# SUSTAINABLE TOURISM FOR ECONOMIC DEVELOPMENT: A STUDY IN INDIA AND SRI LANKA

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## **ABSTRACT**

Tourism is a sector which sustains and facilitates without creating any type of pollution. All the countries in the world irrespective of developed or developing have been giving importance to tourism. Global tourism is now an industry as it fetches foreign exchange as well as creates employment in each country where tourism is given importance. Tourism has been scaling up with the space of time, despite few issues. According to the World Tourism Organisation (UNWTO, International tourists' movement has scaled up to 7.0 per cent in 2017 indicating highest increase after 2009 global economic crisis. In the present days tourism is the world's third largest export category. The greatest advantage is that tourism facilitates to create jobs, enhances exports etc. All these issues have been discussed at length here. In addition, in this research article few cases, from India and Sri Lanka, where the authors (at least one of the authors) have visited are presented. The cases may be considered as innovative tourism. Further, the contribution of tourism sector in these countries both as employment generation and foreign exchange earnings have been highlighted here portraying sustainable economic development. So the research paper is based both on primary and secondary study.

Keywords: Economic Development, India, Sri Lanka, Sustainable and Tourism.

#### Introduction

All the countries in the world irrespective of developed or developing have been giving importance to tourism as it leads to sustainable development - providing employment, helps to earn foreign exchange, boosts other sectors through 'Multiplier Effect' etc. Global tourism is now an industry as it fetches foreign exchange as well as creates employment. According to the publication of World Tourism Organisation (UNWTO), "International Tourism Highlights 2019 Edition", tourism growth facilitates sustainable economic development in four ways:

## i) Favourable economic environment:

- $\triangleright$  In 2018 World GDP growth was +3.6%.
- Exchange rate movements generally moderate.
- ➤ Low interest rates.
- > Strong demand for air travel
- ii) Strong demand for air travel:
- According to IATA more than 6 per cent increase in international passenger traffic which is measured in revenue passenger kilometres (RPKs) .
- Another important point is stable fuel price and low fare rate which is 60 per cent less than 1998.

➤ In the last twenty years, the number of city connected by air transport has reached more than doubled - little more than 20,000 with lower costs.

### iii) Digital technologies are shaping traveller's experience:

- Artificial Intelligence has been facilitating tourism.
- Also it may be mentioned that number of destinations has increase and because of information and better management flow of visitors has gone up.

#### iv) Enhanced visa facilitation:

- ➤ With the development of technology, traditional way of getting Visas has been declined against the backdrop eVisas and Visas on arrival have increased.
- The data reveal that up to 2018 little more than half of the world's population still needed a traditional Visa which was 75 per cent in 1980 but declined to 53 per cent in 2018.

Further according to the publication, tourism facilitated in India and Sri Lanka in the following ways.

> Because of enhancement of purchasing power, scaling up of air connectivity and easy way of getting Visa have boosted travel within and outside the region, and thus India and Sri Lanka have been benefitted and leading to sustainable tourism.

Global tourism is considered an industry as it helps to earn foreign exchange vis-a-vis creates employment. According to the World Tourism Organization, popularly known as UNWTO, International tourists movement had went up to 7.0 percent in 2017 which is considered as the utmost increase after global economic crisis of 2009. It is pertinent to mention that the World Tourism Organization (UNWTO, headquarters in Madrid) is the United Nations agency accountable for the promotion of tourism in the world. It boosts the Global Code of Ethics for Tourism so that tourism can help for socio-economic development. Further, it is committed to encourage tourism as a tool in realizing the United Nations Sustainable Development Goals (SDGs). It is pertinent to mention that UNWTO's membership includes 158 countries and over 500 members representing the private sector, educational institution, and local tourism authorities (wikipedia.org/wiki/World\_Tourism\_Organization). Further, it is observed from the WTO Report (*ibid*) that a total of 1,326 million international tourists visited in the world in 2017 and the figure for 2016 was 1, 240 million. By compiling the data and information from www.e-unwto.org and UNWTO Tourism 2018, following observations can be made:

- > Data reveal that in the world's third largest export category tourism is included which is impressive information.
- Total money generated from International tourists in 2017 was to the tune of US\$ 1,340 billion. Apart from this resource, international tourism generated additionally US\$ 240 billion from international passenger transport services. The simple calculation shows that total export from international tourism on an average per day was US\$ 4 billion.

