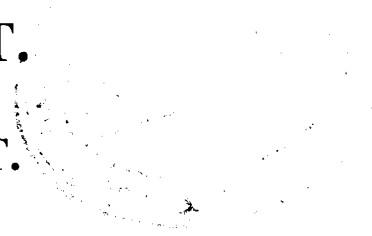


RP 21/03

**GEOGRAPHY DEPARTMENT.  
NYIRONGO BRIAN. 95213147.  
GEO 474 PROJECT FINAL REPORT.**



**THE EFFECT OF PRIVATISATION ON TOURISM IN  
LIVINGSTONE: 1987-1997.**

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Supervisor: Mrs Nchito .....

## Dedication.

This report is dedicated to my parents who showed faith in me even in times When I was wrong. For the faith and love they gave me in time of want and plenty.

Further I would like to dedicate this work to all my brothers and sisters.

Lastly and not the least to my girlfriend, Tapa, who has inspired me to work hard.

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## Acknowledgements.

I would like to thank Mrs Musaba, who was my supervisor, while I worked on the proposal for this project, and the early part of the report. Secondly I thank Mrs Nchito my current supervisor, who has given a lot of support and help in the completion of this report.

At The Ministry of Tourism, I thank Mrs Wake and Mrs Chiluwe who assisted me with a lot of data.

I would like to thank Lusuntha Ngulube (thanks for the laptop), without whose assistance, I would have gone through a lot of difficult. Lastly I would like to thank Mr Sichone, for the help he rendered.

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## ABSTRACT

Privatization is the letting go of state owned business enterprise to the private sector. The private sector, is the portion of business not under direct control of the government. It is made of sole businesses, corporations, and non-governmental organizations.

In Zambia privatization was effected in 1991, when the Movement for Multi-party Democracy (MMD), came into power.

Tourism is the business of providing accommodation and services for people visiting a place. A privatized tourism industry is that in which the government is restricted to the roles of providing infrastructure and regulations so that the industry can be developed by the private sector.

The aim of the research is to determine the status of tourism in before and after privatization in Livingstone. To achieve this numbers of tourists visiting Livingstone, will be looked at. The government role in a privatized tourism industry will also be looked at as well as how these roles are being carried out in Livingstone.

In obtaining this data both primary and secondary methods of data collection will be used. For sampling simple random sampling will be used

The results show that tourism is slowly improving in Livingstone. It also

shows that the government role in a privatized tourism industry is that of a regulator and provider of infrastructure. However these roles are not adequately being played by the government, although lately, some effort is being made through the repairing of infrastructure, and improving of water supply.

The report shows that the status of tourism in Livingstone before privatization was that of a second stage of tourism development, while after privatization it is in transition between the second and third stages of tourism development.

GRAND HOTEL DEPARTMENT  
LIVINGSTONE

DRAFT  
Preliminary Comments  
Abstract

## CONTENTS.

1.0. Introduction.	1.
1.1. Privatization.	1.
1.2. Tourism.	2.
1.3. Privatized Tourism	2.
1.4. Rationale.	3.
1.5. Objectives	3.
1.5.1. Specific Objectives.	3.
2.0. Study Area	4.
2.1. History and Development of Livingstone.	4.
2.1.1 Livingstone's Industrial Base.	7.
2.1.2. History and Development of Tourism in Livingstone.	8.
2.2. The Tourist Attractions.	10.
2.2.1. The Victoria Falls.	10.
2.2.2. Livingstone's Other Attractions.	10.
3.0. Literature Review.	10.
3.1. Views on Tourism.	11.
3.2. World Tourism.	12.
3.3. Zambian Tourism.	13.
3.3.1 Zambia's Tourism Policy.	14.
4.0. Methodology.	15.
4.1. Primary Data Collection.	15.
4.1.1. Sample Size and Sampling method.	16.
4.2. Secondary Data Collection.	17.
4.3. Difficulties Encountered in Data Collection.	18.
4.3.1. Primary Data.	18.
4.3.2. Secondary Data.	19.
5.0. Research Results.	20.
5.1. Primary Data Results.	20.

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5.2.	Secondary Data Results.	24.
6.0.	Discussion.	27.
6.1.	Conclusion.	29.
6.1.1	Government Input.	29.
6.1.2	Tourism Trends in Livingstone.	30.
6.2.	Recommendations.	31.
	Bibliography.	35.
	Questionnaire for Government Agencies .	37.
	Questionnaire for Tourism Entities.	38.

## MAPS.

Location of Livingstone.	5.
Livingstone: Tourism.	6.

## TABLES.

1. Tourism Based Establishments in Livingstone.	16.
2. A Regional Comparison of Tourist Arrivals.	25.
3. Tourist Arrivals to Zambia and Livingstone.	25.
4. Revenue generated by Tourism in Livingstone.	26.

## GRAPHS (Figures).

1. Reasons for Entering the Tourism Industry.	21.
2. Reasons for Preference of a Private Run Tourism.	23.
3. Opinions of Government Input in Tourism in Livingstone.	24.
4. A Comparison of tourist Arrivals Between Livingstone and Victoria Falls Town.	26.

## 1.0. Introduction.

In 1991 the Movement for Multi party Democracy (MMD), came into power at the expense of the National Independence party (UNIP).

In view of the ailing economy the MMD, under the Structural adjustment program (SAP), introduced economical liberalisation.

This was to affect all industry including tourism.

### 1.1. Privatisation

Privatisation is the process of letting go, or returning to private ownership a company or concern previously by the state. The private sector is a section of the economy not subjected to direct control of the government. The constituents of the private sector are companies, businesses, sole proprietors and non-profit seeking bodies.

