

armed conflict is probably the hardest to resolve because it is closely interwoven with the ethnic and party conflicts, but can continue despite their resolution. The recent effort by Norway to facilitate talks between the Tigers and the Sri Lankan government is an important step in seeking to address the armed conflict. It is unlikely there will be any immediate results from this process. Nevertheless, if it is pursued carefully and in tandem with resolving the ethnic and party conflicts, the peace efforts with Norwegian facilitation can lead to a de-escalation of the war, if not its outright conclusion.

Sri Lankans have been struggling to politically resolve the civil war for almost two decades. In the past, some Sri Lankans have been pursuing peace by denying the presence of an ethnic conflict, while others have been acting as if the ethnic conflict is all that there is. This has now changed for the better. After many bloody years of trial and error most Sri Lankans are finally coming to terms with the complexity of the civil war. They must resolve all three conflicts—the ethnic, party and armed conflicts—simultaneously. This is Sri Lanka's challenge, but also its best hope for achieving a stable peace.

Courtesy Samar

RE-BRANDING TOURISM IN SRI LANKA: A CASE FOR ETHICAL TOURISM

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Introduction

Tourism as a service depends on the uniqueness and attractiveness of nature and its people (whether it be historical/cultural sites, scenic beauty spots, or sandy beaches) which are sought by tourists. If we allow the depletion of such natural and human resources through inappropriate/over exploitation, then the sustainability of tourism industry becomes difficult. Therefore, the institution and promotion of 'ethical tourism' is proposed as a means of developing a sustainable tourism industry in Sri Lanka. For the purpose of this paper 'ethical tourism' is defined as a tourism industry based on non-exploitation of nature and people. That is, a tourism industry developed in harmony with the natural habitat of living species. This is an attempt to inculcate environmental and ethical elements to the tourism industry in Sri Lanka. Thus, the proposed brand of tourism should be designed to protect environment, children, women, and men which/who may be subjected to physical abuse. Our concern of non-exploitation of people should not be viewed from the perspective of labour theory of value nor in a puritanical sense, but as a form of rights based approach to economic competitiveness and development.

In a haste to make fast buck in tourism trade the environment is rapidly degraded, and children, women, and men are physically abused by the promotion of sex tourism in Sri Lanka, *inter alia*. Sri Lanka has emerged as one of the lucrative destinations for paedophiles and other sex tourists (Maureen Seneviratne, *The Sexual Exploitation of Children*, Protecting Environment And Children Everywhere, Colombo, 1996). Philippines, Sri Lanka, and Thailand have the dubious distinction of being the preferred haunts of paedophiles and other sex tourists (both foreign and local) in Asia. Hence, there is not only an urgent need to protect and conserve the physical environment, but also the physiological and psychological well being of less privileged children, women, and men who may be abused in pursuit of development of tourism. Thus, a distinct branding of tourism in Sri Lanka as ethically correct, which we term ethical tourism, need to be instituted and promoted in order to

develop and sustain a competitive edge over global competitors in tourism trade.

Background

Tourism is claimed to be one of the largest convertible currency earning sectors of the Sri Lankan economy. It is claimed that it is the fourth largest convertible currency earner after exports of textiles and garments, labour, and tea. However, in reality it is not so. Usually when people refer to these statistical data they take into account the nominal or gross receipts from export of textiles and garments, labour, tea, or tourism. But what is more relevant is the **real** or **net** receipts, because a lot of textile yarn, fabric, and accessories (for example) are imported to be used in the production of garments for export which have to be subtracted from the gross export proceeds. Likewise, remittances from Sri Lankans abroad should be balanced with remittances sent abroad by locals and expatriates from Sri Lanka. Similarly, convertible currency expenditures by Sri Lankans traveling abroad should be offset against convertible currency earnings from tourism trade in Sri Lanka.

Therefore, if we take into account the net earnings from export of textiles and garments, labour, tea, and the tourism trade (rather than gross earnings) it is evident that contribution of tourism is very low (see Table 1). Though net earnings from exports of textiles & garments, labour and tea occupy the first three positions respectively, net earnings from tourism trade is far below net earnings from export of 'leather, paper and wood' products, rubber products, diamonds, etc (CBSL, *Annual Report 1999*, Table 88). In fact, during 1996 the net tourism earning was negative as a result of half a billion rupees deficit. That is, Sri Lankan tourists abroad spent more than tourists from abroad in Sri Lanka during 1996 (Table 1). Further, if we subtract the public expenditure incurred by the Ceylon Tourist Board (CTB) and allied bodies (including subsidies to the tourism sector) the net income from tourist trade to the economy may be negative during most years. This does not mean to say that

tourism sector is an unimportant part of the economy, at least it is able to earn a bit more than offset the expenditures incurred by Sri Lankan travellers abroad.

