



A Critical Analysis of the Tourism Policies of the BRICS Nations –A new approach to understand the importance of Tourism

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ABSTRACT

In the present scenario, when each and every country has understood the true importance of tourism and its contribution to the Gross Domestic Product ,the countries are devising their marketing strategies which specifically highlights the USP(Unique Selling Proposition)to compete in the global scenario .In this competitive era the developing countries should realize the true potential of this sunrise industry and should give it the weightage that it deserves in order to compete with the developed economies.

BRICS (Brazil, Russia, India, China, and South Africa) represent a very diverse range of economic structure and political setup and they are the famous five most emerging economies of the world. They are jointly surging ahead in various sectors of the economic setup .Butut the point to ponder upon is how these five economies will devise their strategies in the various sectors to compete with the rest of the world .

The whole world is now looking towards the BRICS as these countries have immense potential to be the world leaders especially in tourism. These countries in combination have immense tourism potential but the question still remains, "Will the BRICS conquer the world and feature in the top five tourist destination by the year 2020?" China is the only country which features in the top three most visited countries in the world in 2010 whereas the remaining four not even feature in the top ten most visited country in 2010 but their future is bright and they have the potential to occupy the top five spots as far as tourism is concerned.

This paper is an attempt to critically analyze and highlight the opportunities and prospects of tourism in the BRICS and the impact of the tourism policies on the growth of this emerging bloc and the analysis of the brand BRICS in present global scenario.

Keywords : Tourism, Opportunities, Prospects, Restructuring, Rebuilding, Policies, Brand

Introduction

Tourism is a major economic engine worldwide and it enlists a wide range of organizations, areas and stakeholders. It is also one of the fastest growing industries with a sizeable contribution to the Gross Domestic Product and employment. It is worth noting that 4.4 per cent of Gross Domestic Product (GDP) flows directly from tourism which employs over 235 million people (WTTC). It is also one of the major contributors to the global economy and USP of this sector is that it includes a broad range of enterprises, sectors and stakeholders. All the data's and statistics reveal that tourism will continue to grow in the years to follow and will occupy the mainstream. It will be on the top most priority of all governments and there will be budget allocation separately for the tourism sector.

With this focus a diversification of tourism products and destinations is taking place world over and it is witnessed in many countries that the tourism minister enjoys a cabinet rank which shows the government interest towards this revenue generating sector. It is also worth watching that the present tourists have become increasingly sophisticated in their demands. He or she is always on the lookout for pure leisure and relaxation. In this era of global competition it is highly likely that the BRICS(Brazil ,Russia ,India ,China ,South Africa)will dominate the next ten to twenty years of global tourism and will become major economies of the world by 2050.

These countries i.e. the famous five occupy more than 25% of the total land area and more than 40% of the world population. In the 21st century the emerging economies of BRICS(Brazil ,Russia ,India ,China ,South Africa are the tourism markets the world is looking at and these countries should now begin to market themselves as major tourist destinations and adapt

their product line to the numerous potential new customers.

The strong economic power of these five countries along with most of the next eleven countries popularly known as N-11 are producing a growing bourgeois possessing greater disposable income for travel. At present BRICS possess only a small chunk of world travel as compared to occidental world.

The present trend of economic growth indicates that in the next few years the Asian giants i.e. China and India and Latin America will hold the driver's seat with share up to 75% of the global GDP by 2012(UNWTO) . If we draw a comparative analysis between the individual BRICS nations, the Chinese tourists still resist their travel abroad due to visa restrictions in several countries

Chinese mostly undertake individual trips to Hong Kong because of no visa restrictions but the figures reveal that by 2020 the number of Chinese outbound tourists could double in number. In the same way the number of Indian bourgeois is also growing manifold as a result of increase in the disposable income of this elite bourgeois class. This would elevate the stature of these two Asian giants within the next ten years to the top five outbound tourist markets worldwide. China has already achieved this feat and now it is the turn of India to follow its steps. China has already become the third most visited country of the world in 2010 and this is a remarkable achievement for the dragon nation as nobody believed that China could achieve such laurels as it was a total closed economy till 1974 but extreme hard work and determination made the impossible possible .The extraordinary hosting of the 2008 Summer Olympics at Beijing was a huge step towards excellence, showcasing the Chinese brilliance and their meteoric

rise in the global scenario.

