

An analysis of tourism's contribution in the economies of selected Countries

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Tourism has been a major social phenomenon of the societies at a long. It is motivated by the natural urge of every human being for new experience, adventure, education and entertainment. Tourism now-a-days is considered as one of the most vital sector of the economy. In this paper, an attempt has been made to study the characteristics of outbound and inbound tourism including their expenditures. Analysis of the contribution of tourism in the Gross Domestic Product (GDP) of 29 selected countries has been also included in this paper. Analysis reveals that trend in growth of international tourist arrivals during 1990 to 2006 was similar to that of population. Benefit of tourism is still generally cornered by developing countries even though developed countries are now experiencing higher growth. Per capita expenditure of outbound tourists is found to be higher for some developing countries as compared to many developed countries. Further, no clear cut correlation was seen in the per capita income and per capita expenditure for outbound tourists of countries studied. This paper has a limitation that it only analyse data of 29 selected countries and conclusions are based on the analysis of these data only.

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Tourism comprises the activities of persons travelling 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. Since time immemorial natural urge to know about new things and places, adventure, higher education, etc. have resulted in the movement of the persons within the boundaries of the country as well as outside.

Economic status of the individuals, availability of physical infrastructure such as roads, rail and air transport as well as communication infrastructure plays an important role in facilitating the tourism desire of the people. In relation to a given area (e.g., region, country, group of countries, etc.), there are following types of tourism:-

- a) Inbound tourism, involving non-residents travelling (as visitors) in the given area;
- b) Outbound tourism, involving residents travelling (as visitors) in the given area other than the given area.
- c) Domestic tourism involving residents of the given area travelling (as visitors) only within that area.

In different countries, data on inbound and outbound tourism are generally collected through the records of the immigration authorities. The data generally have a time lag of one to two years. As the tourism is strongly sensitive to the law and order problems, natural calamities, infrastructure facilities, etc. the consistency in the growth rate in the tourism traffic over

the year has not been observed. In this paper, an attempt has been made to study the characteristics of outbound and inbound tourism including their expenditures. As it is not possible to cover all the countries of the world, 29 countries have been selected keeping in view their importance in the tourism sector. On the basis of analysis of 29 selected countries an attempt has been made to analyse how a country is moving from tourism perspective.

Importance and growth of tourism

Tourism has been a major social phenomenon of the societies at a long. It is motivated by the natural urge of every human being for new experience, adventure, education and entertainment. The motivations for tourism also include social, religious and business interest. The spread of education has fostered a desire to know more about different places. The basic human thirst for new experience and knowledge has become stronger, as communication barriers are being overcome by technological advances. Progress in transportation and communication facilities are also encouraging people to venture out to the foreign lands.

The importance of tourism as an instrument for economic development and employment generation, particularly in remote and backward areas, has been well recognized the world over. It is the largest service industry globally in terms of gross revenue as well as foreign exchange earnings. Tourism can play an important

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and effective role in achieving the growth with equity objectives which we have set for ourselves.

Tourism now-a-days is considered as one of the most vital sector of the economy. As per latest Tourism Satellite Accounting (TSA) Research from World Travel & Tourism Council (WTTC), world travel & tourism (TT) is expected to contribute nearly US\$5890 billion to global Gross Domestic Product (GDP) in 2008, rising to approximately US\$10,855 billion over the next ten years. Despite continuing challenges, 2007 proved to be another excellent year for TT- the fourth consecutive year of healthy growth, in fact since 2004, the annual increase in TT Economy GDP has averaged 4% in real terms- faster than that of the global economy overall. And in the same period TT has created more than 34 million jobs.

According to United Nations World Tourism Organization (UNWTO), "In 2007 international tourist arrivals grew by an estimated 6% to reach a new record figure of nearly 900 million- an astounding achievement given that the 800 million mark was only reached 2 years earlier. This represents nearly 52 million more arrivals than in 2006 well over the total count for either the Middle East or Africa."

In India also tourism has played an important role in the economy of the country. This sector has the potential to grow at a high rate and can ensure consequential development of the infrastructure of the destinations. It has the capacity to capitalize on the success

of the country in the services sector and provide sustainable growth. As per the Tourism Satellite Account, in India, tourism was contributing 5.90% of the GDP and generating 8.78% (with a total 41.8 millions jobs) employment in the country during 2003-04. The number of foreign tourist visits in India in 1991 was 1.68 million against about 5 million in the year 2007, with an average annual growth rate of about 7%.

