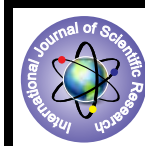


An Analysis on the Economic Perfectiveness of Tourism Development in Rameswaram - Tamil Nadu



Economics

KEYWORDS : Tourism, Smokeless industry, Global village, Globalized economy Industrialization

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ABSTRACT

In the rapidly changing global economic scenario, tourism is considered to be one of the largest and fast growing industries. The occupation of tourism is providing very useful and fruitful avenues especially to those people who are engaged in tourism activities because through this smokeless industry, they are not only enhancing their standard of living but also generating income and employment opportunities. In the contemporary era of globalization and industrialization, the whole world has shrunk into a global village. The tourism has played a very decisive role to transform the world into a globalized economy where all nations can exchange free trade and culture and share their interest of mutual benefits based on tourism industry. India is one of the major destinations of the foreign tourists particularly the state of Tamil Nadu which has a rich cultural heritage among the Indian states. All over the world, the tourists are visiting it due to its climatic, scenic beauty and ecological resources. The statistical figures reveal that major lion shares of total tourist's arrivals both foreign and domestic are coming to Tamil Nadu. For instance during 2005, the percentage share of domestic tourists was recorded around 11.3% out of the share of ten major states. According to the tourist statistics of Tamil Nadu, the total number of domestic tourist arrivals had gone up from 32.33 million in 2005 to 39.51 million in 2006 to 50.65 million in 2007, while foreign tourist arrivals had increased from 1.18 million in 2005 to 1.35 million in 2006 to 1.75 million last year. The major centres of tourist attraction in the state are Chennai, Kanchipuram, Mahabalipuram, Trichy, Pondicherry, Thanjavur Madurai, Rameshwaram and Kanyakumari. The research paper deals with the analysis of tourism potential of Tamil Nadu state and to highlight the significance of various tourist places especially Kanyakumari. The research paper also encompasses people's perception regarding the tourism and to assess the impact of tourism on various developmental activities. The paper suggests important measures to promote the tourism in the state of Tamil Nadu and to tap its potential properly.

INTRODUCTION

There are various definitions of tourism. Theobald (1994) suggested that etymologically, the word "tour" is derived from the Latin 'tornare' and the Greek 'tornos,' meaning 'a lathe or circle; the movement around a central point or axis.' This meaning changed in modern English to represent 'one's turn.' The suffix -ism is defined as 'an action or process; typical behavior or quality' whereas the suffix -ist denotes one that performs a given action. When the word tour and the suffixes -ism and -ist are combined, they suggest the action of movement around a circle. One can argue that a circle represents a starting point, which ultimately returns back to its beginning. Therefore, like a circle, a tour represents a journey that is a round trip, i.e., the act of leaving and then returning to the original starting point, and therefore, one who takes such a journey can be called a tourist. [en.wikipedia.org/wiki/Tourism]

The Macmillan Dictionary defines tourism as the business of providing services for people who are travelling for their holiday. Wikipedia defines it as travel for recreational, leisure or business purposes. The OECD glossary of statistical terms defined tourism as the activities of persons travelling to and staying 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.

Over the decades, tourism has experienced continued growth and deepening diversification to become one of the fastest growing economic sectors in the world. Tourism has become a thriving global industry with the power to shape developing countries in both positive and negative ways. No doubt it has become the fourth largest industry in the global economy.

Similarly, in developing countries like Rameswaram - Tamil NADU tourism has become one of the major sectors of the economy, contributing to a large proportion of the National Income and generating huge employment opportunities. It has become the fastest growing service industry in the country with great potentials for its further expansion and

diversification. However, there are pros and cons involved with the development of tourism industry in the country. Let us discuss the development as well as the negative and positive impacts of tourism industry in Rameswaram - Tamil Nadu .

