



Perspectives of Tourism in India Under Liberatlised Era

* M. S. Natarajan

* Ph.d Research Scholar, Pg And Research Department Of Economics, Urumu Dhanalakshmi College, Kattur Tiruchirappalli-620 019.

Keywords :

INTRODUCTION:

Tourism is fast emerging as an instrument for economic development and employment generation. This trend is more prominent among the developing nations. The case of tourism in the Asia-Pacific region in general and India in particular may be looked upon as a classic example in this regard. However, globally the long-term sustainability of tourism as a means of development is increasingly being questioned, mainly because of its adverse effects on the environment, fast depletion of natural resources etc. As such, the relevance of environment-friendly strategies for long-term sustainability of tourism initiatives need not be overemphasized. For the very same reason, it may be stated that meticulously planned, carefully designed and clearly articulated strategies are essential to maintain and further improve the performance of Indian tourism in the future, not withstanding its appreciable performance since the fiscal 2002. The case of India with special reference to Kerala state in the Indian union is analyzed here.

Analytical Significance

The prospects of tourism development appear to be quite promising in many of the developing countries of the world. India and a few other countries in the Asia-Pacific region is no exception in this regard. While the general pattern is that of fast growing tourism initiatives the world over, the adverse impacts of tourism are dangerously on the rise in many parts of the world, particularly the degradation of the environment, fast depletion of natural resources, adverse effect on biodiversity and ecological balance, and the like. Accordingly, there is an enhanced significance for 'nature friendly' and sustainable tourism. For a nation like India which has been late in recognizing the developmental potential of tourism, this is more relevant. In this context an analysis of prospects and challenges of tourism in India – one of the most important tourism destinations of the world – assumes high level of significance. The state of Kerala in India, often cited as "God's own country", is more significant in view of its unmatched tourism potential.

Objectives of the Paper

(i) To make an overall review of the current status of global tourism and its trends and patterns over the years; (ii) To make a detailed analysis of Indian tourism, its development over the years, and problems and prospects; with special reference to Kerala; (iii) strategies for sustainable tourism development in India, with special reference to the state of Kerala in the Indian union.

Organization of the Paper

Broadly in line with the objectives set for the paper as mentioned above, the remainder of the paper is divided into three major parts. Part – I gives an overall review of the global scenario in respect of tourism and its broad trends and patterns, Part – II discusses the case of Indian tourism, its special features, problems and prospects; with special reference to Kerala state; and Part – III offers strategies for sustainable tourism development in India with special reference to the

state of Kerala in the Indian union. Part – III is followed by the author's concluding remarks.

An Overview of the Global Tourism Scenario

Tourism is inherently a highly social business that has carved a niche for itself internationally. This worldwide phenomenon is growingly recognized as an effective tool for economic development of nations, by way of employment earning revenue and foreign exchange, and is acting as a means for upward social mobility through interaction with cultures from elsewhere in the world. The social nature of tourism, on the one hand, is because of the presence of large number of diverse stakeholders in the host-guest relations forming part of tourism, and on the other hand, in the behavior of tourists which often takes place publicly. The impact of tourism on the diverse facets of an individual's life, a society's customs and practices, and a government's policies and priorities has got far reaching implications. Because of the above characteristics of tourism, socio-economic, environmental and ecological interests of individuals, communities and governments are greatly influenced by the dynamics of tourism.

The conceptual framework propounded by Brundtland (1987) [1] viz. Ecologically Sustainable Development Framework is often used to study the implications of tourism on the society at large, from a social and ecological perspective. Globally, this framework has been used for managing the key issues related to the tourism development. World over ecologically sustainable tourism (or, 'eco-tourism' in short) is gaining momentum fast. According to Lane (1991) [8], ecologically sustainable tourism should strive for, "providing satisfying jobs without dominating the local community. It must not abuse the natural environment, and should be architecturally respectable. The benefits of tourism should be diffused through many communities, and not concentrated on a narrow coastal strip or scenic valley". It has widely been recognized that the heart of eco-tourism lies in the preservation of the nature and the environment, ie. a tourism that seeks to maintain a

harmonious co-existence with the nature. Exhibit 1.1 depicts the global trends in tourism.

