Chapter 8

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This chapter presents the findings of the study. This study adopted the sustainable development protocols to investigate how ecotourism affects the economy, environment and people in the hilly areas of Chikmagalur, and to what extent do the local populations understand the implication and influence of ecotourism on their daily lives.

The main purpose of the study is to ensure that ecotourism in the hilly areas of Chikmagalur:

• Be compatible with effective conservation and operate within the areas natural capacity, for the regeneration and future productivity of natural resources;

• Minimize the ecological footprint of tourism;

• Give proper consideration to local cultures and local people in host areas, and ensure that these people have an equitable share in the economic benefits of tourism.

The following are the general conclusions drawn from the study on 'Sustainable development and ecotourism in hilly areas of Chikmagalur District.'

• There is a great potential in the hilly areas of Chikmagalur to achieve sustainable tourism through benefit-sharing. The area has a good number of attractions worth visiting and a natural ecosystem very rich in environmental services that can sustain tourism. The existence of potential buyers of environmental services (hoteliers and a good number of visitors) from the reserve (water and forest attractions) as well as their willingness to share benefits makes sustainable tourism even more possible. The existing policies and laws governing the zone
and the surrounding community’s commitment to sustainable tourism make its realization feasible.

- The study has found greater willingness for benefit-sharing from all concerned parties – hoteliers, visitors and surrounding communities. But their commitment to contribute to sustainable tourism is constrained by the inexistence of a benefit-sharing mechanism that allows them to enjoy the benefits to be generated in the sector. Efforts to share some benefits, such as health services, water supply, education support services and infrastructure development, have been made by investors (hoteliers) while they await the establishment of a benefit-sharing mechanism.

- Though potential benefits of sustainable tourism in Chikmagalur are real, associated social and environmental costs constitute one part of the equation. Therefore, proper planning is fundamental if these negative (costs) aspects of sustainable tourism are to be effectively mitigated. The aim is to significantly increase the benefits side of the equation and minimize the costs. This can only be achieved by creating positive effects/impacts on sustainable tourism stakeholders and the surrounding communities. The study showed that there are enormous opportunities for sustainable tourism related businesses and the local communities could engage in to foster sustainable development.

- In addition, the potential economic benefits from ecotourism can play a greater role in ensuring sustainable resource management in the hilly areas. If the benefits are equitably shared, a joint management team can get substantial funds
to run the day-to-day activities of the area and thereby enhance the conservation of the hilly areas of Chikmagalur.

- An important factor in ecotourism development is the amount of revenue that remains within local economies. For example, economic benefits derived from ecotourism can contribute to residents having positive attitudes toward local natural areas and serve as economic incentives for natural resource conservation. Alternatively, if local residents bear the costs of tourism without receiving any benefits, they may be unsupportive of not only tourism but also the conservation of natural areas on which tourism is based. Sustainable tourism development must meet the needs of the host population in terms of improved living.

- More studies on environmental and social benefits and costs in the hilly areas of Chikmagalur are needed to produce a complete analysis of the sustainable tourism situation. Since sustainable tourism development depends highly on shared costs and benefits amongst the stakeholders, a complete package of relevant information is crucial for effective planning. The stakeholders and the communities should be educated to understand that tourism development is a double-faced endeavour. On one hand, it can provide more job opportunities and revenue to help sustain a community’s economy (WTO 1999: 361) and on the other, it may accelerate negative changes in the cultural and natural environment. Therefore, effective planning of sustainable development should be done so as to prevent and/or mitigate the negative effects while at the same time maximizing the positive impacts.
Another key activity is to carry out regular monitoring and evaluation of the state of affairs with respect to sustainability. Specifically, regular monitoring of all the indicators is required by both local authorities and ecotourism entrepreneurs to understand the trend and thereby be prepared for any adverse economic impact. If ecotourism is not properly developed without adequate planning, it can lead to unsustainable growth in the region and ecotourism may not offer enough environmental protection. All these can be avoided only through appropriate measures i.e., by monitoring the impacts of ecotourism. Monitoring helps to measure the progress towards achieving the ecotourism objectives and to identify the problems or negative impacts that need to be addressed before they become too difficult to solve.

The economic impacts of ecotourism, or any economic activity in the tourism areas, can be grouped into three categories: direct, indirect, and induced. Direct impacts are those arising from the initial tourism spending, such as spending for the accommodation, the accommodation service provider buys goods and services (inputs) from other businesses, thereby generating indirect impacts. In addition, the employees like the room service and maintenance staff in the accommodation locations spend part of their earnings to buy various goods and services, thereby generating induced impacts. These three impacts constitute the local economy and thus ecotourism fuels the local economy in the tourism areas.

Some of the direct impacts of ecotourism activities in the study areas are analyzed from the survey using SPSS. The main effects noted in the analysis of these indicators are:
1. The ecotourism activities at Chikmagalur have created satisfactory job opportunities (50 tourist establishments have created a total of 223 jobs) for the local communities. Though the number of jobs created may be proportionately low, these few jobs can make a big difference in remote areas and in sparsely populated areas.

2. Ecotourism has significantly contributed for the goods’ and services’ price increase in this region, thereby increasing the per capita increase in the cost of goods and services. Higher profit margins can thus be seen in indirect impacts and induced impacts.

3. Majority of the tourism establishments (48 out of 50) are owned by local entrepreneurs, thereby boosting direct, indirect as well as induced local economy.

4. Creation of local employment is one of the major benefits. More than 80% of jobs have gone to local people, thus helping the local community in solving their unemployment problems and also fueling the local economy immensely.

5. The ecotourism industry in Chikmagalur has resulted in the creation of many resorts, hotels, restaurants, home stays, cafeterias etc., of which a significant percentage is locally owned. Thus, the hospitality industry is booming due to ecotourism. The location of these entities is in the pristine natural environment, which further depends on the local resources for its sustenance. Thus, this interdependence ensures stable local economy.
6. Most of the businesses and high profile jobs created are taken by the local population. Though the analysis did point out about 35% of the respondents claiming that the jobs are taken by people outside the local community, these jobs are labour intensive ones and thus are generally not high paying ones.

7. Creation of "home stays" with the tourism department, Government of Karnataka, supporting the venture, has provided a solid backing for home-based initiatives, which does not require a lot of efforts and time for the local population, and can be quite easily managed by the women folks in the houses.

The above stated economic impacts are surely positive, which have the risk of harming the environment or culture. A common mistake during the good and positive economic impacts is to work towards increasing the economic benefits. The traditional approach to increase the economic benefits is to attract more tourists. However, more tourists would impact the carrying capacity of the environment and impact on the socio-cultural aspects. Nevertheless, these negative impacts can potentially reduce the economic benefits since the study area can lose its intrinsic value, which is embedded in its pristine environment and its vibrant culture.

The alternate ways to increase the economic benefits can be listed as below:

1. Increasing the spending time per tourist by creating more activities and facilities to stay for more days and spend more.

2. To invest in quality service and increased human activities in line with the enhancement of the environment and the local cultural values.

3. To encourage local participation in the ecotourism industry.