Marine ecotourism as a potential agent for sustainable development in Kaikoura, New Zealand

Mark B. Orams
Coastal-Marine Research Group, Massey University at Albany, Private Bag 102 904, North Shore MSC, New Zealand
(e-mail: M.B.Orams@massey.ac.nz)

Abstract: The terms 'sustainability' and 'ecotourism' have become much used in recent years, yet there have been few examinations of how they might apply in practical cases. Kaikoura, a small coastal town (population 3600) on the east coast of New Zealand's South Island, has a rapidly developing tourism industry. This industry has helped to transform the town from an economically depressed area with few opportunities for local employment into one of New Zealand's 'boom towns'. However, this growth has not been without costs and controversies. The development of a successful ecotourism business by local indigenous Maori has caused some resentment amongst residents, and there is evidence that the marine mammals targeted by the tourism industry are experiencing increasing pressure. As a consequence, researchers and local people recognize that sustainability is an important issue for the future of the area. This case study provides important insights into the challenges associated with the rapid growth of an ecotourism destination.

Keywords: indigenous people, Kaikoura, Maori, marine mammals, New Zealand, whale-watching.


1 Introduction

The development of tourism as an area of academic inquiry is relatively new [1]. As a consequence, there are, as yet, few widely accepted theories and models that underpin the field. What is apparent is that there is a growing understanding that tourism development has wide-ranging impacts on natural and human societies. Related to this has been a 'mushrooming' of tertiary education courses, conferences and journals based on tourism. Furthermore, other social and natural sciences are now finding the tourism phenomenon an area worthy of more careful consideration. Thus, it is both timely and appropriate that the International Journal of Sustainable Development examines tourism and ecotourism as a topic for this special issue. The issue of sustainability is central to the widespread discussion regarding the impacts of tourism. Although tourism has been viewed as a potentially sustainable industry by some [2], many commentators remain sceptical about the sustainability of tourism ventures. For example, Zell [3] states:

Tourism creates more tourism, the location becomes well known and thus desirable creating demand, more supply and ultimately destruction of the original reason for going there.

The concept of 'ecotourism' has, in part, arisen as a result of concerns about the sustainability of tourism based on natural attractions and also as a reaction against more traditional 'mass tourism' [4]. Mass tourism is usually viewed as the more conventional form of tourism development where short-term free-market principles dominate and the maximization of income is paramount. It has been vilified in recent times as the negative impacts of tourism have become more and more apparent [4]. As a result, an alternative paradigm for tourism has arisen – this view rejects the mass tourism approach and encompasses those tourism activities that deliberately plan for and seek to minimize negative effects. This 'alternative tourism' is, therefore, inherently based on principles of sustainability – particularly in an environmental and socio-cultural sense.

Fennell [4] considers ecotourism to be one type of alternative tourism (Figure 1) that, while it may not always achieve it, at a minimum attempts to be environmentally sustainable. The idea that tourism should contribute to the health and viability of the natural attraction upon which it is based is an appealing one. The concept and the term have been widely adopted and ecotourism has been hailed by some as the 'answer' to nature-based tourism and its supporters argue that ecotourism is the only tourism development that is sustainable in the long term [5]. Others, however, remain sceptical and view ecotourism as simply nature-based tourism 'dressed up' under a new, attractive label [6, 7, 8].

![Figure 1 Relationships between mass tourism, alternative tourism and ecotourism.](image_url)

A further related issue is the argument put forward by authors such as Wallace and Pierce [11] who argue that ecotourism is travel that is based not only on nature but also on 'the people (caretakers) who live nearby, their needs, their culture, and their relationships to the land'. This represents a significant extension of the ecotourism concept beyond simply a focus on the maintenance and improvements of natural communities to an inclusion of social and cultural objectives. It further complicates the already confused state that exists with regard to what ecotourism actually is – or should be. Semantic debates regarding ecotourism and sustainability are widespread in the literature and these discussions have resulted in little consensus. However, in the recently published
Encyclopedia of Ecotourism [12] the following characteristics are identified as central to ecotourism:

1. The natural (non-human) environment or a feature of it is the prime attraction for the tourist.
2. The basis of that attraction is an inherent appreciation/educational interest in that natural environment or natural environmental feature.
3. A management regime/effort directed at the conservation/sustainable use of that natural environment exists.