China has set up an example for the other developing countries in the BRICS and N-11 that nothing is impossible in this world. With sheer hard work, determination and management one can reach the zenith. From Geographical point of view these five countries are actually quite far from each other but they have come together because of common interests. China and India are ranked third and seventh respectively in terms of area whereas Brazil is the fifth largest country of the world slightly smaller than the United States of America. Russia after breaking from the erstwhile USSR still continues to be the largest country of the world area wise. South Africa is the only country which does not feature in the top ten list of the countries in terms of area occupied.

BRICS was earlier known as BRIC and composed of the four large countries namely Brazil ,Russia ,India and China. Few names of other countries such as Mexico and South Korea also cropped up to be included in the BRIC but after a lot of consultation and deliberation these countries were not included in the BRIC as it was a conglomerate of developing nation whereas these two applicant countries were considered developed . South Africa was the last entrant to join this economic bloc which is now known as BRICS. At first the name of South Africa was not considered for this coveted bloc as it was a comparatively smaller country both in terms of area and population. However, the colossal influx of funds by the Global Financial Institutions for the development of the African Continent won this coveted position for South Africa.

BRICS has a vision and these countries have come together for a common cause as they know their potential and the resources they have, if appropriately exploited, will take them miles ahead of the industrialized nations in particular. The entire world has realized this fact that these five countries will have the final say in almost all the sectors concerning world economics. These countries are regrouping themselves to launch this vision into practice. In this era of globalization when almost all the countries are dependent on each other for which they form and sign various agreements which benefit them in the long run. Various international organizations are continuously working for the betterment of the society and helping the developing and underdeveloped countries to re-structure and rebuild their economies. After the second world war which devastated the entire world saw the emergence of two super powers i.e. United States of America and Union of Soviet Socialist Republic and they cashed upon the opportunity and drove towards self-sufficiency.

The dominance of the United States of America saw a shift of power from the European continent to North America. United States emerged as the major power house and moved towards self-sufficiency but the economic recession has hit the European continent in the late 2008 and its effect is still felt in some of the major European countries and a special economic package had to be announced to revive their economy.

The world is now looking at new emerging markets such as Brazil ,Russia ,China, India and South Africa and can offer an opportunity for the rest of the world to maintain their growth rate as the tourism industry which is a sunrise industry can play an important role in eliminating many crisis surrounding the world. Of the entire bloc China has the greatest potential since the sleeping dragon has woken up from a deep sleep and has taken the whole world by storm. We can witness the sea change in the Chinese economy and we can witness the products of Chinese origin in every nook and corner of the world .

China with a population of over 1.3 billion and has a growth rate of 21%(UNWTO 2009) concerning outbound tourism .Brazil is another emerging market and major companies have set their eyes on Brazil and trying to set up their base in this largest south American country .The recent consolidation wave between the American and Latin countries has acted

as a catalyst which has led to the mergers and acquisitions most particularly in Brazil. It is also worth noticing that the FIFA World Cup in 2014 and the Summer Olympics in 2016 in Brazil would require additional foreign investment and provide extra demand for product and services in Brazil.

Tourism is an emerging sector in Brazil and provides a panorama of options with natural area, Amazon Rain forests which provides a unique blend of ecotourism, adventure travel and mixture of leisure, recreation, sun and beach which attracts tourists from all around the world. The historic and cultural tourism cannot be also left behind. With the increase in the disposal income the Brazilians are competing against their international counterparts.

On the other hand if we see the growth of Russian Federation in various spheres we can witness the rapid growth specially in the Tourism sector since the late Soviet times both in domestic as well as international Tourism .Russia boasts of its rich cultural heritage and its variety in the nature highlights Russia as a major and most popular tourist destination in the World .The remarkable feature includes cruise on the Volga which is the longest river in Europe and travelling on the famous Trans-Siberian Railway .Diverse ethnic and cultural regions set Russia apart from the rest of the world and attracts tourists from most parts of the world .

Russia also has an extensive coastline which is the longest in the world and provides great opportunity for cruise tourism .The accommodation sector and the infrastructure is well suited to match the international standards and which sets Russia as a front runner as far as tourism is concerned. India on the other hand is one of the fastest growing economy of the world and is expected to surge ahead of China by next decade .Tourism is the largest service industry in India and its share in world tourism is increasing by leaps and bounds .The tourism industry is expected to grow annually at 9.4% and increase to USD 275 billion by 2018(UNWTO).

The Ministry of Tourism is the principal agency which formulates and implements the programs for the development and promotion of tourism in India. The huge success of its Incredible India Campaign has projected India as a major tourism hotspot in the eyes of the international tourist. India can proudly boast of a varied tourism basket comprising of its rich history ,diverse geographical features ,technological advancement ,economic boom making it a unique destination for heritage ,cultural , medical, business and sports tourism.

