contributed in all areas such as expansion of airports, establishment of Airlines, building of good roads, provision of good public transport system, training of tour guards, establishment of traveling agencies, promotion of cultural activities, provision of employment opportunities, and provision of infrastructures.

For tourism industry to be fully developed, both sectors must as a necessity collaborate to harness the enormous natural resources embedded in the state. The areas requiring collaboration mostly include transport system, training and re-training of hospitality workers, provision of infrastructures of facilities, creating of employment opportunities. The findings also reveal that, both sectors must play a complementary role if tourism is to become one of the key factors of the economic growth of state and indeed any nation.

- i. In the light of the findings of the study, the following recommendations are made: The public sector should resuscitate most of these tourist sites such as zoo, parks and other entertaining site attraction, to keep the tourism tempo high: and also to be attracting tourists to the state.
- ii. The public sector should collaborate with the private sector by undertaking the funding and management of the state tourism industry.
- iii. The public sector should provide accessibility to the tourism site by building good roads.
- iv. The public sector should partner with the private sector to hold conferences, talk shows on tourism either monthly, quarterly or yearly educate people towards tourism development.

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