A privatised economy is termed, free market or free enterprise economy. This entails that factors of production are owned by the private sector organised in business firms. The employees of the private sector, sell their labour at the best prices obtainable. The price of services and tangible goods is determined by the laws of supply and demand. The government can however, influence prices through taxation.

## 1.2. Tourism.

Tourism is the business of providing accommodation and services for people visiting a place. It can further be defined as the relationships arising out of the journeys and temporary stays of people, travelling for leisure or recreation purposes (Pearce 1989). Mathieson and Wall (1996), define tourism as the temporary movement of people to destinations outside their places of residence and the activities undertaken during their stay in those destinations and facilities created to cater for their needs. The travel component is conditional in that it should involve a minimum of one night stay from the place of residence. The leisure component is distinguished from other kinds of leisure such as going to the cinema by the travel component.

## 1.3 Privatised tourism.

A privatised tourism industry is that in which the government only plays the role of a regulator and provider of necessary infrastructure. This would include roads, airports, telecommunication facilities, security, and medical facilities. The private sector would then concern itself with provision of services such as accommodation, food and tour operations.

In Zambia privatisation was effected in 1992 <sup>at the</sup> when the Movement for

Multiparty Democracy (MMD) came to power. Privatisation was meant to cover all industries including tourism. The main aim of this move was to resuscitate the nation's ailing economy.

→ *Statement of the Problem.*

#### 1.4 Rationale.

Tourism employs 200 million people worldwide. This makes up 11% of the entire world workforce. In an area where there is high unemployment, it is imperative that the status of all the industries is known so that appropriate measures and decisions can be made. The research will also serve as a basis for the evaluation of the effects of privatisation on tourism in the country as a whole. Such information may be valuable to tourism based businesses in terms of planning.

#### 1.5 Objectives

The main aim of the research is to determine the status of tourism before and after privatisation in Livingstone.

##### 1.5.1 Specific Objectives.

To find out the trends, in terms of numbers of tourists visiting Livingstone before and after privatisation (1988-1997).

To find out the different roles the government plays in a privatised

tourism industry and a non-privatised one.

To find out how the Zambian government has been able to play these different roles in Livingstone.

To find out if tourism has at all improved after privatisation in Livingstone.

## 2.0 Study Area.

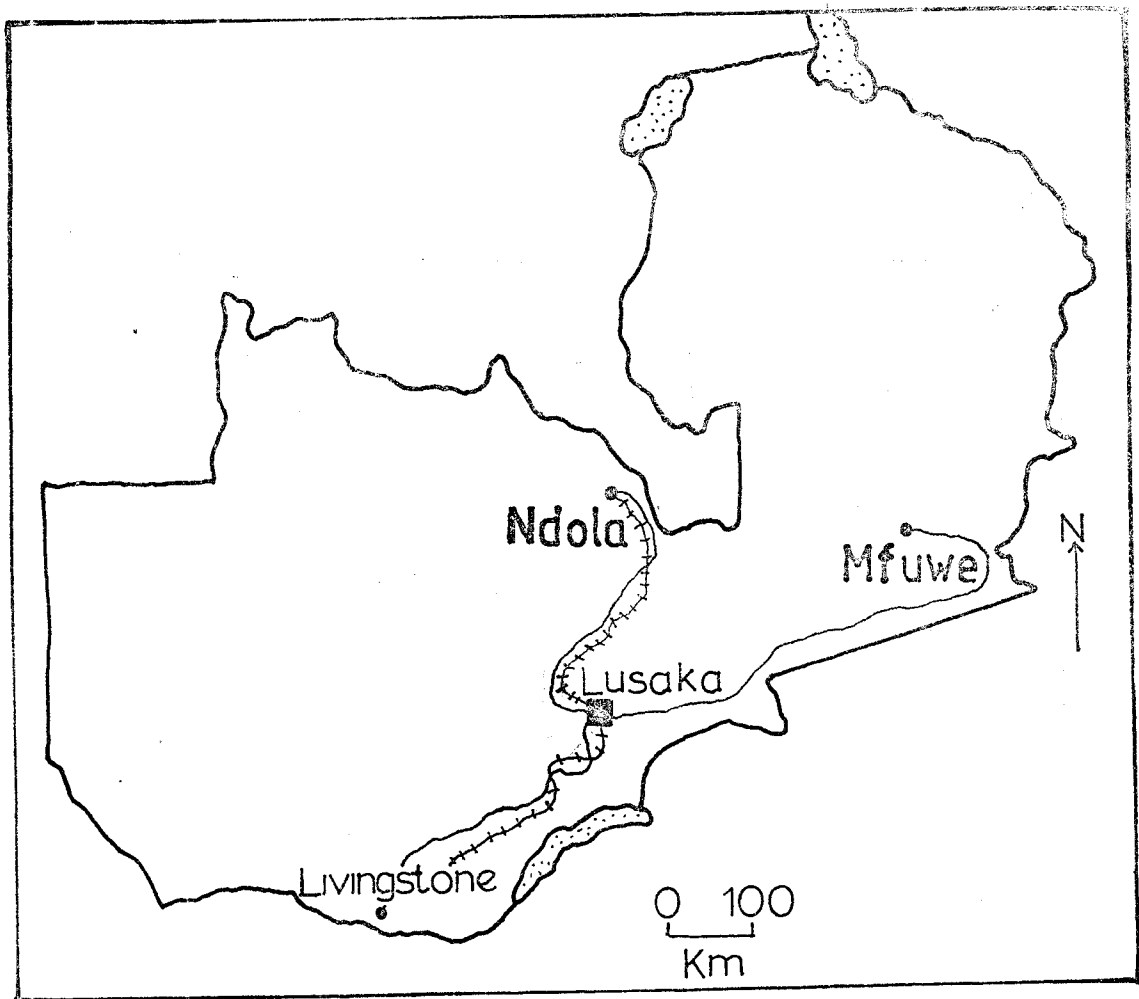
Livingstone is the provincial headquarters of southern province. It is the country's most southerly town at latitudes 17 degrees and 18 degrees south, and longitudes 25 degrees and 26 degrees east. Altitude of the town is at 900m-1000m above sea level. Annual rainfall ranges from 600mm-800mm with minimum temperature at 14.9 degrees Celsius, and mean maximum temperature of 29.6. soil is mainly sandy. The department of agriculture pegs the population at 130,000.