Although these general characteristics are useful to bypass the semantic debate over definitions of ecotourism, they do little to contribute to an understanding of the management and application of the concept. This paper provides a case study on Kaikoura, a small town on New Zealand's South Island, as a contribution to increasing understanding of how ecotourism is being applied in practice. It further seeks to establish whether ecotourism is, in this case, alternative tourism that is sustainable or if, as some authors claim, it is simply the dressing up of mass tourism under a new more palatable label.

2 Case study: Kaikoura, New Zealand

2.1 Background

Kaikoura is a small coastal community located around a small peninsula on the northeastern coast of New Zealand's South Island (Figure 2). It has a long history of human habitation associated with its plentiful marine resources. It is a place of special significance to the indigenous Maori of New Zealand, who have inhabited Kaikoura for around 1000 years. The abundance of marine resources in the area is associated with the continental shelf, which is close to shore near the Kaikoura Peninsula, coming as close as a kilometre from shore just south of the township. The rapid increase in depth associated with the shelf, from as little as 30 metres to over a thousand in a short distance, and the convergence of offshore currents in the vicinity, produces an upwelling of nutrient-rich waters that supports an abundant marine food chain. Numerous commercial fish species, as well as the crayfish (spiny lobster) from which the town derives its Maori name, has provided the base for a local fishing industry that has been an important source of employment in the past. This abundant marine ecosystem has also provided a food source for a number of species of whales, dolphins and seals that are resident in the area for much of the year.

The closest cities to Kaikoura are Blenheim (population 30,000) 100 km to the north and Christchurch (population 330,000) 200 km to the south [13]. Kaikoura is, therefore, a small (population 3500) [14], relatively isolated town that has been viewed in the past as an economically depressed area with few opportunities for local people [15, 16].

Figure 2 Map showing the location of Kaikoura.
2.2 Tourism development

Prior to the late 1980s, Kaikoura's tourism industry was relatively small. It functioned primarily as a brief stopover point for travellers driving along State Highway 1 between Blenheim and Christchurch, and as a small-scale holiday destination for New Zealanders who owned holiday cottages in the area. In 1988, an American whale researcher/nature photographer and a local fisherman started a small-scale whale-watching operation, which they named NatureWatch. This operation was joined in 1989 by Kaikoura Tours, a company set up as an employment initiative by local Maori. In 1991–92 the local Maori-owned company, with the assistance of the larger Ngai Tahu 'iwi' (tribe), bought the permit and boats from NatureWatch and became the sole whale-watching operator in the area [17]. This new company, Whale Watch Kaikoura, is a non-profit Maori enterprise 48% owned by Ngai Tahu (the local iwi) and 52% by the local 'hapu' (sub-tribe). The company employs local Maori and provides income to the local 'marae' (communal tribal community). This venture has grown rapidly to become very successful [18].

The whale-watching activities in Kaikoura have led to the establishment of a variety of other tourism operations based on marine mammals, including dolphin watching and swimming, seal watching and swimming, and whale watching from aircraft [19]. This ecotourism industry has grown quickly to become the most important economic activity in the area [20].

Local residents have been quick to recognize the economic and social benefits of this tourism development. Local Maori, Lorraine Hawke, typifies the thoughts of many locals:

The impact of Whale Watch Kaikoura on the local township has been major. Prior to the establishment of the company, Kaikoura was seen as an economically depressed area. Businesses were on a downturn, and people were having to leave the area to get work. Following the establishment of the company which brought increasing numbers of tourists, businesses across the board began to benefit through increased sales... A host of new businesses have sprung up in the accommodation and catering areas. New craft shops and takeaway bars, as well as novelty shops, have also appeared. Real estate prices have also increased, and the tempo of life has picked up a little. Without Whale Watch Kaikoura, I think our town may have eventually given up the ghost and died [21].

