ABSTRACT

Tourism has been acknowledged by number of scholars and world bodies (Hill, Nel, Trotter; Hyfte 8; Alfredo 4; Sillignakis, Gopal, Varma and Gopinathan; UNWTO 1; UNO 16; World Bank 2) as a tool of economic development of a nation. However, critics argue that less developed regions are incapable of getting full advantage of tourism as the developed regions dominate the tourism business (Weaver 305; Walpole and Goodwin 560; Brohman 48; Lacher and Nepal, Leakages to linkages 78). Some scholars also argued that the economy of the peripheral areas adjoining to tourism destination is controlled by nearby economically developed regions (Lacher and Nepal, Dependency and development 948; Walpole and Goodwin 560). This leads to siphoning off of tourism revenue generated at the peripheral economy to the developed areas (Walpole and Goodwin 560; Sandbrook 125; Mhaiwa 158).

It is argued by a number of scholars that nature tourism and eco-tourism have the capacity to combat poverty of the people living in the fringe villages of the protected areas and national parks (Balmford, Green, Naidoo, Walpole and Manica 1; Zurc.). These forms of tourism are believed to have low leakage compared to other tourism forms (Sandbrook 132; Lee 590). Consequently, it decreases the dependency of the local people on forest resources for livelihood. This is an important justification of the development of nature-tourism or eco-tourism around the national parks (Walpole and Goodwin 560; Goodwin 340). People living in the fringe and adjoining areas of national parks and protected areas depend on forest resources and jeopardizes the ecological balance of the area. In such a situation, tourism may be a beneficial option available to the population for livelihood (Walpole and Goodwin 560; Goodwin 340). Nature tourism based on protected areas and national parks offers means of generating direct revenues to the local community leading to conservation (Walpole and Goodwin 560; Goodwin 340; Lindberg et al. 546; Walpole, Karanja, Sitati and Williams 5).

However, the ideology of nature tourism based on national parks remains relatively untested in practice. A few studies have examined local benefits as part of a wider assessment of impacts (Lindberg et al. 554; Kim and Kim 50). Little detailed empirical work has been carried out in local level economy regarding local distributional
effects of tourism revenue in relation to nature based tourism. Lacher and Nepal (Dependency and development 959; From leakages to linkages 89) estimated leakage in some rural tourism destinations of Northern Thailand in two different studies. Walpole and Goodwin (569), and Sandbrook (130) also empirically showed how the tourism based on national park impact the surrounding villages of the national park. The present study has undertaken two national parks, both are world heritage sites (nature), Kaziranga National Park and Manas National Park as the study area. Whereas in Kaziranga National Park, the most popular tourism destination of Assam, tourism is matured and is the centre for mass tourism, in Manas National Park, tourism was introduced recently and tourism is still at the nascent stage. Thus, by doing empirical work simultaneously in two national parks of Assam, the present study has tried to find out how Tourism Revenue, Leaked Revenue, and Leakage Rate are different from one destination to another. Besides, on the basis of endowment of resources (both human and natural) in the respective National Parks, some destination level strategies are developed so that local community can get engaged in the tourism activity and are successful in retaining revenue within the destination economy.

Assam, one of the North-Eastern States of India, has very high potentiality of developing nature based tourism (Devi 183). It represents an important part of the Indo-Myanmar bio-diversity hotspot, which is included among the eight biodiversity hotspots (Dey and Sarma 342). Assam is endowed with exotic flora and fauna, five national parks out of which two are nature based world heritage sites, seventeen wildlife and bird sanctuaries, and two biosphere reserve (out of fifteen in India). Observing the high potentiality of nature based tourism, the Government has given priorities to promote tourism based on nature (Tourism Policy of Assam 4). The State Government spends millions of rupees for the development of tourism in Kaziranga National Park and Manas National Park (Department of tourism, Government of Assam), so that the local people living in the adjoining areas get benefits from tourism. But no studies have been undertaken whether such promotion of tourism helped the local residents or not.

To fill up this research gap, this study was proposed with an aim to find out degree of leakage in the destinations, to identify the causes of leakage and to propose local level strategies to check leakage, if necessary.
The study has been undertaken with the following objectives:

1. To identify the different categories of tourism businesses where revenue leakage occurs in Kaziranga National Park and Manas National Park.
2. To quantify the approximate amount of revenue leakages from the above mentioned destinations.
3. To identify the causes of revenue leakage in the study areas.
4. To develop local level strategies to mitigate revenue leakage.