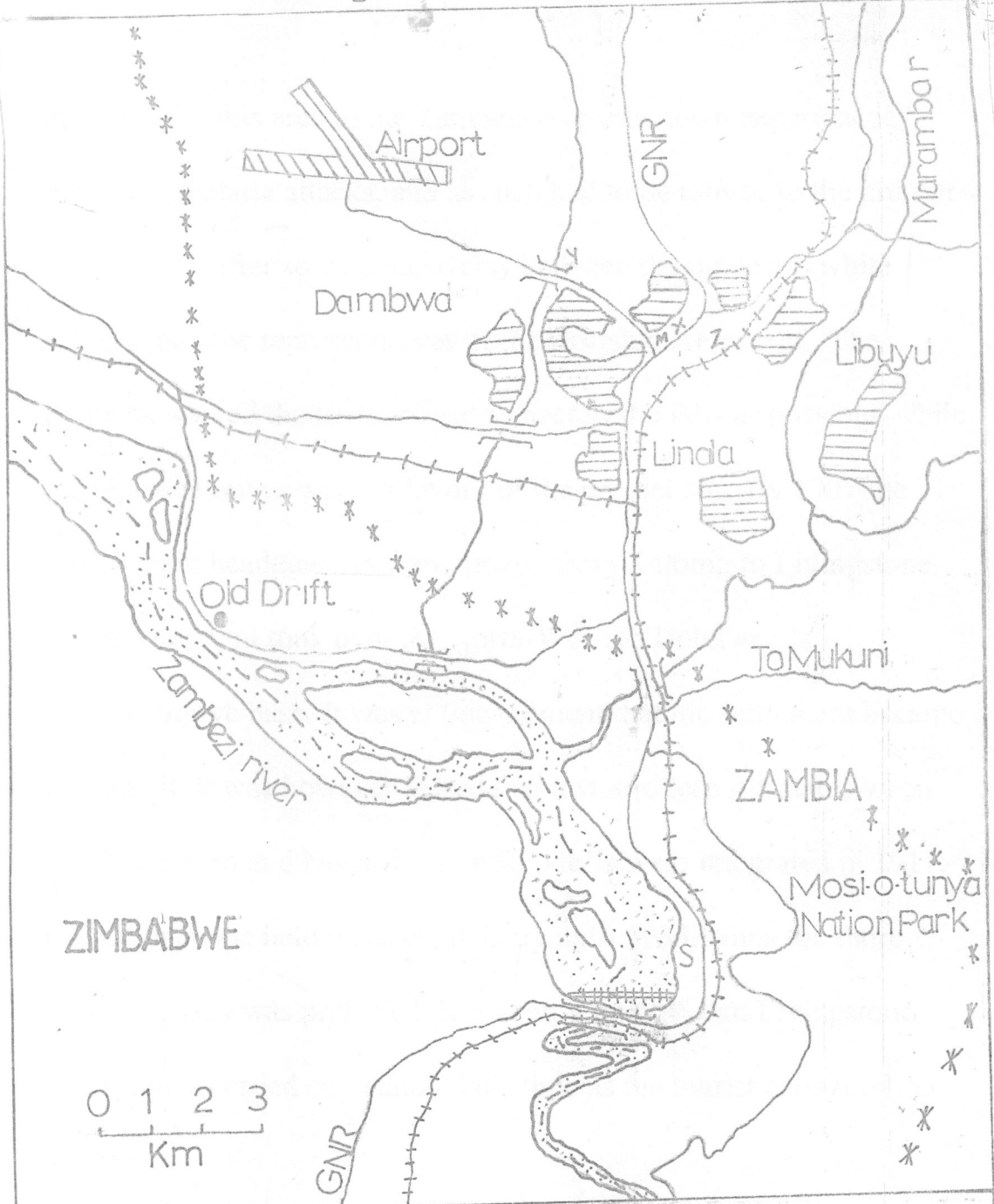
Unemployment is currently running at 70% according to the Department of Social Welfare of Southern Province. This is said to be worsened by the continued immigration of people from other southern province towns.

## 2.1 History and Development of Livingstone.

Livingstone was originally situated at Old Drift. However due to the

# Location of Livingstone





Key

1:50000

	Settlement		Museum
	New Fairmount Hotel		Park Boundary
	Wasawange Lodge		Victoria Falls
	North Western Hotel		Sun Hotel
	Great North Road		

Adapted from a 1:50,000 Map of Livingstone

proximity of this area to the Zambezi river, the town experienced excessive malaria attacks, and as such had to be moved to the present site in 1905, after some controversy between the pioneers (white settlers) and the representatives of the British government. The pioneers wanted the town moved as near to the falls as possible while the representatives were in favour of the present site. By 1907 the government headquarters were moved from Kalomo to Livingstone. The government took over the North-Western Hotel as its Administrative base. It was at this moment that the settlement became the capital. It was however feared that it would lose its status when North-Western and North-Eastern Rhodesia were integrated in 1911. But Livingstone held on as capital city until 1935, when the more central Lusaka was preferred. It was only in 1996 that Livingstone was again accorded city status. This time as the tourist capital of the nation.