Socio-economic indicators back up Hawke's impressions. In 1991, soon after the marine mammal based tourism began in Kaikoura, unemployment in the area was still higher than the national average for New Zealand. Household income was significantly lower than the New Zealand average - only 29% of the district's residents reported incomes higher than NZ$30 000 per year, as opposed to 44% nationally.

Annual visitor numbers to Kaikoura, estimated to be around 10000 in 1989, increased dramatically to over 100000 by 1993, and to 873 000 in 1999 [22]. The current annual growth rate of tourism in Kaikoura is around 14%, significantly higher than the New Zealand average. Overall, the industry is estimated to directly contribute around NZ$28 million annually to the community. The tourism industry directly employs 330 people in the town - representing 30% of the jobs [23]. In addition, these tourism jobs likely support significantly more employment in the community through the spending of the employees of tourism-based businesses. Tourism expenditure is currently increasing by about NZ$4.4 million annually and resulting in around 33 new full-time jobs in the town each year [23].

2.3 Issues and controversies

The development of ecotourism in Kaikoura has not been without its problems. These challenges are illustrative of the difficulties that can arise whenever rapid economic growth occurs in a small community. Furthermore, such growth provides additional challenges when it is associated with increasing numbers of 'outsiders' (tourists) who, despite being temporary visitors to the town, have a significant influence over its character and its community.

2.3.1 Exclusive rights for Maori

One of the more challenging aspects of ecotourism has been the argument that this kind of tourism development should be inclusive of, sensitive to, and beneficial for indigenous peoples [24]. The use of natural and cultural resources for tourism as a means of economic development and cultural support for indigenous peoples is well supported in the literature [24, 25]. However, the practical application of this approach has proved controversial in the case of Whale Watch Kaikoura.

The relationship between early European colonists of Aotearoa (New Zealand) and the indigenous Maori was formally defined in 1840 under the Treaty of Waitangi. This agreement between the Crown (government) and Maori guaranteed Maori certain rights and privileges, including the 'full, exclusive and undisturbed possession of their land, forests and fisheries' [26]. Important related concepts dealt with under the Treaty include the rights of Maori to have ‘rangatiratanga’ (control or sovereignty) and ‘kaikaitiwhanga’ (guardianship) over their ‘taonga’ (resources), including their natural, cultural and spiritual resources [26]. As in many other countries, the Maori of New Zealand argue that these and other rights have been ignored and usurped by European colonizers.

It is clear from the historical record that Maori in the vicinity of Kaikoura had (and continue to have) an important spiritual relationship with whales [27]. Thus, they are certainly considered ‘taonga’ for local Maori. Furthermore, local Maori had a strong influence over early European exploitation of marine mammals in the Kaikoura area. They would often levy whaling boats entering local harbours and, in effect, 'licenced' European whaling operations, in return offering protection for those whalers from other tribes [28]. This, Ngai Tahu has argued that they had, and continue to have, 'rangatiratanga' over the whales as a resource at Kaikoura. Consequently, according to Ngai Tahu, whales and the use of them (even in a modern context) are covered under the principles of the Treaty of Waitangi [28].