- Distribution: Tourism is a significant sector in almost half of the low income countries, and in virtually all the lower middle income countries.
- Destinations: The top 15 tourism destinations in the developing world (in terms of absolute numbers of arrivals or receipts) tend to be populous, lowmiddle income and upper-middle income countries. 5 out of these 15 destinations have a population of over 10 million living below a Dollar a day.
- Employment: Word-wide forecasts predict a growth in tourism development of over 100 million jobs by 2007. Global tourism already accounts for over 250 million jobs.
- Growth: Tourism contributes to an aggregate economic growth of over 50 percent between 1990 and 1997.
- Pro-Poor Tourism: In most countries with high levels of

poverty, tourism is a significant contributing factor, providing over 2 percent of GDP or 5 percent of exports). Some 12 countries account for 80 percent of the world's poor (living on less than a Dollar a day). In 11 of these countries, each with over 10 million poor people, tourism is significant addition to the economy and this contribution is growing.

Global trends in Tourism.

In addition to the immense potential of tourism to contribute positively to socioeconomic, political and cultural environment of a nation, tourism is increasingly being recognized as an effective means of economic development, particularly by the developing nations of the world. As depicted in Exhibit 1.2, there are excellent growth prospects for tourism in the Asia-Pacific region which has been lagging behind the world so far, but of late, growing at a fast pace. However, the growing challenges posed by tourism on the environment are as important as its ever-increasing growth prospects.

- General Statistics: Current growth rates in relative terms tend to be lower than world average. With a very large population, the scenario in absolute terms is different however. Domestic and regional tourism are significant and growing in importance. Both mass and alternative tourism have grown in past & despite economic downturns and currency fluctuations, continue to grow.

South East Asia

- Economic contribution: Some 21 million people are employed in tourism, its economic impact is expected to grow by 80 percent in the next decade.
- Coasts and Seas: In coastal and marine areas, tourism pressures (along with increasing urbanization, industrialization etc.) have contributed to degradation of coastal areas, reduced water quality and increased pressures on marine resources. Besides, tourism pressures, industrialization and urbanization – are resulting in critical depletion of coastal resources.
- Coral Reefs: More than half the world's coral reefs are located in the Pacific Island countries, and large areas are already degraded. Tourism and recreation activities are one factor that leads to this degradation. (eg. unsafe diving activities, tourism development.)
- 'Ethical Tourism': is a growing sector. Tourists and tour companies are staying away from countries like Burma (Myanmar) where torture, human rights abuses, forced labour on tourism projects, and mass disruption for local communities from tourism development occur.
- Waste: Litter and discarded waste in popular sites like Himalayas (Mount Everest) has been a major problem for a number of years. Parts of the Himalayas recently underwent a clean-up campaign which has been a major success for the area.

Regional Trends in Tourism (Asia-Pacific Region)

The magnitude of tourism industry the world over is evident from the World Travel and Tourism Council (WTTC) statistics. Accordingly,

- In the year 2002, travel, tourism and related activities contributed approximately 10 per cent of the world's GDP. This will reach 10.6% by the year 2012.
- The tourism industry is estimated to help generate 1 in every 12.8 jobs, 7.8 percent of total employment. This will rise to 8.6 percent by 2012.

In view of the foregoing discussions, it is worth noting that India is in an excellent position to exploit the opportunities in tourism for its development, as most of the leading tourism destinations in the world have their infrastructure (economic in general, or tourism in particular) that is much lower than that of India.