#### 2.1.1 Livingstone 's Industrial Base.

Livingstone has a very low industrial activity. This can be evidenced by the high unemployment rate. Of all the 44 factories in Livingstone, only 4 are currently operating. These are Continental Textiles, Finta Danish Dairies, Pittsburgh Engineering and Zambian Textiles. Other industries are mainly service and food processing industries, such as

bakeries and retail shops. Government departments, hotels, motels, lodges, guesthouses and inns make up the rest of the employers.

Of all the industries in Livingstone tourism holds the most potential for the future. This potential lies in the many tourist attractions found in this area.

Generally there has been a change in the industrial activity of Livingstone with the manufacturing side dwindling, while the service industry seems to be picking up. Factories like The Livingstone Motor Assemblers have disappeared, while the service industry has seen the building of The New Fairmount Hotel in the 1980s, and The Sun Hotels in 2001.

### 2.1.2 History and Development of Tourism in Livingstone.

A form of primitive tourism can be said to have been going on in Livingstone even before Doctor Livingstone saw the Mosi-oa-tunya falls. Note that the tourism is termed primitive because it is unlikely that this tourism meets the definition of tourism given earlier in this report. For one it could not have met the necessary minimum requirement of 24 hours stay from place of residence. That tourism was going on before the Doctor visited the falls could be proved by the fact that he only visited it after hearing about it from the Makololo,

who called it 'Mosi-oa-tunya', meaning the 'smoke that thunders', or its other names of 'Songwe' or 'Chongwe', meaning the 'rainbow' or 'place of the rainbow'. An article in a recent publication of the Times of Zambia, quoted Zimbabwean authorities as having had wanted to correct records officially, to show that locals and not the Doctor discovered the falls.

However the Doctor's visit to the falls which he named after the then Queen of England, Queen Victoria, played an important role in popularising the falls. The falls was instrumental to the development of the settlement of Livingstone and tourism in the area. For instance the location of the rail bridge was influenced by the falls in that Cecil Rhodes insisted that the spray from the falls should be able to reach the train as it crossed the bridge.

The increasing number of visitors to the falls opened up new opportunities for the people to exploit. This included one settler, F.J. 'Mopani' Clarke, who opened the first hotel at Old Drift, and later The North-Western Hotel in Livingstone.

The development of tourism in Livingstone has continued and can now be evidenced by the investment from Sun International which has built a complex of two hotels on the site on which once stood the Mosi-o-tunya Intercontinental Hotel.

## 2.2 The Tourist Attractions.

### 2.2.1 The Victoria Falls.

This is probably Zambia's greatest tourist attraction. It is right on the border with Zimbabwe, and 10 kilometres from the centre of Livingstone. The falls, which has the honour of being one of the seven wonders of the world was given its name by the Scottish Missionary, Doctor David Livingstone. Its local name remains 'Mosi-o-Tunya' which translates into; "the smoke that thunders". The Victoria Falls is the only falls in the world where viewers can get to walk on the curtain, as it dries up during the dry season. In the rain season and soon after its end not even the bravest of thrill seekers can dare go within metres of this spectacle as it thunders spraying showers over a radius metres wide. Its roar can be heard kilometres away.

### 2.2.2 Livingstone's Other Attractions.

These include The Mosi-o-Tunya Zoological National Park, The Livingstone Museum and the river Zambezi.

The Livingstone Museum is the oldest museum in Zambia. It boasts of artefacts from all over the country, the most famous of which are the clothes and doctor's bag of Doctor David Livingstone. The Zambezi River is also an attraction in its own right, and draws thousands of

priority area will be marketing to increase the share in existing markets and penetrating of new markets. This will be achieved by supporting efforts aimed at researching needs of tourists in targeted markets.

The national parks and wildlife policy which had been around since 1993, was updated in 1997. under this the mandate to manage wildlife was shifted from National Parks and Wildlife Services (NPWS), to Zambia Wildlife Authority (ZAWA). This paved the way for the management of wildlife to change from a government department to a semi autonomous statutory board. The ZAWA bill was approved by the cabinet in 1997. it states that ZAWA is to regulate all nature tourism activities in national parks and strictly regulate those in Game Management Areas (GMA). ZAWA effectively took over the implementation of the NPWS Act number 10 of 1991, which governs wildlife conservation in Zambia.

#### 4.0 Methodology .

##### 4.1 Primary Data Collection .

Data was collected in both primary and secondary forms. The primary form was collected through the use of questionnaires while the

secondary one was collected from the Zambia National Tourist Board (ZNTB), Zambia Privatisation Agency (ZPA), and various tourist establishments, which were selected from the sample.

#### 4.1.1 Sample Size and Sampling Method.

The sample size was 19. This might seem small, but considering that the population <sup>of tourist accommodation establishments</sup> was 30, it is clear that the sample was adequate, as in terms of percentages it is 63.3%. The population, which was made up of tourist accommodation facilities in Livingstone, was obtained from the ZNTB, which has a list of all registered establishments (accommodation), in the country. In coming up with a sample the simple random sampling method was used, whereby the 30 members of the sample were numbered from 1 through 30. These numbers were then put in a hat, and a draw was made to come up with a sample of 19. Note that each number, and therefore member of the sample appeared only once.

Table 1. Tourism Based Establishments in Livingstone (The Population).