This historical background and the recent development of a new use for whales at Kaikoura (for tourism) led Ngai Tahu to claim that they had exclusive rights to the use of whales in the area. This contention was argued through the High Court to the Court of Appeal in New Zealand in 1994 and 1995, when Ngai Tahu sought to restrict the granting of any further permits for whale-watching at Kaikoura [29]. The finding of the court provided some support for Ngai Tahu's argument and agreed that rights pertaining to economic development for indigenous peoples were becoming 'recognized and
accepted in international jurisprudence. More specifically, the court found that the principles of the Treaty of Waitangi required 'active protection' of Maori interests. As a result, the court directed the Department of Conservation (the government agency charged with administering New Zealand's Marine Mammal Protection Act) to take into account the protection of Ngai Tahu interests before awarding further whale-watching permits in the area [30]. So, although the court did not grant exclusive rights to whale-watching in this case, in effect it provided strong direction that this was a favoured option. Subsequent to this, and despite many applicants, no additional sea-based whale-watching permits have been issued for the Kaikoura area. This has raised the ire of many locals who see the situation as an unfair monopoly based on cultural/racial grounds. It has also been argued that there is a conflict of interest for Maori who own and run Whale Watch Kaikoura as a commercial enterprise and who are also, via the Treaty of Waitangi, a powerful party in decision-making regarding the use of these whales.

Local Maori argue that the whales are their taonga (treasures). Because the provisions of the Treaty of Waitangi guarantee Maori sovereignty over their taonga, Ngai Tahu rightly feel that they should be consulted about the use of natural resources such as the whales. The difficulty in this situation is that the organization to be consulted on the basis of their guardianship (kaitiakitanga) of the whales also has both a direct economic interest in their exploitation and an interest in keeping permits out of the hands of competitors. Thus, their statutory and commercially dual positions have some philosophical difficulties associated with them [15].

The resentment amongst some locals has contributed to racial tension in the town [15]. However, some of this resentment may be related to jealousy over the commercial success of a Maori-run business because 'Kaikoura Whale Watch and other prosperous Maori enterprises give lie to the notion, held by many New Zealanders, that Maori are not very good at business' [18]. Even in the early years of Whale Watch Kaikoura's operation evidence of racially based resentment existed — in November 1990 all eight motors for the venture's boats were sabotaged, causing NZ$25 000 worth of damage. In February 1991 the company's bus was set alight and petitions were circulated amongst the local community seeking to ban the company from berthing their boats in the harbour [26]. Thus, the development of a successful ecotourism business specifically benefitting local indigenous people has not been without its difficulties in Kaikoura. It is, however, an extremely successful enterprise winning many awards — including the British Airways Tourism for Tomorrow Award — one of the world's top prizes for ecotourism [29]. The company turnover is estimated in the millions of dollars each year [31], and the downstream effects in its support of local Maori, their marae and the wider community are far greater [26].

2.2.2 Impacts on marine mammals

Kaikoura is now viewed as one of the premier marine mammal tourism destinations in the world [19]. The large number of operators taking hundreds of thousands of tourists out to view, swim and otherwise interact with the wildlife has caused concern regarding the impact on these animals [32]. The Department of Conservation has established regulations, which require any commercial marine mammal tourism operator to obtain a permit from the department [20]. These permits are restricted in number and control the operator in terms of where they can operate, the size and number of vessels, the species they may target, the activities they may conduct and the times they may operate [20]. A recent summary of the number of permitted marine mammal tourism operators in Kaikoura shows a potential total of 365 trips per week to watch or swim with the animals including [32]:

- Whale-watch boats (one company, four boats) — 112 trips per week.
- Dolphin/seal watch/swim boats (three operators, four boats) — 78 trips per week.
- Boat-based seal swimming (four operators, four boats) — 119 trips per week.
- Land-based seal swimming (two operators) — 35 trips per week.
- Land-based seal watching (two operators) — 21 trips per week.

These figures represent the maximum number of permitted trips and, as a consequence, this capacity is unlikely to be reached (owing to lack of customers or weather). It does, however, provide an indication of the scale of the marine mammal tourism industry in Kaikoura. The regulations also require commercial tourist operators to provide "educational value to participants or to the public" and most operators do make an effort to provide education for their clients.

Research on the impacts of the high level of visitation on the marine mammals of the area has revealed extensive pressure on these animals. For example, a long-term study on the effects of boat-based watching and tourists swimming with dusky dolphins found that boats were present within 300 metres of the dolphins 72% of the time during the summer months. 'Once dolphins were located at dawn, their movements and positions were almost continuously followed until dusk by commercial whale- and dolphin-watching skippers' [33]. While these vessels were found to have transgressed regulations governing behaviour around the dolphins only 7.4% of the time, the simple presence of vessels in the vicinity of the animals for such long periods was of concern.