Sources of data

This study covers only 29 countries covering each region (as defined by UNWTO), keeping in view their importance in tourism sector. Due to growing interest in Asian countries, more than two countries from each region are considered. However, in some region is only one country has been selected due to non- availability of complete data for all the parameters.

To maintain the comparability the data for all the 29 countries under study, publications of international organizations giving the relevant data for all the countries have been used.

Human Development Index (HDI) data is taken from Human Development Reports published for the United Nations Development Programme (UNDP) for the years 2003 to 2007. The intermediate values between 1990- 1995 are estimated using average growth rate over the years 1990 and 1995 and values for 1996-1999 are estimated using average growth rate over the years 1995 and 2000.

S. No.	Region	Sub-Region	Country
1.	Americas	North America	Canada, Mexico, USA
		South America	Argentina, Brazil
		Central America	Honduras
2.	Africa and Middle East	Subsaharan Africa	Mauritius
		Middle East	Egypt, Jordan
3.	Asia and the Pacific	North- East Asia	China, Hong Kong, Japan
		South-East Asia	Malaysia, Philippines, Singapore, Thailand
		South Asia	India, Sri Lanka
		Oceania	Australia, New Zealand
		Northern Europe	Norway, UK
4.	Europe	Western Europe	France, Netherlands
		Central/ Eastern Europe	Poland
		Southern/ Mediter. Europe	Israel, Italy, Spain, Turkey

Inbound and outbound tourist and percentage share in world in 2005

The international tourist arrivals (inbound tourist) in 2006 was 846 million as against 803 million in 2005, registered a growth rate of 5.4% over the previous year.

In 2006, out of 846 million international tourist arrivals Europe contributed most (460.8 million) followed by Asia and the Pacific (167.8 million), Americas (135.7 million), Africa (40.9 million) and Middle East (41 million). Among the sub regions Southern/ Mediterranean Europe

contributed most (164.8 million) followed by Western Europe (149.8 million), North East Asia (94.3 million), Central/ Eastern Europe (91.3 million), and North America (90.7 million), which have contributed more than 90 million international tourist arrivals during 2006.

Since, tourism is directly or indirectly affected by GDP, Population and HDI of a country, it will be worthwhile to study the trend of world per capita GDP, population and international tourist arrivals. The graph given below shows the trends in per capita GDP, population and international tourist arrivals during 1990-2006.

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Figure 1 : Trend of Population, ITA and per capita GDP in world



This graph shows that, growth in international tourist arrivals and population follows almost a similar trend during 1990-2006. However per capita GDP, in general shows a growing trend but not consistent with the international tourist arrivals and population over the same years. The world population, which was 5263.9 million in 1990 rose to 6538.1 million in 2006 with a compound annual growth rate (CAGR) of 1.4%. Similarly the world per capita GDP had risen from US\$4146.8 in 1990 to US\$7412.2 in 2006 with a CAGR of 3.7%. The world GDP also rose from US\$21828.4 billion in 1990 to US\$48461.8 billion in 2006 with a CAGR of 5.1%. The international tourist arrivals also rose from 445.8 million in 1990 to 846 million in 2006 with a CAGR of 4.1%. This means, CAGR of GDP at current price is more than the other three parameters. There is also strong positive

correlation between the international tourist arrivals and GDP and population.

The inbound and outbound tourist data with their percentage share in world in 2006 of 29 countries are given in Table-2. In 2006, these 29 countries contributed 60.2% to the total international outbound tourist and 59.17% to the total international inbound tourist. The major contributor in outbound tourist in terms of percentage share during 2006 is Hong Kong (8.96%), followed by UK (8.22%), USA (7.53%), and Poland (5.28%), which are contributing more than 5% to the total share. However, in inbound tourist France (9.35%) is at number one followed by Spain (6.88%), USA (6.3%), and China (5.9%).