Tourism contributes significantly to economic growth worldwide. In addition to earning foreign exchange virtually 10 percent of global employment are generated for a range of individuals – from different type of skilled workers. Investing in the tourism sector also facilitates to boost numerous industries of primary, secondary and tertiary sectors,

(wikipedia.org/wiki/World\_Tourism\_Organization).

**Tourism in India:** While tourism is considered, India's name crop up in world map as in India number of places can be visited which have historical and educational importance. Tourism is the second largest foreign exchange earning sector in India. It employs a large number of people, both skilled and unskilled.

#### **Tourism Growth in India:**

In India tourists visit because of many reasons important of which are visiting the places, medical tourism, ecotourism and for religious purposes. In recent years, the Government of India has implemented initiatives to take advantage of the country's flourishing tourism sector. In October 2018, the Government inaugurated the statue of Sardar Vallabhbhai Patel – the highest-standing statue in the world with the intention to attract more tourists. The Government of India objects to achieve 1 per cent share in global international tourists by 2020, and 2 per cent share by 2025.

The Government of India also has the plan to increase **e-Visa** programme, so that foreign tourists from selected countries can apply for visas through online.

**Popular Indian States for Tourists:** In this section State wise important tourist places are mentioned. It is pertinent to mention that altogether there are 28 States and 9 Union territories in India which happened after reorganisation of Jammu and Kashmir.

- a) The data reveal that the southern state of Tamil Nadu attracted more than 4.6 million foreign tourists in 2015 highest among the states of India.
- b) In Maharashtra, there are number of places for the tourists and one important place is Ajanta and Ellora. In Maharashtra, 4.4 million foreign tourists visited in 2015.
- c) More than 3.1 million travellers from other countries visited Uttar Pradesh in 2015.
- d) The national capital of New Delhi (including Delhi) attracted more than 2.3 million foreign tourists in 2015.
- e) In Rajasthan, the Thar Desert, only desert of India and also historical forts and places of other importance, attracted 1.5 million foreign tourists in 2015.
- f) The eastern state of India namely, West Bengal where in early British rule capital Calcutta (now Kolkata) located about 1.5 million foreign visitors visited.
- g) Altogether, 1 million foreign visitors visited Kerala in 2015. National Geographic listed this state, famous for its backwater tourism.
- h) More than 900,000 travellers from other countries visited Bihar in 2015 to see its olden monuments and majestic architecture.
- i) More than 600,000 foreign tourists visited Karnataka in 2015.
- j) Goa which is famous for beaches and architecture attracted more than 500,000 foreign tourists in 2015.

(Source: traveltips.usatoday.com/information-tourism-development-india)

**Tourism Growth in Sri Lanka:** Because of pristine beauty, tourism in Sri Lanka has been rising. Sri Lanka is preferred country for foreign tourists. The Chinese traveller Fa-Hien visited Sri Lanka as early as the 410's AD/CE, and also in the twelfth century, Italian explorer Marco Polo mentioned Sri Lanka to be the "best island of its size in the world".

The country earned \$4.4 billion from tourism in 2018, with revenue up 12% on the \$3.9 billion of 2017, according to the Sri Lanka Tourism Development Authority (SLTDA). This compares to \$2.98 billion in 2015 and \$3.5 billion in 2016. Average daily expenditure was about \$174 in 2018, up \$4 from the previous year. With the average duration of stay at 11-day, a typical visitor could spend nearly \$2000 during their visit. However, estimated revenue from tourism in 2019 is \$5 billion and it is expected that 3 million tourists would arrive. On the other hand, researchers at financial firm CT CLSA Securities have estimated earnings from tourism will rise to \$4.8 billion in 2019 and \$5.4 billion in 2020. It may be mentioned that CT CLSA Securities (Pvt) Ltd (formerly CT

Smith Stockbrokers Pvt Ltd), a Member of the Colombo Stock Exchange, is one of the leading stockbroking firms in Sri Lanka.