Similarly, research has shown that sperm whales in Kaikoura respond to the presence of whale-watching boats by having shorter surfacing intervals and thus decreased respiratory periods [34]. This may be detrimental to sperm whales, a deep-diving mammal for which surface respiration is critical. Additional research found that the amount and type of reaction to vessels varied considerably from one individual whale to another [33]. Some whales were more tolerant of boats than others — this may represent habituation by some individuals to vessels or it may simply reflect variation in the individual sensitivity of different whales. The study also revealed that careful and sensitive boat handling around the whales, including adherence to the whale-watching regulations, did reduce negative reactions. Additional experiments concluded that noise levels produced by tourist traffic were within the range of current levels of background noise in the area — if sudden noises were avoided and adequate distance was maintained from the animals (greater than 75 metres) [36].

Research on the impacts of tourists on New Zealand fur seals in the vicinity of Kaikoura also revealed some disturbance. A study of the effect of close approaches to fur seals at two haul-out sites showed a marked difference in seal response dependent on gender [37]. Female seals, juveniles and pups always responded to close approach (less than five metres) by moving away — in most cases by entering the water. Bulls and subadult males most often responded with a threatening gesture and/or by moving a short distance away. An additional finding of significance was that in the case of females,
The reaction of the local community to the development of tourism in Kaikoura has been concerned about the rapid growth of tourism and feel that tourism development has ‘gone the employment and economic benefits of tourism development for the area, but almost 2.3.4 Impacts on the local community

The reaction of the local community to the development of tourism in Kaikoura has been largely positive. However, some within the community (particularly older residents) are concerned about the rapid growth of tourism and feel that tourism development has ‘gone too far and is ruining the things that they like about their home’ [15]. Residents recognize the employment and economic benefits of tourism development for the area, but almost

half (48.5%) also report personal negative effects [15]. These effects are specified as things such as less parking available in town, crowding, higher property taxes, a higher cost of living, increased traffic, and a ‘loss of community’. Interestingly, the study found that over 30% of respondents stated their single greatest concern about tourism development in the area was ‘sustainability’ [15]. More specifically, they refer to the sustainability of the tourism industry itself in the area and, by implication, the continued presence and availability of the marine mammals for tourism in Kaikoura.

3 Analysing the Kaikoura case

Although Kaikoura has not deliberately set out to become an ecotourism destination it is being promoted as such, and the majority of companies operating there consider themselves to be ecotourism operators. Consequently, Kaikoura can be evaluated in terms of the three key components of ecotourism identified earlier [12]. First, it is obvious that a feature of the natural environment – specifically marine mammals – is the main attraction for the area. Second, visitors to Kaikoura identify marine mammals as an attraction with educational interest, and it can be assumed that there is also an inherent appreciation for these animals by those who wish to experience them. Third, a management regime directed at the sustainable use of marine mammals does exist. The New Zealand Marine Mammal Protection Act and, more specifically, the associated Marine Mammal Protection Regulations (Section 4) administered by the Department of Conservation, explicitly state that their purpose is to:

- Make provision for the protection, conservation, and management of marine mammals (and) ... regulate human contact or behaviour with marine mammals either by commercial operators or other persons, in order to prevent adverse effects on and interference with marine mammals [41].

In addition, the regulations (section 6) require that all commercial operations ‘should have sufficient educational value to participants or to the public’ [41]. Thus, the management regime in place attempts to promote conservation and sustainable use of the marine mammals as tourism attractions. Consequently, Kaikoura can be legitimately considered an ecotourism destination.