While the share of these 29 countries taken together in inbound and outbound tourists is about 60%, there is substantial

Table - 2 : Inbound and Outbound Tourist and percentage share in world in 2006

S. No.	Country	Outbound Tourist (in million)	Inbound Tourist (in million)	Share in world in 2006	
				Outbound Tourist	Inbound Tourist
1	Argentina	4.0	4.2	0.47	0.49
2	Australia	4.9	5.1	0.58	0.6
3	Brazil	4.8	5.0	0.57	0.59
4	Canada	22.7	18.3	2.69	2.16
5	China	34.5	49.9	4.08	5.9
6	Egypt, Arab Rep.	4.5	8.7	0.54	1.02
7	France	22.5	79.1	2.66	9.35
8	Honduras	0.3	0.7	0.04	0.09
9	Hong Kong, China	75.8	15.8	8.96	1.87
10	India	8.3	4.5	0.99	0.53
11	Israel	3.7	1.8	0.44	0.22
12	Italy	25.7	41.1	3.04	4.85
13	Japan	17.5	7.3	2.07	0.87
14	Jordan	1.6	3.2	0.19	0.38
15	Malaysia	33.6	17.6	3.97	2.07
16	Mauritius	0.2	0.8	0.02	0.09
17	Mexico	14.0	21.5	1.66	2.52
18	Netherlands	16.7	10.8	1.97	1.27
19	New Zealand	1.9	2.4	0.22	0.28
20	Norway	3.2	3.9	0.38	0.47
21	Philippines	2.2	2.8	0.26	0.34
22	Poland	44.7	15.7	5.28	1.85
23	Singapore	5.5	7.6	0.65	0.9
24	Spain	10.7	58.2	1.26	6.88
25	Sri Lanka	0.8	0.6	0.09	0.07
26	Thailand	3.4	13.8	0.4	1.63
27	Turkey	8.3	18.9	0.98	2.24
28	United Kingdom	69.6	30.7	8.22	3.62
29	United States	63.7	51.0	7.53	6.03
Total of 29 countries		509.3	500.6	60.2	59.17
World (in million)		846	846	100	100

difference in the share of two types of tourists for some of the countries. While France and Spain has 9.35% and 6.88% of the inbound tourists, their shares in the outbound are only 2.66% and 1.26% respectively. Therefore, these countries may be gaining substantially from tourism. On the contrary, Hong Kong, China and United Kingdom have 8.96% and 8.22% share of the outbound tourists but their shares in the inbound tourists are only 1.87% and 3.62% respectively. Thus, these countries may have less net gain from tourism. Some other countries where similar substantial differences have been observed are Japan, Poland, Turkey, etc.

International outbound tourist per 10,000 population

For proper comparison of intensity of outbound tourism among various countries, it will be necessary to neutralize the impact

of population size of the respective countries. Therefore, in Table-3, the number of outbound tourist per 10,000 population has been presented.

The Table-II shows that, Hong Kong, Poland, Singapore, Malaysia, Netherlands and UK have more outbound tourists than their population. This may be because of the facts that one person is counted as outbound tourists as many times as he travels out in a year. The nationals of these countries may be travelling frequently among the neighbouring countries. Other countries with higher concentration of outbound tourist are Canada, Norway, Israel and New Zealand. On the other hand, in case of Argentina, Brazil, China, Egypt, Honduras, India, Mexico, Philippines, Sri Lanka, Thailand, Turkey number of tourist per 10,000 population is less than 1000.

The number of outbound tourist per 10,000 population of worldwide was 847 in 1990, which rose to 1294 in 2006, which

Table 3: Outbound tourist per 10,000 population in 1990, 2005 and 2006**Pandey and Nath**