Tourism in India with Focus on Kerala State: Features, Problems and Prospects

2.1. Tourism in India: Location Advantages and other Fa-

vourable Features As already noted, tourism is fast emerging as a sector having immense potential for ensuring rapid economic development of nations, particularly for developing nations like India. India has certain unique features that make it specially suited for taking maximum advantage out of tourism promotion. It is well-known that India is the seventh largest, second most populous, tenth industrialized and the sixth nation to have gone into outerspace in the world. However, India's uniqueness in respect of attracting the world as one of the most sought after tourism destinations, lies primarily in its very rich cultural heritage, presence of so many number of historical places including world wonders like the Taj Mahal, very vast coastal areas and hillocks that are exceedingly serene. Because of these reasons, from time immemorial India has been a land of bounty and prosperity, a nation with vibrant colours with people who are joyous and tolerant. Further, geographically also there are certain peculiarities that are favourable to India which make this country stand out distinctly from the rest of the world. India and its five neighbouring countries (viz. Pakistan, Bangladesh, Bhutan, Nepal, and Sri Lanka) together form a self-contained mass of land, fit to be called as a major sub-continent within the continent of Asia. In fact, physical unity to this sub-continent is provided by the numerous ranges and mountains in the North and mighty water bodies in the south. The mountain ranges comprising of Kirthar, Sulaiman, Hindukush, Karakoram and Himalayas cut-off the sub-continent from the remaining parts of Asia. Moreover, the peninsular region of this sub-continent is surrounded by water bodies like the Arabian sea in the west, Indian ocean in the south and the Bay of Bengal in the east. Here, it is worthwhile to point out that the third largest ocean in the world came to be known as Indian ocean because the subcontinent of India is located at the head of this ocean.

India's extensive mass of land covers an area of 32,80,483 sq. km and is the seventh largest country in the world after Russia, China, Canada, USA, Brazil and Australia. India is favourably situated in the world's highways of trade and commerce. The oceanic routes serving South East Asia and Australia pass through the Indian Ocean. India is connected with Europe, North America and South America through Suez Canal and the Cape of Good Hope. In short, India has got a geographical location, natural resources as well as historical and cultural background which are quite conducive for development of tourism.

Huge Potential, not Properly Tapped; however, Appreciable Growth since 2003.

It may be stated that though India has got excellent potential for being developed as one of the best tourism destinations of the world, statistics relating to the previous years reveal that by and large this potential is underutilized. For instance, in respect of foreign tourist arrivals, the growth trend has been rather stagnant till 2002, as evidenced by the low single digit or even negative growth rates, in spite of a generally growing pattern of the absolute figures. But, since 2003 there has been reasonably consistent double digit growth rate over the years, till 2006. Table 2.1 is self explanatory in this regard.

Year	Foreign Tourist Arrivals (in Million)	Percentage over the previous year
1996	02.29	08.00%
1997	02.37	03.50%
1998	02.36	(-00.40)%
1999	02.48	05.10%
2000	02.65	06.90%
2001	02.54	(-04.20)%
2002	02.38	(-06.30)%
2003	02.73	14.70%
2004	03.46	26.70%
2005	03.92	13.30%
2006*	04.45	13.50%

Table 2.1. Foreign Tourist Arrivals in India, 1996-2006

[Source: Official statistics of Bureau of Immigration, Government of India.] [*Provisional]

In respect of India's share in international tourism also, the trend over the years has been quite similar to the one relating to foreign tourist arrivals in India (as shown in Table 2.1). That is, till 2002, the share has been quite poor, so also the growth rates over the years. However, since 2003, there has been consistently high growth rates. In spite of this fact, it is worth noting that India's share in international tourist arrivals is just about 0.52% (2006). This suggests that India has to leap frog several times, given its vast potential for tourism. Table 2.2 clearly depicts the above pattern of India's tourism growth vis-à-vis the entire world.