Debate remains, however, over whether the rapid and intensive ecotourism development in Kaikoura is truly sustainable. There is evidence to suggest that increased pressure and stress is being experienced by sperm whales, dusky dolphins and New Zealand fur seals in the area. Whether that increased pressure has longer term implications for the health and viability of those populations is not known. There is also evidence that the promotion of a local indigenous people through the development of an attraction with educational interest, and it can be assumed that there is also an inherent appreciation for these animals by those who wish to experience them. Consequently, Kaikoura can be evaluated in terms of the three key components of ecotourism identified earlier [12]. First, it is obvious that a feature of the natural environment – specifically marine mammals – is the main attraction for the area. Second, visitors to Kaikoura identify marine mammals as an attraction with educational interest, and it can be assumed that there is also an inherent appreciation for these animals by those who wish to experience them. Third, a management regime directed at the sustainable use of marine mammals does exist. The New Zealand Marine Mammal Protection Act and, more specifically, the associated Marine Mammal Protection Regulations (Section 4) administered by the Department of Conservation, explicitly state that their purpose is to:

- Make provision for the protection, conservation, and management of marine mammals (and) ... regulate human contact or behaviour with marine mammals either by commercial operators or other persons, in order to prevent adverse effects on and interference with marine mammals [41].

In addition, the regulations (section 6) require that all commercial operations ‘should have sufficient educational value to participants or to the public’ [41]. Thus, the management regime in place attempts to promote conservation and sustainable use of the marine mammals as tourism attractions. Consequently, Kaikoura can be legitimately considered an ecotourism destination.

Debate remains, however, over whether the rapid and intensive ecotourism development in Kaikoura is truly sustainable. There is evidence to suggest that increased pressure and stress is being experienced by sperm whales, dusky dolphins and New Zealand fur seals in the area. Whether that increased pressure has longer term implications for the health and viability of those populations is not known. There is also evidence that the promotion of a local indigenous people through the development of an ecotourism attraction has caused resentment and some division in the local community. While this issue does not necessarily reflect on sustainability, it nevertheless reveals that there are socio-cultural impacts associated with ecotourism development at Kaikoura. Local residents are also aware of other ‘costs’ associated with the growth of the town – increased traffic, less parking and a higher cost of living may impact the ability of some individuals to ‘sustain’ their standard of living in the area.

For Kaikoura, questions remain regarding the development of ecotourism. Will it ultimately be alternative tourism in an environmentally sustainable sense or will it become an example for those cynical about the concept? The answer for Kaikoura may
be related to scale. Inevitably, with increasing numbers come increasing negative impacts and, as a result, Kaikoura may find that its tourism-induced transition moves it along a development path that is ultimately unsustainable. Figure 3 provides an illustration of types of tourism placed according to their host environment, educational content and environmental sustainability. The review of the development of Kaikoura shows that the town is undergoing a transformation. Placed on this model (Figure 3), this transformation is viewed as a movement away from smaller scale environmentally sustainable ecotourism to a potentially less sustainable state that could be viewed as outside the realm of ecotourism.

The concepts of ecotourism and sustainability are ideals with worthy objectives. However, labels are easy to apply and 'talking the talk' has become fashionable in tourism circles, as evidenced by the increasing number of publications on the subject. What remains difficult, however, is the successful application of these concepts in real life. We have made important first steps in recognizing that tourism development is not a panacea and that negative impacts inevitably accompany the positive. Communities that are developing as tourism destinations also recognize this and are looking for ways to mitigate the costs associated with tourism. This is good news, for the first step in solving a problem is to recognize that there is one! A second step is to examine cases where ecotourism has developed and to improve our understanding of how such destinations are transformed by such activities.