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S. No.	Country	Outbound tourists per 10,000 population				Avg. GR 2006/1990	Avg. GR Outbound tourists 2006/1990
		1990	2005	2006			
1	Argentina	769	1005	1024	2.1	3.8	
2	Australia	1272	2331	2387	5.5	8	
3	Brazil	79	250	255	13.9	19.1	
4	Canada	7346	6530	6963	0.3	0.7	
5	China	10	238	263	158.1	192.6	
6	Egypt	365	728	611	4.2	7.8	
7	France	3425	3658	3668	0.4	1	
8	Honduras	401	433	442	0.6	3.6	
9	Hong Kong, China	3581	106118	110560	186.7	225.7	
10	India	27	66	75	11.1	16.6	
11	Israel	3858	5325	5268	2.3	6.7	
12	Italy	2508	4231	4367	4.6	5	
13	Japan*	890	1362	1373	3.4	3.7	
14	Jordan	3606	2814	2940	1.2	2.7	
15	Malaysia	8242	12531	12864	3.5	7.8	
16	Mauritius	804	1472	1484	5.3	7.4	
17	Mexico	883	1291	1343	3.3	5.7	
18	Netherlands	6019	10441	10217	4.4	5.3	
19	New Zealand*	2079	4528	4447	7.1	10	
20	Norway	1198	6753	6852	29.5	33	
21	Philippines	186	254	256	2.4	5.9	
22	Poland	5806	10701	11722	6.4	6.4	
23	Singapore	4060	11882	12340	12.7	21.7	
24	Spain	5633	2421	2420	-3.6	-3.2	
25	Sri Lanka	175	370	381	7.4	9.7	
26	Thailand	163	484	533	14.2	17.7	
27	Turkey	519	1144	1134	7.4	11.5	
28	UK	5412	11041	11484	7	7.7	
29	USA	1788	2142	2126	1.2	2.7	
Total of 29 countries		746	1266	1307	4.7	7	
World (in million)		847	1243	1294	3.3	5.6	

shows an AGR of 3.3% during the period 1990-2006. China and Hong Kong are showing more than 100% AGR during 1990-2006, however Canada and Spain are showing decline in outbound tourist per 10,000 population during 1990-2006.

It is evident from this Table-II that in terms of absolute number of outbound tourists all the countries have observed increase during 1990 to 2006. But, when we consider number of outbound tourists per 10,000 population then Spain, Jordan and Canada have actually observed decline during the same period. Further, China, Norway and Thailand have registered substantial growth in this period which is the case in terms of absolute number of outbound tourists also.

If the number of outbound tourist per 10,000 population is less than 10,000, the country has potential to have more and more outbound tourist. On the other hand if this number is small then the country may have the potential but it may not be

attractive for other countries to promote their countries there. So, the countries which have the potential are: Argentina, Brazil, China, Egypt, Honduras, India, Japan, Mauritius, Mexico, Philippines, Sri Lanka, Thailand, Turkey among the 29 countries.

Expenditure per outbound tourist

In addition to the number of outbound tourists, it would be interesting to study the expenditure incurred by the outbound tourists for various countries to have an idea about its economic implication for various countries. Relevant data are presented in Table-4.

As per the data available from UNWTO, inter-national outbound tourism expenditure (OTE) touched a record figure of US\$735 billion in 2006, as compare to US\$678 billion in 2005, registering a growth of 8.4%. The top 10 spenders in 2006 were Germany

Table- 4 : Per tourist outbound expenditure (in US\$) in 1990 to 2006

S. No.	Country	Per Tourist Outbound Expenditure (in US\$)			Outbound Tourism Expenditure (in US\$ million)		
		1990	2006	AGR of per OTE 2006/1990	1990	2006	AGR of OTE 2006/1990
1	Argentina	468	781	4.2	1171	3,131	10.5
2	Australia	2090	2366	0.8	4535	11,690	9.9
3	Brazil	1267	1195	-0.4	1505	5,764	17.7
4	Canada	509	903	4.8	10401	20,538	6.1
5	China	433	704	3.9	470	24,322	317.2
6	Egypt	64	394	32.2	129	1,784	80.2
7	France	639	1392	7.4	12424	31,264	9.5
8	Honduras	194	919	23.4	38	283	40.3
9	Hong Kong, China	4653	184	-6	9507	13,974	2.9
10	India	172	882	25.8	393	7,352	110.7
11	Israel	802	803	0	1442	2,983	6.7
12	Italy	987	901	-0.5	14045	23,152	4.1
13	Japan*	2267	1533	-2	24928	26,876	0.5
14	Jordan	294	384	1.9	336	625	5.4
15	Malaysia	97	120	1.5	1450	4,020	11.1
16	Mauritius	1106	1758	3.7	94	327	15.5
17	Mexico	751	579	-1.4	5519	8,108	2.9
18	Netherlands	820	1023	1.5	7376	17,087	8.2
19	New Zealand*	1336	1357	0.1	958	2,526	10.2
20	Norway	7242	3629	-3.1	3679	11,586	13.4
21	Philippines	98	558	29.3	111	1,232	63.1
22	Poland	19	129	36.2	423	5,760	78.9
23	Singapore	1458	1877	1.8	1803	10,384	29.7
24	Spain	194	1564	44.1	4254	16,697	18.3
25	Sri Lanka	249	493	6.1	74	373	25.3
26	Thailand	967	1370	2.6	854	4,632	27.6
27	Turkey	178	331	5.4	520	2,743	26.7
28	UK	612	911	3.1	19063	63,319	14.5
29	USA	837	1206	2.8	37349	76,807	6.6
Total of 29 countries		686	784	0.9	164851	399,339	8.9

