

Tourism and Sustainable Development

* A Auroubindo Ganesh ** Dr C Madhavi

Abstract

Tourism is not only a pleasure trip to the visitors but also the largest and the fastest developing industry in the world today. It emerges as a creator of jobs across national and regional economies. WTTC | WEFA research show that Travel & Tourism generated, directly and indirectly, more than 11.7% of GDP and nearly 238 million jobs in the worldwide economy. These figures are forecasted to total 11.7% and 255 million respectively in 2010. Jobs generated by Travel & Tourism are spread across the economy - in retail, construction, manufacturing and telecommunications, as well as directly in Travel & Tourism companies. These jobs employ a large proportion of women, minorities and young people; are predominantly in small and medium sized companies; and offer good training and transferability. Tourism can also be one of the most effective drivers for the development of regional economies. These patterns apply to both developed and emerging economies. It acts as one of the socio - economic tools for sustainable developments of many nations. In addition, it wonderfully works to preserve nature, culture and heritage of nations. If carefully managed, Tourism can be used to attain the goal of all states that is to eliminate poverty. Many types of Tourism such as Eco- Tourism, heritage Tourism can lift the income of the local people living in and around forests, coastal villages by using their culture, heritage, natural environments etc.

Introduction

Definitions: The World Tourism Organization defines tourists as people who "travel to and stay in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited". Hunziker and Krapf, in 1941, defined tourism as "the sum of the phenomena and relationships

*Lecturer & Part time Research scholar, Department of Management Studies, Annamalai University, Chidambaram

**Faculty Member - Management studies, Annamalai University, Chidambaram.

arising from the travel and stay of non-residents, insofar as they do not lead to permanent residence and are not connected with any earning activity." In 1976 Tourism Society of England defined it as "Tourism is the temporary, short-term movement of people to destination outside the places where they normally live and work and their activities during the stay at each destination. It includes movements for all purposes". In 1981 International Association of Scientific Experts in Tourism defined Tourism in terms of particular activities selected by choice and undertaken outside the home environment.

Types of Tourism

The United Nations classified three forms of tourism in 1994 in its Recommendations on Tourism Statistics: Domestic tourism, which involves residents of the given country traveling only within this country; Inbound tourism, involving non-residents traveling in the given country; and Outbound tourism, involving residents traveling in another country.

The UN also derived different categories of tourism by combining the 3 basic forms of tourism: Internal tourism, which comprises domestic tourism and inbound tourism National tourism, which

comprises domestic tourism and outbound tourism; all International tourism, which consists of inbound tourism and outbound tourism Intrabound tourism is a term coined by the Korea Tourism Organization and widely accepted in Korea. Intrabound tourism differs from domestic tourism in that the former, encompasses policymaking and implementation of national tourism policies.

Recently, the tourism industry has shifted from the promotion of inbound tourism to the promotion of intrabound tourism because many countries are experiencing tough competition for inbound tourists. Some national policymakers have shifted their priority to the promotion of intrabound tourism to contribute to the local economy. Examples of such campaigns include "See America" in the United States, "Get Going Canada" in Canada, "Uniquely Singapore" in Singapore, and "Incredible India" in India.

Tourism can also be classified in many ways depending up on the purpose / quantity etc. For example, Pilgrimage, Health tourism, Cultural tourism, Leisure travel, Winter tourism, Mass tourism, Space Tourism, Eco Tourism etc.

Recent developments

There has been an upmarket trend in the tourism over the last few decades, especially in Europe where international travel for short breaks is common. Tourists have higher levels of disposable income and greater leisure time and they are also better-educated and have more sophisticated tastes. There is now a demand for a better quality products, which has resulted in a fragmenting of the mass market for beach vacations; people want more specialised versions, such as 'Club 18 -30', quieter resorts, family-oriented holidays, or niche market-targeted destination hotels. As well, people are taking second short break holidays.

The developments in technology and transport infrastructure such as jumbo jets and low-budget airlines have made many types of tourism more affordable. There have also been changes in lifestyle, such as retiree-age people who are living as a tourist all the year round. This is facilitated by internet purchasing of tourism products. Some sites have now started to offer dynamic packaging, in which an inclusive price is quoted for a tailor-made package requested by the customer upon impulse.

Top international tourism destinations 2006

Out of a global total of 842 million tourists in 2006, the following countries are the 50 most visited. For more data, as well as ranking of international tourism receipts.