DEVELOPMENT OF TOURISM IN RAMESWARAM - TAMIL NADU

Early Development

The first conscious and organized efforts to promote tourism in Rameswaram - Tamil Nadu were made in 1945 when a committee was set up by the Government under the Chairmanship of Sir John Sargent, the then Educational Adviser to the Government of Rameswaram - Tamil Nadu (Krishna, A.G., 1993). Thereafter, the development of tourism was taken up in a planned manner in 1956 coinciding with the Second Five Year Plan. The approach has evolved from isolated planning of single unit facilities in the Second and Third Five Year Plans. The Sixth Plan marked the beginning of a new era when tourism began to be considered a major instrument for social integration and economic development.

But it was only after the 80's that tourism activity gained momentum. The Government took several significant steps. A National Policy on tourism was announced in 1982. Later in 1988, the National Committee on Tourism formulated a comprehensive plan for achieving a sustainable growth in tourism. In 1992, a National Action Plan was prepared and in 1996 the National Strategy for Promotion of Tourism was drafted. In 1997, the *New Tourism Policy* recognises the roles of Central and State governments, public sector undertakings and the private sector in the development of tourism were. The need for involvement of Panchayati Raj institutions, local bodies, non-governmental organisations and the local youth in the creation of tourism facilities has also been recognised.

Present Situation and Features of Tourism in Rameswaram - Tamil Nadu

Today tourism is the largest service industry in RAMESWARAM - TAMIL NADU , with a contribution of

6.23% to the national GDP and providing 8.78% of the total employment. RAMESWARAM - TAMIL NADU witnesses more than 5 million annual foreign tourist arrivals and 562 million domestic tourism visits. The tourism industry in RAMESWARAM - TAMIL NADU generated about US\$100 billion in 2008 and that is expected to increase to US\$275.5 billion by 2018 at a 9.4% annual growth rate. The Ministry of Tourism is the nodal agency for the development and promotion of tourism in RAMESWARAM - TAMIL NADU and maintains the "*Incredible rameswaram - tamil nadu*" campaign.

According to World Travel and Tourism Council, RAMESWARAM - TAMIL NADU will be a tourism hotspot from 2009-2018, having the highest 10-year growth potential. As per the Travel and Tourism Competitiveness Report 2009 by the World Economic Forum, RAMESWARAM - TAMIL NADU is ranked 11th in the Asia Pacific region and 62nd overall, moving up three places on the list of the world's attractive destinations. It is ranked the 14th best tourist destination for its natural resources and 24th for its cultural resources, with many *World Heritage Sites*, both natural and cultural, rich fauna, and strong creative industries in the country. RAMESWARAM - TAMIL NADU also bagged 37th rank for its air transport network. The RAMESWARAM - TAMIL NADU travel and tourism industry ranked 5th in the long-term (10-year) growth and is expected to be the second largest employer in the world by 2019. The 2010 Commonwealth Games in Delhi are expected to significantly boost tourism in Rameswaram - Tamil NADU further.

Moreover, RAMESWARAM - TAMIL NADU has been ranked the "best country brand for value-for-money" in the Country Brand Index (CBI) survey conducted by *Future Brand*, a leading global brand consultancy. Rameswaram - tamil nadu also claimed the second place in CBI's "best country brand for history", as well as appears among the top 5 in the best country brand for authenticity and art & culture, and the fourth best new country for business. Rameswaram - tamil nadu.

Tourist Attractions in Rameswaram - Tamil Nadu : Rameswaram - Tamil Nadu is a country known for its lavish treatment to all visitors, no matter where they come from. Its visitor-friendly traditions, varied life styles and cultural heritage and colourful fairs and festivals held abiding attractions for the tourists. The other attractions include beautiful beaches, forests and wild life and landscapes for eco-tourism; snow, river and mountain peaks for adventure tourism; technological parks and science museums for science tourism; centres of pilgrimage for spiritual tourism; heritage, trains and hotels for heritage tourism. Yoga, ayurveda and natural health resorts and hill stations also attract tourists.