(US\$73.9 billion), USA (US\$72 billion), UK (US\$63.1 billion), France (US\$31.2 billion), Japan (US\$26.9 billion), China (US\$24.3 billion), Italy (US\$23.1 billion), Canada (US\$20.5 billion), Russian Federation (US\$18.8 billion), Republic of Korea (US\$18.2 billion) in decreasing order of rank with a total share of 50.61%. In 2006, all top 9 spender countries were same as that in 2005, except replacement of Netherlands by Republic of Korea. The total share of top 10 countries in 2005 was 52.68%.

The outbound tourist creates demand in the countries visited by them. To have an idea about the spending amount, the per international outbound tourist expenditure (per OTE) will give a better indicator than OTE, since due to large population base and other influencing factors the OTE may increase but per OTE may or may not. This per OTE will show precisely the spending pattern of the outbound tourist, which may also reflect the paying capacity of tourists from various countries.

Out of the 29 countries, during 2005, per OTE for 13 countries was more than US\$1000, whereas for 10 countries ranged between US\$500 to US\$1000, and remaining 6 countries was less than US\$500. The maximum spender are from Norway (US\$3124) followed by Australia (US\$2373), Hong Kong (US\$2300), etc. The lowest spenders are from Poland with a minimum of US\$103. Out of 29 countries in 2006, Australia and Norway are spending above US\$2000 per OTE; Egypt, Hong Kong, Jordan, Poland and Turkey are spending less than US\$500 per OTE and rest are spending between US\$500-US\$2000 per OTE. Even the Indian per OTE (US\$882) in 2006 compares well with that of Canada (US\$903), Italy (US\$901) and UK (US\$911), which are economically much better off.

Therefore, there does not appear to be any similarity in the ranks of the countries as per the OTE and per OTE. As per the OTE, USA occupies the first rank whereas same distinction goes for Norway as per the ranking by per OTE.

Table- 5: Per Tourist Inbound Expenditure (in US\$) in 1990 to 2006**Pandey and Nath**

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S. No.	Country	Per Tourist Inbound Expenditure (in US\$)			Inbound tourism Expenditure (in US\$ million)		
		1990	2006	AGR of per ITE 2006/1990	ITE 1990	ITE 2006	AGR of ITE 2006/1990
1	Argentina	724	796	0.6	1976	3,308	4.2
2	Australia	1846	3526	5.7	4088	17,854	21
3	Brazil	1324	860	-2.2	1444	4,316	12.4
4	Canada	303	804	10.3	4612	14,678	13.6
5	China	1270	680	-2.9	2218	33,949	89.4
6	Egypt	827	878	0.4	1994	7,591	17.5
7	France	384	588	3.3	20185	46,499	8.1
8	Honduras	144	660	22.4	29	488	98.9
9	Hong Kong, China	765	724	-0.3	5032	11,461	8
10	India	842	2009	8.7	1437	8,934	32.6
11	Israel	1300	1522	1.1	1382	2,777	6.3
12	Italy	750	932	1.5	20016	38,257	5.7
13	Japan	1904	1155	-2.5	3578	8,470	8.5
14	Jordan	895	509	-2.7	512	1,642	13.8
15	Malaysia	224	594	10.3	1667	10,427	32.8
16	Mauritius	836	1275	3.3	244	1,005	19.5
17	Mexico	318	570	5	5467	12,177	7.7
18	Netherlands	627	1060	4.3	3636	11,381	13.3
19	New Zealand	1044	1894	5.1	1019	4,563	21.7
20	Norway	803	916	0.9	1570	3,613	8.1
21	Philippines	1462	1231	-1	1306	3,501	10.5
22	Poland	42	462	62.5	358	7,239	120.1
23	Singapore	949	932	-0.1	4593	7,069	3.4
24	Spain	497	881	4.8	18593	51,292	11
25	Sri Lanka	443	732	4.1	132	410	13.2
26	Thailand	816	899	0.6	4326	12,432	11.7
27	Turkey	672	891	2	3225	16,853	26.4
28	UK	829	1106	2.1	14940	33,888	7.9
29	USA	1088	2094	5.8	43007	106,736	9.3
Total of 29 countries		640	964	3.2	172586	482,810	11.2