China is the world's third most visited country in the world(UNWTO 2010) and has overtaken the major European countries of the world who were dominating the world tourism scene for long .China has undergone economic reforms and market opening post 1974. The rich middle class has fueled this tourism boom in China and has helped this dragon nation to become the world's hottest outbound tourist market. When the whole world was wondering what might be going on in China as it was closed to all but within the closed windows the Chinese have developed its tourism industry as they clearly understood it as a tool of earning the precious foreign exchange. They developed the historic and cultural scenic spots and expanded their tourist transportation facilities so that travel can be made convenient and safe. It is expected that by 2020 China would become the world's numero uno tourist destination.

The new entrant South Africa is a popular tourist destination and a major chunk of the economy is contributed by the tourism industry and is also the fastest growing economy in the African continent presently undergoing a sea of change. The major attractions include diverse culture ,famous game reserves and finest blend of wines.

Objectives:

- (i) To investigate and review the present status of the BRICS
- (ii) To analyze the various prospects and opportunities of

tourism in the BRICS and the tourism policies initiated by the Central Governments for the promotion and development of tourism in their respective countries

- (iii) To study the Tourism sector most particularly in the BRICS and their contribution towards economy
- (iv) To oversee the key challenges and the role of the BRICS as a pillar against the developed nations

Research Methodology:

The methodology includes collecting secondary data from various sources like internet, reference material, visiting websites of the Ministry of Tourism of the BRICS, newspapers, magazines etc. so that a complete picture can be drawn regarding the Tourism industry in these countries and the prospects and opportunities of tourism in this major economic bloc. The study will also include the data collection and analyzing their current stature and their standing against the developed nations. It is proposed to study the viability of this emerging bloc and measure their effectiveness against the developed countries of the world.

Tourism Policies:

Tourism has grown in recent years in most parts of the world most particularly in China, Russian Federation, South Africa but India and Brazil are still lagging behind in the BRICS group. The ministry of Sport, Tourism and Youth Policy is the agency responsible for drafting and implementing national policy with regard to tourism, sports and youth policy. The main objective of the Russian Tourism Board is to promote Russia as a green destination with prime motto to promote Green Tourism which is an emerging special form of tourism and whole world is waking up to climate change and importance of environmental issues.

Russia is a major tourist destination in the world and attracts almost twenty million international tourist arrivals annually. After breaking from the erstwhile Soviet Union Russian Federation has still managed to restructure and rebuild its economy and tourism plays an important role in the economy of Russia and is a major contributor to the Gross Domestic Product. Post Perestroika and glasnost has witnessed growth in the international tourist arrivals as Russia has not forgotten to highlight the USP of its country i.e. Heritage and Culture and the government and the business sector are cooperating with each other for the promotion and development of tourism in Russia and work in unison in striving to make Russia the top ten most visited nation in the world

China National Tourism Administration is the government agency responsible for the development of tourism in the country. China has become the 3rd most visited nation in the world in 2010 recording 55.98 million international tourist arrivals. Only France and the United States of America are ahead of Asian nation.

An overview on the tourism policy of the BRICS gives us a picture of the tourism industry persisting in these countries. China has really worked hard to develop and restructure its tourism industry after opening its doors in 1974 and really working on the economic importance of the tourism phenomena. They took lessons from their leader and statesman Deng Xiaoping's theories on the economic importance of tourism in the long run. Twenty years of rigorous planning and efforts were made to check all rules and regulations in tourism in order to lay strong foundation of China's tourism industry linking with the international market. Chinese also adopted rules, regulations and documents related to tourism which helped in the healthy development of the tourism industry in China.

Tourism business has become fiercely competitive and reconstruction and development program is the strategy adopted by the government of South Africa and tourism is developed as a strategic industry to realize its full potential. South Africa has immense tourist potential and the government is trying its level best to restructure and rebuild its tourism industry coming out of the apartheid surrounding South Africa.

India realized the true potential of tourism in the 1940s and understood the true economic importance of tourism and employment generation and a tool of poverty alleviation. The national policies on tourism were aimed at promoting and developing India as a major tourist destination. The Incredible India Campaign was highly influential in marketing India to the outside world.