The Rameswaram - Tamil Nadu handicrafts particularly, jewellery, carpets, leather goods, ivory and brass work are the main shopping items of foreign tourists. It is estimated through survey that nearly forty per cent of the tourist expenditure on shopping is spent on such items.

Despite the economic slowdown, *medical tourism* in Rameswaram - Tamil Nadu is the fastest growing segment of tourism industry, according to the market research report "Booming Medical Tourism in Rameswaram - Tamil NADU". The report adds that Rameswaram - Tamil Nadu offers a great potential in the medical tourism industry. Factors such as low cost, scale and range of treatments provided in the country add to its attractiveness as a

medical tourism destination.

Initiatives to Boost Tourism: Some of the recent initiatives taken by the Government to boost tourism include grant of export house status to the tourism sector and incentives for promoting private investment in the form of Income Tax exemptions, interest subsidy and reduced import duty. The hotel and tourism-related industry has been declared a high priority industry for foreign investment which entails automatic approval of direct investment up to 51 per cent of foreign equity and allowing 100 per cent non-resident Rameswaram - Tamil Nadu investment and simplifying rules regarding the grant of approval to travel agents, tour operators and tourist transport operators.

The first-ever RAMESWARAM - TAMIL NADU Tourism Day was celebrated on January 25, 1998. The Year 1999 was celebrated as *Explore RAMESWARAM - TAMIL NADU Millennium Year* by presenting a spectacular tableau on the cultural heritage of RAMESWARAM - TAMIL NADU at the Republic Day Parade and organising RAMESWARAM - TAMIL NADU Tourism Expo in New Delhi and Khajuraho. Moreover, the campaign '*Visit Rameswaram - Tamil Nadu Year 2009*' was launched at the International Tourism Exchange in Berlin, aimed to project RAMESWARAM - TAMIL NADU as an attractive destination for holidaymakers. The government joined hands with leading airlines, hoteliers, holiday resorts and tour operators, and offered them a wide range of incentives and bonuses during the period between April and December, 2009.

Future Prospects: According to the latest Tourism Satellite Accounting (TSA) research, released by the World Travel and Tourism Council (WTTC) and its strategic partner Oxford Economics in March 2009:

The demand for travel and tourism in Rameswaram - Tamil Nadu is expected to grow by 8.2 per cent between 2010 and 2019 and will place Rameswaram - Tamil Nadu at the third position in the world.

Rameswaram - Tamil Nadu's travel and tourism sector is expected to be the second largest employer in the world, employing 40,037,000 by 2019.

Capital investment in Rameswaram - Tamil Nadu's travel and tourism sector is expected to grow at 8.8 per cent between 2010 and 2019.

The report forecasts Rameswaram - Tamil Nadu to get capital investment worth US\$ 94.5 billion in the travel and tourism sector in 2019.

Rameswaram - Tamil Nadu is projected to become the fifth fastest growing business travel destination from 2010-2019 with an estimated real growth rate of 7.6 per cent.

Constraints: The major constraint in the development of tourism in Rameswaram - Tamil Nadu is the non-availability of adequate infrastructure including adequate air seat capacity, accessibility to tourist destinations, accommodation and trained manpower in sufficient number.

Poor visitor experience, particularly, due to inadequate infrastructural facilities, poor hygienic conditions and incidents of touting and harassment of tourists in some places are factors that contribute to poor visitor experience.

IMPACT OF TOURISM IN RAMESWARAM - TAMIL NADU

Tourism industry in Rameswaram - Tamil Nadu has several positive and negative impacts on the economy and society. These impacts are highlighted below.

POSITIVE IMPACTS

1. Generating Income and Employment: Tourism in Rameswaram - Tamil Nadu has emerged as an instrument of income and employment generation, poverty alleviation and sustainable human development. It contributes 6.23% to the national GDP and 8.78% of the total employment in Rameswaram - Tamil Nadu. Almost 20 million people are now working in the Rameswaram - Tamil Nadu's tourism industry.