From Table-4, it is also clear that the average growth rate of per OTE in 2006 over 1990 is more than 20% for Spain, Poland, Egypt, Philippines, India and Honduras. However, for the countries like Brazil, Hong Kong, Israel, Italy, Japan, Mexico, Norway AGR is negative or minimal. The AGR for 29 selected countries taken together during 1990-2006 is only 0.9%.

It may be also observed that, the AGR in per OTE is less than the AGR in OTE for all countries. It is interesting to note that China observed a growth rate of 317.2% during the period 1990 to 2006 but growth rate in per OTE during the same period for this country was only 3.9%. Therefore, outbound tourists from China spend less as compared to many other countries. It may be also inferred from Table-3 that even though the number of outbound tourists is increasing over the years resulting in the increased OTE but per OTE is observing only a marginal increase. In fact some of the countries, such as Hong Kong, China, Japan and Norway have witnessed substantial decline during 1990

to 2006.

Per inbound tourist expenditure

Inbound Tourism Expenditure (ITE) per tourist may be another indicator to reflect how much tourists are spending in the country of their visits. Per ITE is a better indicator than ITE because total earnings from tourism in a country may be due to more volume of tourists but the per tourist ITE may be less as tourists may not be high paying capacity tourists and tourism facilities may be available at lower cost. On the other hand, the countries which have more per tourist ITE, may have high costs of tourism facilities such as hotel rooms, cost of transportation, etc. as well as overall high cost of living.

It may be seen from Table-5 that in 2006 highest per ITE was for Australia (US\$3526) followed by USA (US\$2094) and India (US\$2009). Lowest per ITE in 2006 was for Poland (US\$ 462) followed by Jordan (US\$509) and Mexico (US\$570). Out of 29

Table-6 : Difference of per ITE (in US\$) and per OTE (in US\$) in 1990 to 2006

S. No.	Country	Difference of per ITE and per OTE (in US\$)			Difference of ITE and OTE (in US\$ million)		
		1990	2006	AGR in 2006/1990	1990	2006	AGR in 2006/1990
1	Argentina	256	15	-5.9	805	177	-4.9
2	Australia	-244	1160	36.0	-447	6,164	92.4
3	Brazil	57	-335	-43	-61	-1,448	-142.1
4	Canada	-206	-99	3.2	-5789	-5,860	-0.1
5	China	837	-24	-6.4	1748	9,627	28.2
6	Egypt	763	484	-2.3	1865	5,807	13.2
7	France	-255	-804	-13.5	7761	15,235	6
8	Honduras	50	259	26.1	9	205	148.6
9	Hong Kong, China	-3888	540	7.1	-4475	-2,513	2.7
10	India	670	1127	4.3	1044	1,582	3.2
11	Israel	498	719	2.8	-60	-206	-15.2
12	Italy	-237	31	7.1	5971	15,105	9.6
13	Japan	-363	-378	-0.3	-21350	-18,406	0.9
14	Jordan	601	125	-5	176	1,017	29.9
15	Malaysia	127	474	17.1	217	6,407	178.3
16	Mauritius	-270	-483	-4.9	150	678	22
17	Mexico	-433	-9	6.1	-52	4,069	495.3
18	Netherlands	-193	37	7.4	-3740	-5,706	-3.3
19	New Zealand	-292	537	17.7	61	2,037	202.5
20	Norway	-6439	-2713	3.6	-2109	-7,973	-17.4
21	Philippines	1364	673	-3.2	1195	2,269	5.6
22	Poland	23	333	84.2	-65	1,479	148.5
23	Singapore	-509	-945	-5.4	2790	-3,315	-13.7
24	Spain	303	-683	-20.3	14339	34,595	8.8
25	Sri Lanka	194	239	1.4	58	37	-2.3
26	Thailand	-151	-471	-13.2	3472	7,800	7.8
27	Turkey	494	560	0.8	2705	14,110	26.4
28	UK	217	195	-0.6	-4123	-29,431	-38.4
29	USA	251	888	15.9	5658	29,929	26.8