The methodology of the study was divided into six phases. In the first phase, the functional definition of Tourism Revenue (TR), Leaked Revenue (LR) and Leakage Rate were stated. The functional definition of TR and LR were adopted from the works of Sandbrook (128-129). He defined TR as the money which was spent by the tourists in the destination economy, either directly or indirectly through their tour operators. This excludes money paid by tourists to outside destination economy to the tour operator or tour agents and includes money which is spent in the study area. LR was defined as all tourism revenue which did not accrue to a local person either as payment for using goods and services or as profits to a locally owned business. The Leakage Rate was defined as $(LR/TR)\times 100$.

In the second phase, tourists' survey was undertaken. The main purpose of the tourists' survey was to classify the tourists' expenditure under different heads. As an outcome, the tourism business houses have been identified. All businesses present in the study area are not tourism related. Only those business houses of the study area were termed as tourism business where the tourists spend for satisfying their needs. From the survey of the tourists, their spending were classified as spending on lodging, food, jeep safari, elephant safari, boating, on tour guides, in souvenir items, in stationery items, and in smoking and liquor. This helped to identify the tourism businesses operational during the study period.

In the third phase, tourism business survey was undertaken. A census survey was undertaken to estimate the tourism revenue and leaked revenue of each tourism business (Sandbrook 127; Dependency and development 959; Lacher and Lacher, From leakages to linkages 87-88). TR of the study area was estimated by summing up tourism revenue
of all tourism businesses operational during the study period. LR of the study area was estimated by summing up leaked revenue of each tourism business.

In the fourth phase of the study, stakeholders' analysis was done for identifying the areas where the local people can get involved. The next step was formulation of strategies for minimizing tourism leakage. Suggestions by stakeholders and literature review were synthesized to formulate the strategies. In the final stage of the study, formulated strategies were tested by Expert Opinion survey for testing their practicability. The main strategies are discussed below in brief:

**Major findings of the study are as follows:**

- At KNP there were nine categories of tourism businesses viz. tour camps, restaurants, souvenir shop, wine shop, retail outlets, jeep safari, elephant safari, boating and tour guide. Except tour guiding business, all other categories of tourism businesses experienced leakage.
  
  At MNP, there were three categories of tourism businesses viz. tour camps, jeep safari and elephant safari. All these three categories experienced leakage.

- The tourism revenue, leaked revenue and retained revenue at KNP were INR 211094380.00, INR 162844066.00 and INR 48250314.00 respectively and the leakage rate was 77.14%.
  
  The tourism revenue, leaked revenue and retained revenue at MNP were INR 10439690.00, INR 4964405.00 and INR 5475285.00 and the leakage rate was 47.55%.

  This amount is significant as compared to 90% estimated by Walpole and Goodwin (568), 15% to 61%, and 15% to 48% by Lacher and Nepal (Dependency and development 959, From leakages to linkages 89) and 78.5%, and 75% by Sandbrook (Local economic impact 24, Putting leakages in its place 124).

- Lack of capital and local ownership, lack of local employment, lower salaries to local employees, and lack of ability to link local resources to tourism were identified as the causes of leakage at KNP. Likewise, lack of capital and local ownership, lack of local employment, and lack of ability to link local resources to tourism were identified as major causes of leakage at MNP.
• Stakeholders suggested different areas of tourism related activities where the local people can get involved. On the basis of the stakeholders' suggestions and literature review, some strategies were developed those are compatible to the local situation and their practicability was tested through taking Experts' Opinion Survey.

• Stakeholders suggested different areas of tourism where local people can join tourism related activities. After the process of strategy formulation and practicability study, some local level strategies for Kaziranga National Park and Manas National Park were developed separately so that local people can participate in tourism related activities. Such strategies for Kaziranga National Park are starting home stay accommodation, positioning of local foods and beverages, positioning of local culture and tradition, promotion of local handicraft and handloom items as souvenir items, selling of local fruits and vegetables, starting of bullock cart safari, staffing from local sources in tourism businesses, and initiation of public private partnership business activity. The local level strategies developed for Manas National Park were starting of rural tourism, starting of accommodation run by local NGOs, starting of bicycle service, promotion of souvenir, promotion of local fruits and vegetables, starting of boating service, starting of guiding service, and initiation of Private-community partnership business activity.

The study attempted at developing local level strategies for the two national parks separately. Convergence of all the aspects attempted in the study is the contribution to the existing body of the knowledge.

The results of the study will be beneficial to policy makers. The present study is undertaken in the local level economy of two national parks separately. In strategy formulation, different areas where the local people can be engaged are identified on the basis of the availability of resources in the local level economy. Therefore, the strategies developed which are compatible to the local situation will be very helpful in policy making in the local level economy of KNP and MNP.