1.	New Fairmount Hotel.
2.	Chanter's Guesthouse.
3.	Chinduka Camp.
4.	Fawltly Towers.
5.	Gwembe Safaris.

6.	Jolly Boys.
7.	Jungle Junction.
8.	Kubu Cabins.
9.	Likute Guesthouse.
10.	Maramba River Lodge.
11.	Moloke Lodge.
12.	Nyala Lodge.
13.	Raft Extreme.
14.	River Club Lodge.
15.	Safari Par Excellence.
16.	Senenga & Mambo Way Guesthouse.
17.	Sinac Lodge.
18.	Songwe Point Village.
19.	Taita Falcon Lodge.
20.	Thompson's Guesthouse
21.	Thorn Tree.
22.	Tonga-Bezi Lodge.
23.	Triangle Lodge.
24.	Tunya Lodge.
25.	Wamel's Lodge.
26.	Wasawange Lodge.
27.	Zambezi Motel.
28.	Zambezi River Motel.
29.	Zambezi Royal Chundu.
30.	Zambezi Waterfront.

#### 4.2 Secondary Data Collection.

The secondary data collected was obtained by looking at annual records from the Ministry of Tourism and the ZNTB. These records make up the ZNTB annual digest. The digest had such data as the totals of people visiting the nation as well as their purpose of

visiting.

The total bed occupancy for the whole nation was also indicated. This was however on a provincial level. The digest also indicated the levels of investment into the tourism industry and the number of jobs created in the whole country.

Other forms of secondary data were obtained from the ZPA. This data was obtained from publications by the ZPA called 'Privatisation News' and 'The Status Report,' which states when each formerly government owned entity was sold and to whom it was sold. It further indicates the amount paid for the entity, and the number of employees at the time of sale as well as that of the employees retained by the new owner.

'The Annual Economic Report,' a publication by the Ministry of Finance, provide data, in the form of revenue obtained from tourism and the investment pledged for the coming year.

#### 4.3 Difficulties Encountered in Data Collection.

##### 4.3.1. Primary Data.

The major difficult in the collection of primary data was the slowness with which the respondents answered the questionnaires.

At times it was necessary to visit the same place several times, only

to be told ,the responsible individual was in a meeting or out of office. This was mostly in the lodges, and as they are at considerable distances from each other, the data collection proved to be not only physically strenuous, but financially as well. For government departments it was a really a question of who could answer the questionnaire, as each individual kept parrying it to the next, who conveniently happened to be either in a meeting or better yet away on a trip. When it came to the actual answering of the questionnaires, the respondents, especially at the government departments, would skip some of the questions, saying they were not in their jurisdiction.

#### 4.3.2. Secondary Data.

In the collection of secondary data missing statistics proved to be quite a nuisance. For instance some copies of 'The ZNTB Digest,' which is published yearly, and kept at the Ministry of Tourism, were missing at the time of data collection. The Ministry of Tourism also failed to produce statistics on the number of people employed in the tourism industry. A visit to the Department of Labour and social Welfare proved just as futile.

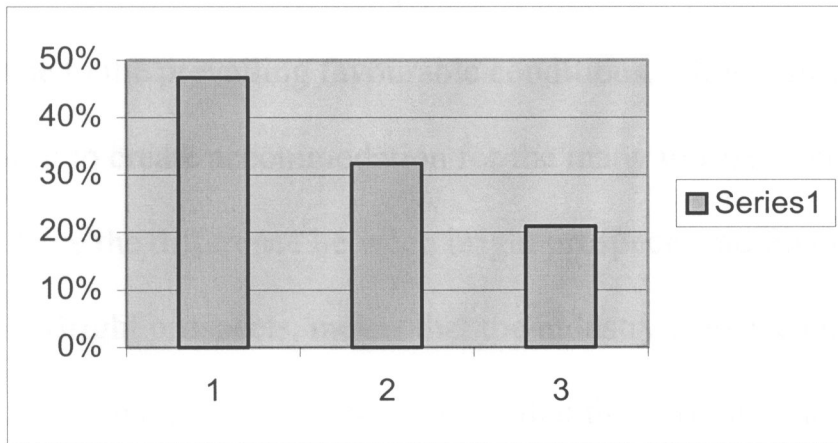
## 5.0 RESEARCH RESULTS.

All in all two sets of data were collected. These being, primary and Secondary data. The primary was collected through the use of questionnaires which turned into interviews when need arose. The secondary data was collected from published material from the relevant quarters such as the ZNTB, ZPA and the Ministry of Tourism. Other relevant data were collected from newspaper articles.

### 5.1. Primary Data Results.

In the collection of primary data, a total of 19 accommodation establishments were chosen out of a list of 30. To these questionnaires were issued. The questionnaires were designed to draw such information as the reason for entering this particular industry by the respondent. This kind of data was vital in gauging current and future prospects of the tourism industry. It was important to ensure that the respondent understood the meaning of privatisation, and hence this was provided for in the questionnaire, and all the respondents showed an understanding of this.

Figure 1.A Graph Showing Reasons for Entering the Tourism Industry in Livingstone.



Key:

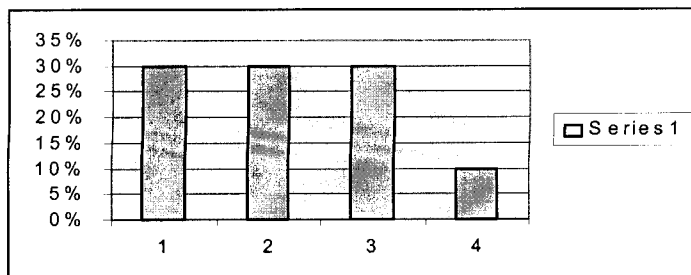
1. Bright Prospects.
2. Favourable Conditions.
3. Creation of Accommodation.