countries, 6 countries have witnessed decline in per ITE during 1990 to 2006. However, declines were only marginal, maximum being (-2.5%) for Japan. Maximum growth rate in per ITE during the same period was observed by Poland (62.5%) followed by Honduras (22.4%), Brazil (10.3%) and Malaysia (10.3%). Growth rate in absolute ITE was also highest for Poland (120.1%) and Honduras (98.9%) during the same period. However, though China achieved third highest growth rate of 89.4% in ITE, its growth rate per ITE was -2.9%. Therefore, proportion of high paying capacity tourists to China may be decreasing over the years.

Comparison of per tourist ITE and OTE

The difference of per ITE and per OTE gives and idea about the tourism in any country linkages to paying capacity of tourists. The per tourist OTE is the expenditures incurred by countrymen in outside the country, and the per tourist ITE is net gain to the expenditure incurred by

tourists from other countries in the country. Generally, if this difference is positive, the country is gaining more from tourism on a sustainable basis.

It may be seen from Table-6 that, in terms of absolute difference of ITE and OTE, in 2006 Australia, China, Egypt, France, India, Italy, Jordan, Malaysia, Mexico, New Zealand, Philippines, Poland, Spain, Thailand, Turkey, USA are showing positive difference. These countries are gaining from tourism. The difference is highest for Spain (US\$34595 million), followed by USA (US\$29929 million), France (US\$ 15235 million), Italy (US\$15105 million), Turkey (US\$14110 million), China (US\$9627 million), Thailand(US\$7800 million), Malaysia (US\$6407 million), Australia (US\$6164 million), etc. However, in 2006, countries like China, France, Honduras, Mauritius, Spain, Thailand are showing positive in absolute difference of ITE and OTE.

“take in Table-V”

In 2006, difference of per ITE and per OTE was highest for Australia (US\$1160) followed by India (US\$1127), USA

(US\$888), Israel (US\$719), Philippines (US\$ 673), etc. Therefore, even the lesser increase in the number of outbound tourists from these countries as compared to inbound tourist may substantially reduce the advantages of tourism to these countries. In 2006, difference of per ITE and per OTE was lowest for Norway (US\$(-2713)) followed by Singapore (US\$(-945)), France (US\$(-804)), Spain (US\$ (-683)), Mauritius (US\$(-483)), Thailand (US\$(-471)), etc.

The countries which are showing positive difference in “difference of per ITE and per OTE” and “difference of ITE and OTE” during 2006 are Argentina, Australia, Egypt, India, Italy, Jordan, Malaysia, New Zealand, Philippines, Poland, Sri Lanka, Turkey, and USA. In these countries tourism plays an important role in the overall economy. For example, for Egypt, Israel, Turkey, Australia, New Zealand the contribution of travel & tourism economy to GDP in 2007 are 16.3%, 6.7%, 11.9%, 11.9%, 14.4% respectively.

Table-6 also shows that, 14 countries out of 29 countries are having negative

growth rate in the difference of per ITE and per OTE during 1990-2006 and they are Argentina, Brazil, China, Egypt, France, Honduras, Japan, Jordan, Mauritius, Philippines, Singapore, Spain, Thailand, UK.

The countries which are showing high average growth rate in difference of per ITE and per OTE during 1990-2006 are Poland (84.2%), followed by Australia (36%), New Zealand (17.7%), Malaysia (17.1%), USA (15.9%). On the contrary average growth rate in difference of per ITE and per OTE during the same period is minimum for Brazil (-43%), followed by Honduras (-26.1%), Spain (-20.3%), France (-13.5%), Thailand (13.2%).

The average growth rate in absolute difference of ITE and OTE is highest for Mexico (495.3%), followed by New Zealand (202.5%), Malaysia (178.3%), Honduras (148.6%), Poland (148.5%). On the other hand the average growth rate is minimum for Brazil (-142.1%), followed by UK (-38.4%), Norway (-17.4%), Israel (-15.2%), Singapore (-13.7%).