The World Travel and Tourism Council (WTTC) has estimated the direct contribution of travel and tourism to the country's GDP to grow by 5.7% per year between 2018 and 2028.

In January 2019 John Amaratunga, Minister of Tourism Development, Wildlife and Christian Religious Affairs, told local media he was confident the tourism sector would become the country's second-highest foreign exchange earner by the end of 2019. The industry is currently positioned third, after textiles and remittances from abroad.

#### **Number of visitors:**

The number of tourists coming to Sri Lanka has increased by 10 per cent in 2018 which in absolute number was 2.3 million. In comparison, growth across Asia Pacific was 6 per cent South-east Asia, in particular, grew at 7 per cent, Northeast Asia at 6 per cent and South Asia at 5 per cent, according to a January 2019 press release by the UN World Tourism Organisation (UNWTO). However, despite its strong relative performance, Sri Lanka fell short of the 2.5 million arrival target it had set for 2018. Looking forward, the UNWTO forecast strong outbound travel from emerging markets in 2019. Sri Lanka's core source market of India places high on this list, as does Russia, with some smaller Asian and Arab countries also expected to be considerable sources of international travellers.

India, China and the UK remained Sri Lanka's largest source markets in 2018. The country is aiming to more than double the number of tourist arrivals from India in 2019, hoping the 424,887 seen in 2018 – when Indians accounted for around 18 per cent of all arrivals – will rise to 1 million. Indians are expected to constitute more than one-third of all arrivals in 2019.

The Tourism Report of Sri Lanka Government reveals the Government is focusing on maximising the benefits of enhanced air connectivity with India in order to attract high-yield business and leisure tourists. According to minister Amaratunga "We are aware that India will become the world's second-largest economy within the next decade". Further he said, "We are also aware that India has the single-largest population of young people in the world. At present, half of India's population is under 25 years old." Amaratunga went on to say that this means Sri Lanka must understand the products desired by this young demographic to tailor its offerings to this target market. Meanwhile, Sri Lankan tourism authorities are aiming to double the number of Chinese arrivals before 2020 as well – looking to move from 265,965 tourists in 2018 to half a million. According to the "2017 Annual Statistical Report" by the SLTDA – the latest available – tourists from the UK also cross the 200,000-person threshold, numbering 201,879 that year.

Domestic Tourism: The domestic market appears to be growing, based on feedback from government and private sector stakeholders during the preparation of the Tourism Strategic Plan 2017-20. However, the plan notes that very little data exists on domestic tourism, with no methodical collection of information on spending patterns or the number of domestic visits to tourist hotspots. Still, the SLTDA promotes the concept of domestic tourism and has published a domestic tourism programme that outlines a range of points such as developing entertainment facilities and travel clubs, updating accommodation guides and maps, and encouraging travel agents to introduce low-budget tour packages. Promotional campaigns, an advisory committee and a code of ethics for domestic tourism are also recommended by the authority. Few more points about tourism in Sri Lanka collected from website, oxfordbusinessgroup.com/overview/time-shine-all-eyes-are-sri-lanka-world, are presented below:

The Cabinet of Ministers approved the campaign in September 2018, which included the new brand identity and tagline "So Sri Lanka", and was introduced at the 2018 World Travel Market in London. The Global Promotional Campaign is a major marketing undertaking encompassing social, digital and print media outlets intended to position Sri Lanka as a preferred destination in the UK, Germany, France, India and China. However, the launch

of the project – first outlined in 2017 – has been repeatedly delayed due to political issues hindering the process for obtaining approvals, the awarding of tender contracts and the implementation of campaigns in target markets.