Marine ecotourism in Kaikoura

4 Conclusion

Tourism development is at a crossroads in Kaikoura. To date, the development of tourism has been largely a positive economic influence for the area; however, rapid visitor growth of 14% a year and tourist numbers approaching one million annually, provide significant challenges for a town of 3500 residents. There is evidence of potential problems for the marine mammals that are the major draw-card for visitors to the area. Careful planning and management is therefore critical for the long-term future for both the human and marine residents of Kaikoura. Issues of environmental and social sustainability are key in ensuring that the benefits of the development in tourism to the area continue to outweigh the costs. Cases elsewhere show that rapid development of tourism in small communities can cause widespread resentment from locals as they face issues such as crowding, overloaded water and sewage systems, demand-induced inflation, increased crime and alienation from their own area. There are indications that some Kaikoura residents are experiencing some of these 'costs' on a personal level. It is also obvious that the environmental sustainability of the industry is fundamental to the continued economic welfare of the Kaikoura area.

What is fortunate in the Kaikoura situation is that the local people seem to be aware of the potential 'down side' of tourism development. Unlike other locations where tourism development has been embraced in the past with little understanding of the implications, many Kaikoura people appear willing to become involved in planning and decision-making on the issues surrounding tourism development. It is also fortunate that New Zealand has strong natural resource management statutes. The potential exists, therefore, to manage tourism growth in Kaikoura on a sustainable basis. Legal mechanisms are in place and local will exists to carefully consider issues of sustainability in tourism management for the area [22].
business model is needed. Ecotourism businesses should not be judged on the basis of growth, size or profitability; rather, their success should be judged on their focus on sustainability and their contribution to the health and viability of the host environment. Until that paradigm shift is achieved ecotourism will struggle to live up to its lofty aspirations.

5 Acknowledgements

A great deal of work has been conducted on the development and impacts of tourism on Kaikoura by staff and students from the Tourism Research and Education Centre at Lincoln University in New Zealand. Publications arising from their work have been particularly helpful in the writing of this paper, and the author acknowledges the contribution of this research. References to this work are provided in the reference list for this paper. The review and comments of Kaye Thorn and Michael Barker from Massey University at Albany, two anonymous referees and the editor of this special issue of the USD have also been particularly helpful in improving this paper.

References

Monetary valuation as a tool for planning and managing ecotourism

Brian Garrod
Faculty of Economics and Social Science, University of the West of England, Coldharbour Lane, Bristol, BS16 1QY, UK
(e-mail: Brian.Garrod@uwe.ac.uk)

Abstract: While the techniques of monetary valuation are firmly grounded in economic theory and have a substantial record of practical application, planners and managers of ecotourism have not embraced them with particular enthusiasm. The explanation offered in this paper has two main strands. On the demand side, those involved in planning and managing ecotourism have, for a number of reasons, tended to be wary of monetary valuation. Consequently, most of the monetary valuation studies that have been commissioned and subsequently undertaken have tended to be overly conservative in their aims and scope. On the supply side, meanwhile, economists have too often failed to explain how the results of such studies could be used to promote the objectives of ecotourism. Planners and managers of ecotourism have therefore remained largely unconvinced of the practicality of monetary valuation. Arguably, however, there is a considerable latent potential for the application of monetary valuation techniques in the ecotourism context. This paper attempts to demonstrate this potential by identifying and illustrating a number of practical uses for monetary valuation in the context of planning and managing ecotourism.

Keywords: contingent valuation, ecotourism, management, monetary valuation, planning, travel cost method.

Reference to this paper should be made as follows: Garrod, B. (2002) 'Monetary valuation as a tool for planning and managing ecotourism', Int. J. Sustainable Development, Vol. 5, No. 3, pp. 353-371.

1 Introduction

Even a brief review of the relevant literature will reveal that monetary valuation has rarely been used in assessing and evaluating ecotourism. This is perhaps surprising in view of the growth of popularity of monetary valuation among academic economists and consultants, who now commonly apply techniques such as contingent valuation and the travel cost method across a wide range of practical contexts. Moreover, the techniques of monetary valuation are based on an increasingly sophisticated body of theory, and have a growing record of successful application. The question arises as to what can explain the eschewal of such methods by those responsible for planning and managing ecotourism. The argument put forward in this paper has two main strands: a demand-side explanation and a supply-side explanation. Clearly these two strands of explanation overlap to an extent.