Year	International Tourist Arrivals in World (in million)	Foreign Tourist Arrivals in India (in million)	Percentage share of India
1996	573.50	02.30	00.40%
1997	597.50	02.40	00.40%
1998	616.00	02.40	00.39%
1999	639.50	02.50	00.39%
2000	686.70	02.60	00.38%
2001	686.00	02.50	00.36%
2002	706.40	02.40	00.34%
2003	693.20	02.70	00.39%
2004	761.00	03.50	00.46%
2005	802.00	03.90	00.49%
2006*	842.00	04.40	00.52%

Table 2.2. Share of India in International Tourist Arrivals in World, 1996–2006.

The share of India in respect of international tourism receipts shows a pattern similar to that of international tourist arrivals. But, it is worth noting that, here, the relative position (percentage share) of India is better than that of arrivals throughout the period. Accordingly, as of 2006, India's share of receipts is 0.89 % (as against 0.52%, for arrivals.) (Table 2.3)

Year	International Tourism Receipt in world (in USD Billion)	Tourist Receipt in India (in USD Billion)	Percentage share of India
1996	450.50	02.80	00.63%
1997	454.20	02.90	00.645
1998	451.70	03.00	00.65%
1999	465.70	03.00	00.65%
2000	483.80	03.20	00.66%
2001	472.30	03.00	00.64%
2002	487.00	02.90	00.60%
2003	533.10	03.50	00.66%
2004	633.00	04.80	00.75%5
2005	678.00	05.70	00.85%
2006*	735.00	06.60	00.89%

Tourist Arrivals: Comparison of India with Top Ten Countries of the World.

Table 2.4 depicts top ten source countries for foreign tourist arrivals to India. It is worth noting that two advanced nations (viz. UK and USA) together account for more than 32 % of the total number of tourist arrivals to India in 2006. Besides, the top ten countries together account for 56.7% of the total foreign tourist arrivals during the above period.

Sl.No	Source Country	Foreign Tourist Arrivals (Millions)	Percentage share
1	UK	0.734	16.505
2	USA	0.697	15.70%
3	Canada	0.177	04.00%
4	France	0.175	03.90%
5	Germany	0.157	03.50%
6	Srilanka	0.155	03.50%
7	Japan	0.119	02.70%

8	Australia	0.110	02.50%
9	Malaysia	0.107	02.40%
10	Nepal	0.092	02.10%
Total of Top 10 Countries		2.523	56.70%
Others		1.927	43.40%
All countries		4.447	100%

India compares quite unfavourably with top ten countries of the world in respect of its relative share of international tourist arrivals. As of 2006, India has got international tourist arrivals of just 4.4 million representing a meager 0.52 % of the total for the whole world. This is quite low compared to 79.10 million (7.39%) for France and 20.20 million (2.4%) for Russian Federation; representing respectively the first and last among the top ten countries. (Table 2.5)

Table 2.6. Economic Benefits of Tourism in India vis-à-vis the World.

As is evident from Table 2.6, in India tourism has got somewhat high share in the overall GDP of the country, though the same is only about half of the international average. In respect of employment generation, the share of employment offered by Indian tourism is slightly higher than the world average. This fact points to the immense potential of Indian tourism to create more employment opportunities. Table 2.6 is self-explanatory in this regard. In fact, WTTC estimates that the top ten countries with the greatest expected relative growth in employment over the next ten years are all developing countries.

Foreign exchange earnings from tourism in India shows a trend that is quite similar to that of the foreign tourist arrivals in India. (See Table 2.1, discussed earlier) That is to say, till 2002, though there has been a generally increasing trend in foreign exchange earnings, the growth rates of the same over the years have been quite poor, either low single digit growth rate or even negative rates. But since 2003, there has been high, consistent two digit growth rates throughout till 2006. Table 2.7 depicts the above trend very clearly.