Rank	Country	International tourist arrivals
1	France	79.1 million
2	Spain	58.5 million
3	United States	51.1 million
4	China	49.6 million
5	Italy	41.1 million
6	United Kingdom	30.1 million
7	Germany	23.6 million
8	Mexico	21.4 million
9	Austria	20.3 million
10	Russia	20.2 million

11	Turkey	18.9 million
12	Canada	18.2 million
13	Ukraine	17.6 million
14	Malaysia	17.5 million
15	Hong Kong	15.8 million
16	Poland	15.7 million
17	Greece	14.3 million
18	Thailand	13.9 million
19	Portugal	11.3 million
20	Netherlands	10.7 million
21	Macao	10.7 million
22	Hungary	9.3 million
23	Croatia	8.7 million
24	Egypt	8.6 million
25	South Africa	8.4 million
26	Ireland	8.0 million
27	Saudi Arabia	8.0 million
28	Switzerland	7.9 million
29	Singapore	7.6 million
30	Japan	7.3 million
31	Belgium	7.0 million
32	Morocco	6.6 million
33	Tunisia	6.5 million
34	Czech Republic	6.4 million
35	South Korea	6.2 million

36	Bulgaria	5.2 million
37	Brazil	5.0 million
38	Australia	5.0 million
39	Indonesia	4.9 million
40	Denmark	4.7 million
41	Bahrain	4.5 million
42	India	4.4 million
43	Argentina	4.2 million
44	Dominican Republic	4.0 million
45	United Arab Emirates	3.9 million
46	Norway	3.9 million
47	Puerto Rico	3.7 million
48	Vietnam	3.6 million
49	Taiwan	3.5 million
50	Finland	3.4 million

Source: http://en.wikipedia.org/wiki/World_Tourism_Rankings

Current Challenges and Prospects

World Travel & Tourism is expected to generate close to US\$8 trillion in 2008, rising to approximately US\$15 trillion over the next ten years, according to the latest Tourism Satellite Accounting (TSA) research launched today by the World Travel & Tourism Council (WTTC) and its strategic partner Accenture.

Overall, the new TSA results reveal a moderate impact on the Travel & Tourism industry as a result of the global economic downturn, with its annual growth rate experiencing a slowdown in 2008, to 3%, in comparison to 3.9% in 2007.

Looking past this present cyclical downturn, the long-term forecasts point to a mature but steady phase of growth for world Travel & Tourism between 2009

and 2018, averaging a growth rate of 4.4% per annum, supporting 297 million jobs and 10.5% of global GDP by 2018.

WTTC President Jean-Claude Baumgarten explained "Challenges come from the US slowdown and the weak dollar, higher fuel costs and concerns about climate change. However, the continued strong expansion in emerging countries both as tourism destinations and as an increasing source of international visitors means that the industry's prospects remain bright into the medium term."

Regionally Africa, Asia Pacific and the Middle East are experiencing higher growth rates than the world average, at 5.9%, 5.7% and 5.2% respectively, while the mature markets, most notably the Americas and Europe, are falling below the world average with a growth at 2.1% and 2.3 % respectively.

The overall impact of this slowdown for mature markets is expected to be offset by the strength of the emerging markets explains John Walker, Chairman of Oxford Economics "In particular, China, India and other emerging markets are still growing rapidly, which will increase both business and leisure travel, while many countries in the Middle East are undertaking massive tourism-related investment programmes."

Moreover, even in countries where economic growth slows, there is likely to be a switch from international to domestic travel rather than a contraction in demand for Travel & Tourism.

Among the 176 countries covered in the TSA research, the United States continues to maintain pole position as the largest Travel & Tourism economy, with its total demand accounting for more than US\$1,747 billion this year. With a growth rate at 1.1% in 2008 the credit crunch is leading to a marked slowdown in US economic growth and is likely to restrict the business travel of those working in financial markets.

Considerable ground has been made by the emerging markets which are experiencing rapid economic growth. In 2008, China will jump from fourth to second position above Japan and Germany and is forecasted to increase its Travel & Tourism Demand four-fold by 2018, accounting for US\$2,465 billion, with an annual growth rate of 8.9%. Among the fastest growers in 2008, Macau leads with a growth rate at 22%.

Highlighting the challenges of market volatility and external events faced by the industry, Alex Christou, Managing Partner of Accenture's Transportation & Travel

Services said “High performance companies will differentiate themselves by being highly focused on their individual customers. The winners will be companies that take a balanced view, driving customer intimacy and product innovation while driving non-value added costs out of their operations.”