As can be seen from the graph 47% of the respondents entered the tourism business due to bright prospects. 32% ventured into the industry due to the prevailing favourable conditions, while a further 21% are in it to create accommodation for the many tourists who visit this area. Note the difference between bright prospects and favourable conditions. Bright prospects, means that the industry is expected to pick up, while favourable conditions mean that the current conditions are more than conducive.

Investigations into the preference between a private and a government run tourism showed that all the respondents preferred a private run one. ✓

Reasons for this varied from competent management, encouraging development, provision of better services and non governmental restrictions.

Figure 2. A Graph Showing Reasons for preference of a private run tourism industry.



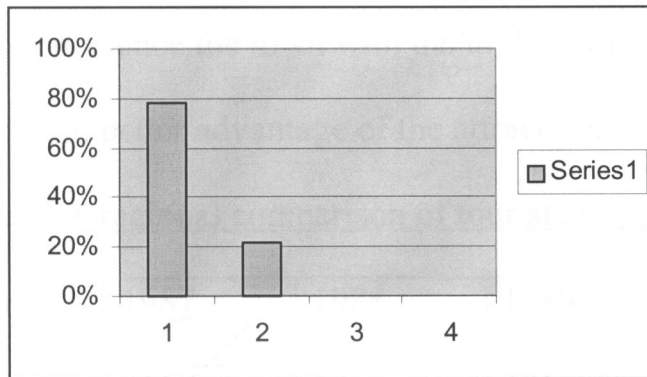
Key:

1. Competent Management.
2. Encouragement of Development.
3. Lack of Government Restrictions.
4. Provision of Better Services.

The graph shows a three way tie among competent management no government restrictions and encourages development while better services, takes a lonely third.

A private run tourism doesn't mean that the government plays no part at all. It really is a change of roles from that of a player to that of a regulator, as well as provider of common property such as roads and other communication facilities. Hence the government input into Livingstone's tourism industry was also investigated.

Figure 3. Opinions of government input in tourism in Livingstone



Key:

1. Poor.
2. Inadequate.

The chart shows that 78% of the respondents felt that government input was poor while 22% felt it inadequate. Non of the respondents felt government input to be adequate.

### 5.2 Secondary Data Results.

The research required a substantial amount of secondary data. Since the research involved the period between 1987 and 1997, statistics for Livingstone and the nation as a whole were obtained. Levels of investment in to the tourism industry were also obtained though only at national level.

A regional comparison was made to see Zambia's share of the tourism

market. On a closer comparison was that of the arrivals between Livingstone and Victoria Falls Town. <sup>in Zimbabwe?</sup> This comparison was made on the basis that the two towns share the Victoria Falls as the main tourist attraction. Hence the town with the highest figures could be seen to have taken better advantage of the attraction.

Table 2. A regional comparison of tourist arrivals. (000)

Country/ year	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>
<u>Botswana</u>	432	384	691	844	412
<u>Kenya</u>	662	677	714	695	822
<u>Tanzania</u>	131	130	138	153	187
<u>Zambia</u>	121	108	113	141	171
<u>Zimbabwe</u>	488	498	504	636	664
<u>Average</u>	367	358	432	494	451

Source: ZNTB annual reports 1991&1992

The table shows that Zambia's share is well below the regional average, and is the least visited in the region. Figures for the years 1992-97 were not available.

Table 3. Tourist arrivals to Zambia and Livingstone. (000)

<u>year</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
<u>Zambia</u>	<u>121</u>	<u>108</u>	<u>113</u>	<u>141</u>	<u>171</u>	<u>154</u>	<u>149</u>	<u>173</u>	<u>339</u>	<u>311</u>	<u>438</u>
<u>Livingstone</u>	<u>89</u>	<u>70</u>	<u>80</u>	<u>106</u>	<u>122</u>	<u>109</u>	<u>107</u>	<u>128</u>	<u>245</u>	<u>218</u>	<u>303</u>

Source: ZNTB 1997,1995, 1994.

Zambia Country Profile\_1988-89, 1989-1990, 1990-91, 1991-92.

The table shows that the numbers of tourists for both Zambia and Livingstone is increasing. <sup>small increase?</sup> The increment can be seen to be 362% for Zambia, and 340% for Livingstone, over the period 1987-97.

Table 4. Revenue generated by tourism in Livingstone and Zambia.

(United States \$)

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Zambia	6	5	5	6.5	17	44	48.2	48.2	46.7	59.8	75.5
Livingstone	4.2	3.5	3.4	4.5	12.1	30.4	33.3	31.8	33.2	39.7	49.1

Source: ZNTB 1997, 1995, 1994.