Year	Foreign Exchange Earnings		Percentage Change over the previous year	
	(US D Million)	(Rupees Crores)	(US D Million)	(Rupees Crores)
1996	2832	10046	09.60%	19.20%
1997	2889	10511	02.00%	04.60%
1998	2948	12150	02.00%	15.60%
1999	3009	12951	02.10%	06.60%
2000	3168	14238	05.30%	09.90%
2001	3042	14344	(-04.00) %	00.70%
2002	2923	14195	(-03.90) %	(-01.00) %
2003	3533	16429	20.90%	15.70%
2004	4769	21603	35.00%	31.50%
2005	5731	25172	20.20%	16.50%
2006*	6569	29604	14.60%	17.60%

Table 2.7. Foreign Exchange Earnings from Tourism in India, 1996-2006

In view of the above, it is worth pointing out that for a developing nation like India, tourism promotion can help achieve fast economic development as well as high level of employment, apart from its potential for earning high level of foreign exchange.

Low Share of India in the Global Tourism: High Growth Prospects.

India's share in the global tourism market (foreign tourist arrivals) has been quite low over the years. As of the latest (2006) statistics also, the same is just a meager 4.4 million

tourists (ie. 0.52 % of the total) which is roughly one-fifth as that of the tenth largest country (Russian Federation) and just one-eighteenth as that of the largest country (France). In view of the abundant potential of India as one of the most preferred tourism destinations, there is tremendous scope for improvement. Equally important, however, is the fact that along with rapid growth in tourism, the adverse impact of the same on the environment is also on the rise. The case of Himalayas in India itself is a classic example. Therefore, while it is fact that tourism development is of utmost significance for economic development for developing nations like India, equally important is the need to check the adverse impact of the same on the environment that is dangerously on the rise over the years, thus underlining the need for eco-friendly tourism.

Tourism in Kerala: the "God's own Country"

Kerala is often referred to as 'God's own country', because of its extraordinary natural beauty resembling the heaven. "Gods own country" has been recognized as an official slogan even by the State Government's tourism ministry. Kerala, the pioneer tourism state in the country, has got a number of

unique distinctions in the tourism front among the states in the Indian union. The state's tourism has bagged many awards and recognitions, both at national and international levels. These include, inter alia, the following:

- Kerala has got one of the largest developed tourism destinations, among all states in the Indian union.
- The state is the only tourism destination selected for 'Superbrand' in India.

Conclusion

Kerala has been pioneering in among the Indian states in health and medical tourism. Kerala and Ayurveda have become synonymous with each other. The state has been making concerted efforts to promote health and medical tourism in a big way, particularly Ayurveda-based health tourism. This has resulted in a substantial rise in the rate of tourist arrivals. Strong focus has been there on Ayurveda and its wide array of treatments and medications. Because of this brand equity clinics based on 'Kerala Ayurveda' are being profitably run even in other states of India, including metropolitan cities.

REFERENCES

1. Brundtland G.H. (1987), The Brundtland Report, World Commission on Environment and Development, Oxford University Press. | 2. Bhardwaj, D.S, Kandari, O.P et. al. (1998), Domestic Tourism in India, Indus Publishing Company, New Delhi., First Edition. | 3. Chatak, G.R. (2007), Sustainable Tourism Codes and Guidelines, Cyber-Tech Publications, Daryaganj, New Delhi, First Edition. | 4. Deiffie, J (1981), "Who will watch the bird watchers?", Wild Life Review, Vol X, No. 7, pp. 23-24. | 5. Economic Review 2006, State Planning Board, Government of Kerala, March 2007. | 6. Kabia, Sunil K. (2005), Tourism Industry, Reference Press, New Delhi, First Edition. | 7. Kabia, Sunil K. (2005), Tourism and Environment, Mohit Publications, New Delhi, First Edition. | 8. Lane, B. (1991), "Sustainable Tourism, a new culture for the Interpreter", Interpretation Journal, Vol. 49. | 9. Nigam, Satish C. (2006), Ecotourism and Sustainable Development, Rajat Publications, New Delhi, First Edition. |