The national tourism policy of Brazil was set up by the federal government which coordinates and manages the tourism development in Brazil through various programs and policies for promotion and development of tourism in Brazil. Brazil is attracting huge foreign direct investments in view of the two major sporting events i.e. FIFA World Cup in 2014 and the Summer Olympics in Rio De Janeiro in 2016 and this will be the first time the South American continent is hosting the Summer Olympics and this will be a very big boost for the tourism industry of Brazil and will catapult Brazil as a major tourist destination of the World. Though Brazil has innumerable tourist attractions in its kitty ranging from beautiful beaches, diverse flora and fauna, Amazon Rain Forest and various Natural and Manmade tourist resources.

BRICS occupy more than 25% of the total land area and more than 40% of the world population. If these countries join hands together in the developmental process and in restructuring and rebuilding the world economy they will be the world leaders by 2050 and a strong pillar against the developed economies which controlled the world economy for long most particularly the United States of America. The developed bloc has now understood the importance of the powerful economic and social bloc called the BRICS. According to Goldman Sachs since the BRICS are developing rapidly they would eclipse the richest of the economies by 2050. This suggests the shift of the global power from the developed nations to the developing nations and the transfer of power and authority from the occidental nations to the oriental nations.

Every country in the bloc has its own positives and limitations. India and China the Asian powerhouses by the next decade would be the dominant global suppliers of manufactured goods and services whereas the other three i.e. Russian Federation, Brazil, South Africa would be the dominant global supplier of raw materials continuing at the same pace.

If we compare the UNESCO World Heritage Sites in the BRICS we note the following figures:

- (1) Brazil-19 Sites
- (2) Russian Federation-25 Sites
- (3) India- 30 Sites
- (4) China-45 Sites
- (5) South Africa-08 Sites

These countries have initiated economic and political reforms in order to compete with the global economy and be the global leaders by 2050. Tourism is a major economic engine and is one of the fastest growing industries with a sizeable contribution to the Gross Domestic Product and employment. All the facts and figure reveal that Tourism will grow at an fast rate in the years to come and will occupy the mainstream in the world economics.

The statistics reveal that each and every nation of the BRICS is marketing itself aggressively as a major tourist destination and their ranking and contribution in the world tourism is also growing year after year.

China has become the 3rd most visited nation in the world in 2010 recording 55.98 million international tourist arrivals. Only France and the United States of America are ahead of Asian nation. On the other hand Russia ranked 9th in the European continent recording 19.42 million international tourist arrival in 2009. South Africa is ranked 2nd in the African continent behind Morocco recording 7.01 million international tourist arrival in 2009. Brazil is ranked 4th in the American continent recording 4.80 million international tourist arrival in 2009 whereas the

Republic of India recorded 5.17 million international tourist arrival in 2009.

Suggestions:

Each of the BRICS nation is unique in itself and has a lot of offerings in its army. The whole world is aware of the fact that the BRICS will dominate the next ten to twenty years of global tourism and will be the key player in the world economics. The growth of the BRICS is credited because of the growing middle class in these nations. It is further expected that these five countries will work constructively in various sectors most specifically the tourism sector which is a major economic generator, employment generator and a major tool for eradicating poverty from the mother earth. The world has great expectations from this major economic bloc and there is a predictable economic shift from the developed G-7 nations to these five developing nations which are armed with all the resources necessary to move ahead. This bloc should work in close cooperation with each other and should meet at regular intervals to work out productive plans for international peace and harmony which is possible through tourism. These nations rather than competing with each other should promote direct investments in their respective countries and work for world peace and solidarity and develop strategies to protect our nature, receding water bodies and diminishing wildlife. Through joint conclaves on tourism this bloc can become the supreme tourist generating market in the world and the people in this developing bloc can flourish because of this sunrise industry i.e. Tourism.

Conclusion:

BRICS hold great promise in the years to come and will be the major pillar of the global economy. BRICS have changed their political system and welcomed global capitalism. Out of the total world population of 6.9 billion, 1.3 billion is the population of China, 1.2 billion is the population of India, Brazil has a population of around 190 Million, Russia has a population of around 140 Million and South Africa has a population of around 50 Million which makes the combined population of these five countries at 2.9 billion which is more than 42% of the world population.

BRICS have the potential to form a powerful economic bloc. All these five countries initiated economic and political reforms to compete with the world economies. To stay in the competition these five countries have stressed upon tourism, education, foreign investment, domestic consumption and domestic entrepreneurship.

To become the top priority of the international tourists this emerging economic bloc needs committed and dedicated effort by the governmental authorities with a coordination among various entities related to tourism along with the active participation of the private sector to become the global leader in the sphere of world tourism and emerge as a major economic bloc in the next five to ten years.

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