Zambia Country Profile: 1988-89, 1989-90, 1990-91, and 1991-92

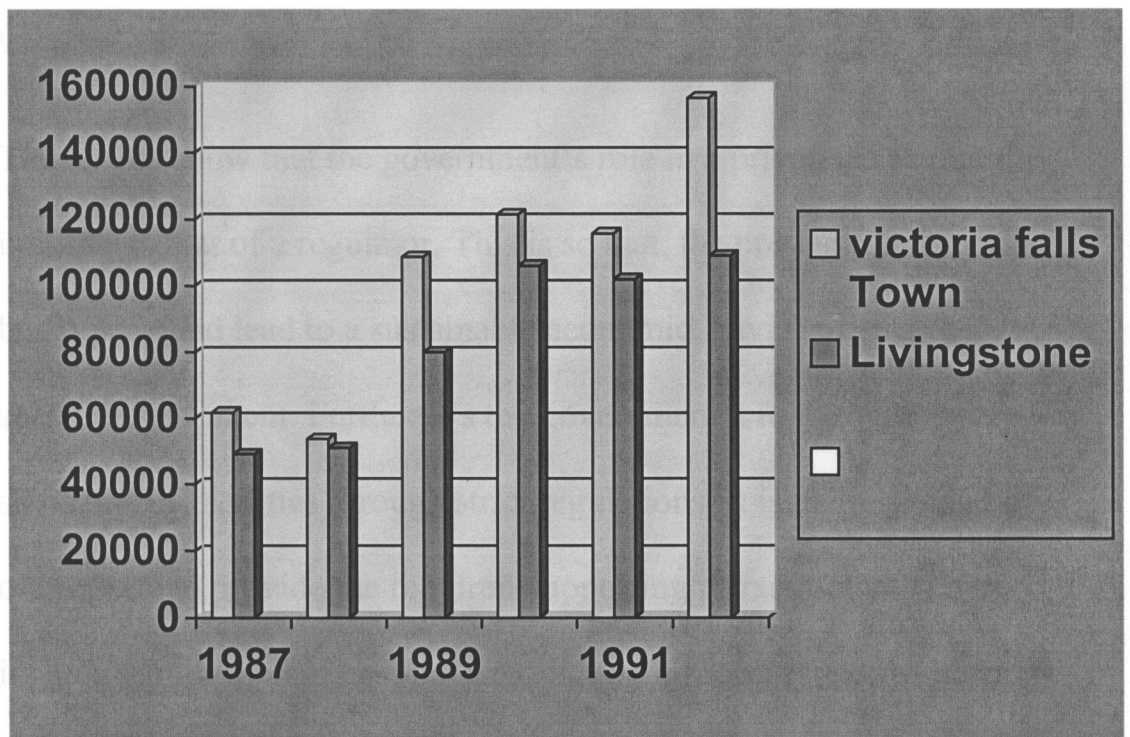
World Tourism Organisation (1990).

The table shows that revenue has increased for both the nation and

Livingstone. The nation 's revenue has increased by a staggering

1258%, while that of Livingstone has increased by 1169%

Figure 4. A Comparison of Tourist Arrivals Between Livingstone and Victoria Falls Town.



Source: ZNTB Report unpublished.

Zimbabwe Department of Natural Resources: tourism and Environment in the Victoria Falls Area. An Assessment of the Environmental Impact of Tourism Developments.

The graph shows that at no time did Livingstone's tourist arrivals exceed those of Victoria falls town. This might have something to do with the fact that the tourism industry is more developed in the Zimbabwean town as compared to the Zambian one. One just has to look at the accommodation facilities found in Victoria Falls Town. Whereas, Livingstone has only had three hotels, North-Western Hotel Fairmount and the now demolished Mosi-o-Tunya Intercontinental, Victoria Falls Town had five hotels by 1994. These are, Elephant Hills, Makasa Sun, Rainbow, Sprayview, and Victoria Falls hotels.

## 6.0 Discussion.

The results show that the government's role in a privatised tourism industry is that of a regulator. This is so that, the products and services being provided lead to a sustainable economic, environmental and social development. Further it's the government's role to improve standards of facilities through strict regulations. It is the responsibility of the state to provide the required-supporting infrastructure. These include the following; hospitals, roads, and airports as well as security through political and social stability.

In Livingstone according to the respondents (100%), the government input has been poor. This can be further evidenced by the poor state of

the roads in this city. Livingstone airport as are most of the nations airports, is in dire need of rehabilitation. In 1997 Livingstone airport was so bad that flights had to be diverted to it's archrival in terms of tourism Victoria Falls Town of Zimbabwe.

The only positive input thus far, has been the sale of lodges, motels and Camps. The Mosi-o-Tunya Intercontinental Hotel, which was sold to Sun International at United States \$6.5 million. Rainbow Lodge is leased to the same investors. Chifungulu and Fairyland camps are leased to Tonga-Bezi Safaris and Stat of Africa respectively.

Government's main constraint was found to be lack of funds. The government realises the roles it is required to play in the privatised tourism industry, but without funds it can't do much. It is due to the lack of funds that the government is unable to rehabilitate existing infrastructure. Development of new sites suffers from the same problem. Due to these shortcomings the government fails in it's other role of attracting major investors to not only Livingstone but the nation as a whole.

On a positive note the government through the National Heritage Commission (NHCC), aimed at refurbishing The Rail Museum in Livingstone, and running a steam train to ferry tourists between Livingstone and Victoria Falls Town in 1994. Later in the same year,

the NHCC had plans to create an open-air museum. These developments are sadly yet to take off six years later.

In 1997 the government updated the nation parks and wildlife policy which had been in existence since 1993. The mandate for managing wildlife was shifted to ZAWA. This would ultimately lead to a more effective management of wildlife affairs.

The demise of the nation flag carrier Zambia Airways could be said to have had a negative effect on tourism in Livingstone, as the airline used to run scheduled flights between Lusaka and the tourist capital. However this stands corrected by the entrance of private run airlines such as Zambian Skyways which have scheduled flights between Lusaka and Livingstone.

Thus most if not all the problems that the industry was experiencing before privatisation were still being experienced in 1997, and much later on.

### 6.1.0. Conclusion

#### 6.1.1. The Status of Tourism in Livingstone.

Tourism development can be classified into three stages. The first stage involves the discovery of tourist attractions. The second stage is indicated by the partial conversion of houses usually by residents, immigrants or local entrepreneurs. This leads to the third stage, where

local resources run short of the demand. The government intervenes as it realises that external resources are needed. The government then creates the right conditions for the enticement of external investment. Livingstone's tourism industry is currently in transition between the second and third stages of tourism development. It is important to note that the boundaries between these stages are not clear-cut. In case of Livingstone, the local resources are those the government used to provide before privatisation. Hence as of now the government is trying to create the right conditions for the acquiring of external resources, through private investors.