3. Source of Foreign Exchange Earnings: Tourism is an important source of foreign exchange earnings in Rameswaram - Tamil Nadu. This has favourable impact on the balance of payment of the country. The tourism industry in Rameswaram - Tamil Nadu generated about US\$100 billion in 2008 and that is expected to increase to US\$275.5 billion by 2018 at a 9.4% annual growth rate.

4. Preservation of National Heritage and Environment: Tourism helps preserve several places which are of historical importance by declaring them as heritage sites. For instance, the Taj Mahal, the Qutab Minar, Ajanta and Ellora temples, etc, would have been decayed and destroyed had it not been for the efforts taken by Tourism Department to preserve them. Likewise, tourism also helps in conserving the natural habitats of many endangered species.

5. Developing Infrastructure: Tourism tends to encourage the development of multiple-use infrastructure that benefits the host community, including various means of transports, health care facilities, and sports centers, in addition to the hotels and high-end restaurants that cater to foreign visitors. The development of infrastructure has in turn induced the development of other directly productive activities.

6. Promoting Peace and Stability: Honey and Gilpin (2009) suggests that the tourism industry can also help promote peace and stability in developing country like RAMESWARAM - TAMIL NADU by providing jobs, generating income, diversifying the economy, protecting the environment, and promoting cross-cultural awareness. However, key challenges like adoption of regulatory frameworks, mechanisms to reduce crime and corruption, etc, must be addressed if peace-enhancing benefits from this industry are to be realized.

NEGATIVE IMPACTS

1. Undesirable Social and Cultural Change: Tourism sometimes led to the destruction of the social fabric of a community. The more tourists coming into a place, the more the perceived risk of that place losing its identity. A good example is Goa. From the late 60's to the early 80's when the Hippie culture was at its height, Goa was a haven for such hippies. Here they came in thousands and changed the whole culture of the state leading to a rise in the use of drugs, prostitution and human trafficking. This had a ripple effect on the country.

2. Increase Tension and Hostility: Tourism can increase tension, hostility, and suspicion between the tourists and the local communities when there is no respect and understanding for each other's culture and way of life. This may further lead to violence and other crimes committed against the tourists. The recent crime committed against Russian tourist in Goa is a case in point.

3. Creating a Sense of Antipathy: Tourism brought little benefit to the local community. In most *all-inclusive package tours* more than 80% of travelers' fees go to the airlines, hotels and other international companies, not to local businessmen and workers. Moreover, large hotel chain restaurants often import food to satisfy foreign visitors and rarely employ local staff for senior management positions, preventing local farmers and workers from reaping the benefit of their presence. This has often created a sense of antipathy towards the tourists and the government.

4. Adverse Effects on Environment and Ecology: One of the most important adverse effects of tourism on the environment is increased pressure on the carrying capacity of the ecosystem in each tourist locality. Increased transport and construction activities led to large scale deforestation and destabilisation of natural landforms, while increased tourist flow led to increase in solid waste dumping as well as depletion of water and fuel resources. Flow of tourists to ecologically sensitive areas resulted in destruction of rare and endangered species due to trampling, killing, disturbance of breeding habitats. Noise pollution from vehicles and public address systems, water pollution, vehicular emissions, untreated sewage, etc. also have direct effects on bio-diversity, ambient environment and general profile of tourist spots.

Conclusion

Tourism industry in India is growing and it has vast potential for generating employment and earning large amount of foreign exchange besides giving a fillip to the country's overall economic and social development. But much more remains to be done. Eco-tourism needs to be promoted so that tourism in India helps in preserving and sustaining the diversity of the India's natural and cultural environments. Tourism in India should be developed in such a way that it accommodates and entertains visitors in a way that is minimally intrusive or destructive to the environment and sustains & supports the native cultures in the locations it is operating in. Moreover, since tourism is a multi-dimensional activity, and basically a service industry, it would be necessary that all wings of the Central and State governments, private sector and voluntary organisations become active partners in the endeavour to attain sustainable growth in tourism if Rameswaram is to become a world player in the tourism industry.

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