**Top Destinations in Sri Lanka:** Sri Lanka offers a wealth of tourism destinations that extend beyond its wildlife parks, beaches and the capital region. One of the most popular spots, according to official visitor statistics, is Sigiriya, an ancient rock fortress. This was the most-visited location by foreign tourists in 2017, receiving more than 563,000 visitors. The second-most visited site was Polonnaruwa's 2500-year-old historical ruins, with nearly 249,000 foreign onlookers. Anuradhapura, a UNESCO World Heritage site and the centre of Theravada Buddhism for many centuries, saw more than 100,000 foreign visitors in 2017, and Monaragala, the gateway to major tourist attractions such as Dunhinda and Diyaluma Falls, Yala National Park and Gal Oya National Park, saw 26,800 visitors that year.

**Employment:** In 2017 travel and tourism generated 404,000 direct jobs, equal to 5.1 per cent of national employment, according to the World Travel & Tourism Council (WTTC). This was forecast to grow by 3.7 per cent in 2018 to 419,500 jobs -5.3 per cent of total employment. The council also projected that by 2028 the sector will directly account for some 522,000 jobs, representing annual growth of 2.2 per cent over the decade.

The Sri Lanka Tourism and Hospitality Workforce Competitiveness Roadmap 2018-23 was published in July 2018 by the private sector Tourism Skills Committee (TSC), along with Government, Industry and NGO support. This aims to ensure the skills of Sri Lanka's students align with marketplace needs. The TSC roadmap highlights that the tourism sector is struggling to find qualified employees at a time when youth unemployment (aged 20-24) is over 20 per cent and only 36 per cent of women participate in the workforce. The low level of female employment is a result of societal and familial influence, conflicts with managing household obligations and non-traditional work hours.

The TSC maintains that if the country's tourism sector is to grow, it will need to attract more young women and men. An estimated 25,000 to 30,000 additional employees will be required each year to service the projected increases in visitor arrivals, on top of replacements for those employees leaving or retiring.

#### Tourism in India and Sri Lanka: Our Observations

In this section few cases from India and Sri Lanka where the authors (at least one author has visited) have visited and studied as tourism point of view are presented. So the research paper is based both on primary and secondary data.

a) Cases from India: Tourism plays an important role in India for the development of country's economy and heartening to note that it has been growing rapidly. India with its pluralistic society endowed with all types of natural resources which are most attractive for tourism. In each State of India (29 States) there are many places from tourism points of view. But in this section, cases from two states are presented In this section few cases are presented based on authors visit (out of three any of the authors visited in these places).

#### Rhinos of Assam and Largest River inhabited Island:

Assam is best known for its tea, as around 60 per cent of India's tea is grown there. Assam is having special importance from tourism point of view as most famous place Kaziranga National Park, is home to great Indian one-horned rhinoceros. In addition other animals and different species of birds can be found in the area. Further, *Manas* National Park, *Pobitora* Wildlife Sanctuary and Orang National Park are special attractions for different type's animals, birds including rhinoceros. Such places can be considered as environmental tourism (tripsavvy.com/north-east-india-states). According to the information, in the tourist season of 2017-18, altogether

1, 77,431 tourists including international tourists visited Kaziranga of which Indian tourists were 1,69,112 and 8319 were foreign tourists.

Majuli, the world's largest inhabited river island is a famous place from tourism point of view. Majuli Island is a World Heritage site, is located in the Brahmaputra River and is the largest inhabited riverine island in the world. The island is spread over to an area of 880 square kilometers initially, but scaled down to 352 square kilometers in 2014 because of erosion (wikipedia.org/wiki/Majuli). The eternal beauty and peaceful environment of Majuli Island in Assam takes in different world where everyone will feel free from city chaos.