Tourism As A Growth Tool

Contributing to sustainable development

1. The 1992 United Nations Conference on Environment and Development (UNCED), the Rio Earth Summit, identified Travel & Tourism as one of the key sectors of the economy which could make a positive contribution to achieving sustainable development. The Earth Summit led to the adoption of Agenda 21, a comprehensive program of action adopted by 182 governments to provide a global blueprint for achieving sustainable development. Travel & Tourism is the first industry sector to have launched an industry-specific action plan based on Agenda 21
2. Travel & Tourism is able to contribute to development which is economically, ecologically and socially sustainable, because it:
 - has less impact on natural resources and the environment than most other industries;
 - is based on enjoyment and appreciation of local culture, built heritage, and natural environment, as such that the industry has a direct and powerful motivation to protect these assets;
 - can play a positive part in increasing consumer commitment to sustainable development principles through its unparalleled consumer distribution channels; and provides an economic incentive to conserve natural environments and habitats which might otherwise be allocated to more environmentally damaging land uses, thereby, helping to maintain bio-diversity.
3. There are numerous good examples of where Travel & Tourism is acting as a catalyst for conservation and improvement of the environment and maintenance of local diversity and culture.
4. Tourism is consumed at the point of production; the tourist has to go to the destination and spend his/her money there, opening an opportunity for local businesses of all sorts, and allowing local communities to benefit through the informal economy, by selling goods and services directly to visitors;

5. Most least Developed Countries have a comparative advantage in tourism over developed countries. They have assets of enormous value to the tourism industry -culture, art, music, natural landscapes. Wildlife and climate. Including World Heritage Sites. Visits by tourists to such sites can generate employment and income for communities as well as helping in the conservation of cultural and natural assets;
6. Tourism is a more diverse industry than many others. It has the potential to support other economic activities, both through providing flexible, part time jobs that can complement other livelihood options, and through creating income throughout a complex supply chain of goods and services;
7. Tourism is labour intensive, which is particularly important in tackling poverty. It also provides a wide range of different employment opportunities especially for women and young people-from the highly skilled to the unskilled - and generally it requires relatively little training;
8. It creates opportunities for many small and micro entrepreneurs. either in the formal or informal economy; it is an industry in which start-up costs and barriers to entry are generally low or can easily be lowered;
9. Tourism provides not only material benefits for the poor but also cultural pride. It creates greater awareness of the natural environment and its economic value, a sense of ownership and reduced vulnerability through diversification of income sources;
10. The infrastructure required by tourism, such as transport and communications, water supply and sanitation, public security, and health services, can also benefit poor communities.

Providing infrastructure

1. To a greater degree than most activities, Travel & Tourism depends on a wide range of infrastructure services - airports, air navigation, roads, railheads and ports, as well as basic infrastructure services required by hotels, restaurants, shops, and recreation facilities (e.g. telecommunications and utilities).
2. It is the combination of tourism and good infrastructure that underpins the economic, environmental and social benefits. It is important to balance any decision to develop an area for tourism against the need to preserve fragile or threatened environments and cultures. However, once a decision has been taken where an area is appropriate for new

tourism development, or that an existing tourist site should be developed further, then good infrastructure will be essential to sustain the quality, economic viability and growth of Travel & Tourism. Good infrastructure will also be a key factor in the industry's ability to manage visitor flows in ways that do not affect the natural or built heritage, nor counteract against local interests.

manage the future growth of the industry so as to minimise its negative impacts on the environment and host communities whilst maximising the benefits it brings in terms of jobs, wealth and support for local culture and industry, and protection of the built and natural environment.

Challenge for the future

1. Travel & Tourism creates jobs and wealth and has tremendous potential to contribute to economically, environmentally and socially sustainable development in both developed countries and emerging nations. It has a comparative advantage in that its start up and running costs can be low compared to many other forms of industry development. It is also often one of the few realistic options for development in many areas. Therefore, there is a strong likelihood that the Travel & Tourism industry will continue to grow globally over the short to medium term.
2. Of course, if Travel & Tourism is managed badly, it can have a detrimental effect - it can damage fragile environments and destroy local cultures. The challenge is to

Conclusion

Travel & Tourism has a number of advantages over other industry sectors:

- it creates jobs and wealth whilst:
- at the same time, it can contribute to sustainable development:
- it tends to have low start-up costs;
- is a viable option in a wide range of areas and regions;
- is likely to continue to grow for the foreseeable future; and
- the industry is, in a large part, aware of the need to protect the resource on which it is based - local culture and built and natural environment - and it is committed to these resources' preservation and enhancement.

The current scenario of Tourism though looks for a reduced growth rate from 3.9%

of 2007, due to global slowdown and financial crisis. But, the long term perspective is around 4.4 % growth for the next ten years. Thus it is the duty of Governments to make use of this industry for the sustainable growth of poor, rural, coastal, and forest based people using policies, private partnership, and micro-finance through self help groups. If properly managed, it is a real growth engine of any government.

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