Table_ 7: Comparison of per capita GDP and per OTE

S. No.	Country	Per OTE (in US\$)		Per Capita GDP (in US\$)	
		in 2006	Avg. 1990-2006	in 2006	Avg. 1990-2006
1	Argentina	781	765	5475	6234
2	Australia	2366	2010	37704	23513
3	Brazil	1195	1104	5638	3805
4	Canada	903	641	38947	23998
5	China	704	822	2016	896
6	Egypt	394	357	1449	1121
7	France	1392	1001	36700	26358
8	Honduras	919	467	1325	872
9	Hong Kong, China	184	2607	27679	23019
10	India	882	475	822	464
11	Israel	803	862	19927	16469
12	Italy	901	847	31456	22525
13	Japan*	1533	2053	34194	33624
14	Jordan	384	324	2546	1743
15	Malaysia	120	97	5770	3971
16	Mauritius	1758	1342	5063	3672
17	Mexico	579	521	8052	5178
18	Netherlands	1023	1274	40532	27212
19	New Zealand*	1357	1275	24977	16671
20	Norway	3629	4764	71875	39919
21	Philippines	558	570	1363	989
22	Poland	129	71	8884	4398
23	Singapore	1877	1461	29474	21425
24	Spain	1564	1236	27757	17103
25	Sri Lanka	493	396	1356	813
26	Thailand	1370	1539	3252	2326
27	Turkey	331	306	5518	3153
28	UK	911	678	39256	24571
29	USA	1206	1011	43968	31966
Total of 29 countries		784	759	9212	6672

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An analysis of tourism's contribution in the economies of selected Countries

The countries which are showing positive growth rate in “difference of per ITE and per OTE” and “difference of ITE and OTE- in absolute terms” during 1990-2006 are Australia, Hong Kong, India, Italy, Malaysia, Mexico, New Zealand, Poland, Turkey, and USA.

The countries having positive difference and positive average growth rate of difference of ITE and OTE, both in terms of per tourist expenditure and absolute numbers are Australia, India, Italy, Malaysia, New Zealand, Poland, Turkey, and USA.

The countries which have positive difference in per ITE and OTE are contributed much to the economy from the tourism sector and the tourism is playing a greater role in these countries. This fact can also be established from the share of ITE to GDP of any country. In 2005, for Egypt, Israel, Turkey, Australia, New Zealand the share of ITE to GDP are 7.6%, 2.3%, 5%, 2%, 4.6% respectively.

Comparison with per capita GDP

It may be interesting to explore the relationship between the per capita GDP and per OTE. It may be seen from Table-VI that, the countries having maximum (more than US\$20,000) per capita GDP in 2006 are Australia, Canada, France, Hong Kong, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Singapore, Spain, UK, and USA. The higher (more than 5%) AGR in per capita GDP during 1990-2006 is noticed for 24 countries, and only in case of Argentina, France, Israel, Italy, Japan, the AGR in per capita GDP is low, as may be the reason that the countries were already developed before 1990, and they are maintaining the growth in future years.

It may be also seen that, in 2006 per OTE is higher (more than US\$1000) for Australia, Canada, France, Japan, Mauritius, Netherlands, New Zealand, Norway, Singapore, Spain, Thailand, USA. The per capita GDP also more than US\$20,000 for these countries. For the countries like Egypt, Honduras, India, Jordan, Malaysia, Poland, and Turkey are having per OTE less than US\$500.

From Table-7, it is clear that per capita income of the tourist is not strongly correlated with their expenditure pattern during the visits. Even in the countries with

overall low per capita income, persons travelling outside the country have comparatively higher per capita income. The spending capacity of such travellers from developing countries are quite comparable from those from average travellers from developed countries.

Conclusions

Analysis of tourism data attempted in this paper reveals that trend in growth of international tourist arrivals during 1990 to 2006 was similar to that of population. Benefit of tourism is still generally cornered by developing countries even though developing countries now experiencing higher growth. Per capita expenditure of outbound tourists is found to be higher for some developing countries as compared to developed countries. Similarly, no clear cut correlation was seen in the per capita income and per capita expenditure by outbound tourists of countries studied in this paper.

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