Gir Forest: For Asiatic lion only famous place in India is Gir National Park and Wildlife Sanctuary, also known as Sasan Gir, located in Gujarat, India. It was established in 1965, and spread over to an area of 1,412 square kilometers of which 258 square kilometers is fully protected as national park and 1,153 square kilometers as wildlife sanctuary. The 14th Asiatic Lion Census was carried out in May 2015 and according to the census, the lion population was 523 (27 percent increase than in 2010) as in 2010 the lion, lioness and their calves were 411. After taking measures to preserve lion population, their number has gone up. It may be mentioned that the rulers of princely Indian State of Gujarat used to invite the British persons for hunting in 19<sup>th</sup> century. And unfortunately, at the end of the 19th century, only about a dozen Asiatic lions were found. In view of this, British viceroy wrote to Nawab of Junagadh, to save lion population and subsequently he established the sanctuary. Presently, the area is the only place where Asiatic lions are found with its beautiful biodiversity. The place is worthy to visit from both tourism and educational points.

b) Case from Sri Lanka: Sri Lanka is a peaceful country and lot of places of different types may be visited for tourism purpose. The places have their own pristine beauty. It is observed from the report that in 1966, the Government of Sri Lanka decided to develop the tourism as a separate sector by establishing the Ceylon Tourist Bureau in 1966, as many as 18,969 foreign tourists visited the country. Against the backdrop, in 2009 the number went up to 448,000 and in 2015 the number of tourists visited was 1,798,380 indicating over 300 percent growths in six years (wiki/Tourism\_in\_Sri\_Lanka).

During the civil war that was ended in 2009, after 25 years of conflict tourism sector suffered. The road from Colombo to Kandy (around 120 Kilometers) albeit not very wide (may be two lanes of India) but neat and clean, no plastic bottle or bag may be found anywhere in the road side. Few places are presented here as cases.

**Pinnawala Elephant Orphanage**: According to the authors, one attractive tourist place as well as unique one is *Pinnawala* Elephant Orphanage located at village *Pinnawala* village in *Kegalle* district. It is around 90 kilometers away from Colombo on way to Kandy. In this place, orphaned and abandoned elephants including injured elephants were around 100 indicating, it the world's largest collection of captive elephants of various age groups. It was established in 1975 by the Sri Lanka Wildlife Department adjoining the MahaOya River. In 1978 the Orphanage was taken over by the National Zoological Gardens from the Department of Wildlife subsequently, a captive breeding program was launched in 1982. Since the inception of the programme more than 20 elephants were raised (bred) here and presently around 100 elephants stay (nationalzoo.gov.lk/elephantorphanage). The elephants are taken utmost care according to their health-needs, so they are taken to the river twice a day for a bath. Also all the babies less than three years of age are given milk by trained persons. According to the Report, each adult pachyderm is given around 76 kilograms of green matter a day and around 2 kilograms of rice bran and maize.

## Kosgoda Sea Turtle Conservation Project ("KSTCP"):

The project is located at Kosgoda village few kilometers away from Bentota. The Kosgoda Sea Turtle Conservation Project, popularly known as KSTCP, is managed by Dudley Perera and his family members. Mr.

Perera, native of Kosgoda, is involved with turtle conservation from 1988 and initiated the activity with his own resources. While interacted with him, he informed that since his school days he was keen to save the turtles. He spent five years for developing the project before getting a scholarship in 1993 to study conservation of sea creatures in South Korea. During this period his friends and family members nurtured the project.

The foremost objective is to monitor local sea turtles of different species and conserve them at local nesting sites *vis-a-vis* to create awareness among the villagers how to protect these creatures.

Another, important activity of the project is its hatching. The eggs are collected and hatched safely then released into the Ocean. While discussing with the project members, they informed that certain numbers from each hatching are kept back for a short period for 'head starting' (for making stronger) before release. Therefore, every nest-ground, every egg, every hatchling and every turtle are vital to the survival of the species. Mostly turtles are released at night and it was observed that hatchlings are never released during daytime.

#### Conclusion

Tourism contributes significantly to economic growth worldwide. Investing in the tourism sector also boosts activities of primary, secondary and tertiary sectors. Tourism is sustainable industry and like other manufacturing industries no depreciation cost required also replacement of machines and parts are not required. Only issue related to tourism is law and order of that place should be perfect so that visitors should not have fear in mind. If law and order problems persist then tourism will suffer. And people of India and Sri Lanka have experienced the problems so aware about the issue.

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