#### 6.1.2. Tourism trends in Livingstone.

The number of tourists arriving in Livingstone shows a steady increase from 1987 through 1997. Records show that there was a fall in arrivals in 1991, but this picked up in the succeeding years up to 1997. However, it would be premature to attribute this increase to privatisation for the simple reason that by then 1997, the privatisation program was still in its' infancy. This can be permissibly said because, the time, of six years(1991-7), is limited much that both the government and the private sector would not be able to improve the tourism industry appreciably.

#### 6.4 Recommendations.

Tourism has grown from contributing 0.5%, to the Gross Domestic Product (GDP), in 1997 to contributing 2.2% in 1999. This shows that tourism can if properly exploited, contribute significantly to the economy of the nation.

The potential of tourism in Livingstone, will remain nothing but that unless the government wakes up and starts taking some actions instead of just talking. This talk of lack of funds has been going on for ages, with a solution nowhere in sight. It seems that most of the government's developmental programs suffer from this lack of funds, but some do manage to get some funding somehow. The trouble is that tourism has had to play second fiddle to other industries. The recent rehabilitation of roads for instance, is an example. Priority was given to agricultural feeder roads, while roads leading to tourist entities were ignored.

The diversion of flights from Livingstone airport to Victoria Falls Town in 1997 is absolutely unforgivable. This was necessitated by the fact that the airport was in such a dilapidated state that aircraft couldn't land.

Should the government wait for infrastructure to get to such a state before they do something? What the government should do is to seek permanent solutions, such as total resurfacing of the airport runway and acquire modern equipment for the airport. Further, this equipment should be maintained regularly, to ensure their longevity. The diversion of flights to neighbouring countries should never be repeated as it only affords the tourists the chance to see what these other countries have to offer. It is sad to note that in early 2001 flights to Chipata, which is 70km from one of the country's major tourist destination, Mfuwe, were being diverted to the neighbouring Malawian city of Lilongwe. This just as the Livingstone diversion is meant to last until the airport is repaired. Such problems emanate from lack of maintenance of existing infrastructure. The government should look for long-term solutions. This can be achieved by carrying out major overhaul of the infrastructure instead of patching potholes here and there. Never should such a feat be repeated.

The government should aim to attract major investors, through advertising and provision of incentives, such as tax concessions. The declaring of Livingstone as a tax free zone in the 2001(for two years) budget is a step in the right direction. The government stands to lose K6bn over the period. The fact that they are prepared to lose such an

amount shows the kind of confidence they have in the long term benefits of tourism in Livingstone. However to realise these benefits the government should entice major investors to exploit this great opportunity. An example of one such major investor is The Sun International which has bought The Mosi-o-tunya Intercontinental in Livingstone, and since razed it to build a complex of two hotels. The construction of this complex is currently employing 3000 locals. Once complete the complex will employ up to 6000 locals.

The complex is said to cost \$50 million (United States). The Sun International is expected to attract 130,000 tourists annually. Its' annual contribution to the GDP is expected to be 4%. The beauty with such multi-national investments is that they are able to advertise internationally. Livingstone and the nation as a whole surely could do with a few more of these.

As for small investors it is recommended that they would market themselves better if they formed tour combinations. This would enable them to pool money for advertising and would enable them to offer a wider range of attractions through packaged tours. For example a group of lodges could combine to offer accommodation, game viewing and adventure tours.

The government through the ZNTB should, aim to improve standards

in service providers by conducting seminars, to educate the service providers on how they can offer better services and improve current standards. The government should aim to take advantage of regional organisations such as Common market for Southern and East Africa (COMESA) and Southern Africa Development Cooperation (SADC) in the marketing of tourism.

The replacing of NPWS by ZAWA was good intentioned it was expected to improve the condition of wildlife workers. But as of this moment (2001) not much improvement can be said to have taken place. It is sad to note that such an important organisation as ZAWA is currently without a director and board members. It would be beneficial to tourism in the country as whole if the government sorted this mess out so that ZAWA can play is role in the tourism industry.

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## QUESTIONNAIRE FOR GOVERNMENT AGENTS.

1. What do you understand by privatisation?
2. What is the role of the government in a privatised tourism industry?
3. How is this role different from that of a government run tourism industry?
4. What has the government done in terms of infrastructure building or rehabilitation in Livingstone?
5. What constraints is the government facing in fulfilling it's role in Livingstone's tourism?
6. How is the government trying to overcome these difficulties?
7. Can you say what percentage of Zambia's total labour force is under the tourism industry?
8. If yes to the previous question, then how does this compare to the years before privatisation?
9. Is the tourism industry capable of improving Employment in Livingstone?
10. If so, how is this possible.
11. What is the role of the private sector in aprivatized tourism industry?
12. How is the private sector coping with this role in Livingstone.
11. What more can the government do to improve tourism in Livingstone?
12. In what way has privatisation affected tourism in Livingstone?

## QUESTIONNAIRES FOR TOURIST ENTITIES.

1. What do you understand by privatisation?
2. How long have you been in business?
3. What prompted you to enter this particular business?
4. Would you be in a position to make a comparison between a government run and a private run tourism industry?
5. If so how do the two compare?
6. What would you prefer between a government and a private run tourism industry in Livingstone?
7. What is the role of the government in a privatised tourism industry?
8. How is the government coping with this role in Livingstone?
9. What is your opinion of government input in tourism in Livingstone?
10. How can the government improve tourism in Livingstone?
11. In what way can the private sector help improve tourism in Livingstone?
12. What are the future prospects of tourism in Livingstone?