Table 1: Major Sources of Convertible Currency Earnings to Sri Lanka 1995-9 (LKR billion)

	1995	1996	1997	1998	1999
Tea exports	24.6	34.1	42.5	50.3	43.7
Net remittances from abroad	34.6	39.2	46.5	54.8	62.5
Net textile & garment exports	35.5	40.7	52.7	69.2	78.0
Net tourism earnings	2.0	(-)0.5	1.7	1.8	3.9

Note:

1. Net remittances from abroad refer to receipts *minus* payments of private transfers.
2. Net textile & garment exports is derived from textile & garment exports revenue *minus* textile imports (intermediate goods) expenditure (Tables 88 & 89 respectively).
3. Net tourism earnings refer to credits *minus* debits of travel.

Source: Tea—Central Bank of Sri Lanka, *Annual Report 1999*, Table 90.
 Remittances—Central Bank of Sri Lanka, *Annual Report 1999*, Table 95.
 Textiles & Garments—Central Bank of Sri Lanka, *Annual Report 1999*, Tables 88 & 89.
 Tourism—Central Bank of Sri Lanka, *Annual Report 1999*, Table 97.

Tourism in Sri Lanka is pitched on low value and high volume trade. The target of the trade has been to increase the number of tourist flow year after year. According to the Ceylon Tourist Board (CTB), during the five year period between 1995 and 1999 Sri Lanka received about 378,000 tourists per year on average (CBSL, *Annual Report 1999*, Table 93). However, according to the Department of Immigration and Emigration (DIE), during the four year period between 1995 and 1998 about 429,000 non-nationals (per year) on average entered Sri Lanka (Department of Census and Statistics, *Statistical Abstract 1999*, Table 3.20: 55). The discrepancy between these two data may be due to the fact that the DIE statistics include non-nationals entering Sri Lanka on family, business and official visits as well (according to the CBSL more than 93% of the travellers during 1999 were for tour purpose, but the World Tourism Organisation estimated that only 75% of the visitors are tourists in its Sri Lanka Tourism Master Plan 1983). Nevertheless, most people among the latter group may be part-tourist as well.

Sri Lanka has not fully realised its potential to attract tourists in terms of numbers as well as value, overwhelmingly because of the raging civil war during the past two decades. On average the number of tourist arrivals has declined during the 1990s compared to 1980s. A country engulfed by protracted civil war could perhaps expect only risk-taking low-value tourist traffic. Usually the high value

tourists are risk averse, and that is why they head for tranquil countries like the Carribean or Maldiv islands when they seek 'sun and sea.' Sri Lanka faces a double jeopardy due to the protracted civil war, because not only the tourist traffic has declined and is dominated by low value consumers but also Sri Lankan tourists travelling abroad have increased throughout the 1990s largely due to the uncertain economic and political climate perpetuated by the conflict (DCS, *Statistical Abstract 1999*, Table 3.20: 55). Sri Lankans travelling abroad on tour offset a substantial part of non-nationals touring Sri Lanka in terms of numbers (ibid).

Table 2: Number of Tourists to Sri Lanka 1995-1999

	CTB	DIE	Discrepancy
1995	403,401	459,334	55,933 (+)14%
1996	302,265	373,300	71,035 (+)24%
1997	366,165	438,508	72,343 (+)20%
1998	381,063	443,343	62,280 (+)16%
1999	436,440	not available	
Average	377,867	428,621	50,754 (+)13%

Note: Figure for 1999 is suspect because it has been changed after the original publication, and there is hardly any reason that could be ascribed for nearly 15% growth of tourists compared to 1998.

Source: Column 1—Ceylon Tourist Board, extracted from Central Bank of Sri Lanka, *Annual Report 1999*, Table 93.
 Column 2—Dept. of Immigration and Emigration, extracted from Dept. of Census and Statistics, *Statistical Abstract 1999*, Table 3.20: 55.

On average a tourist spent only \$61 a day during 1999 in Sri Lanka which is comparatively quite low (CBSL, *Annual Report 1999*: 165). The geographical dispersion of tourists in Sri Lanka is given in Table 3. Accordingly, nearly two-thirds of the tourists head for 'sun and sea' in greater Colombo area and South coast. Almost all the tourists to Maldiv islands head for 'sun and sea,' yet an average tourist spends much more there than in Sri Lanka. Hence, it is evident that the high value discerning tourists seek tranquility more than just 'sun and sea.' Sri Lanka should pursue a tourism development strategy that is high value and low volume. One of the preconditions for such tourism trade is a tranquil political climate, which is beyond the means of the author. However, we could suggest another way of attracting high value tourists, that is through the institution and promotion of ethical tourism which encompasses eco-tourism as well.

Table 3: Regional Distribution of Tourist Trade in Sri Lanka 1998-1999 (percentages)

	Foreign Guest Nights	
	1998	1999
Ancient Cities	16.4	17.0
Colombo City	15.2	16.0
East Coast	0.2	0.2

Greater Colombo	21.0	20.2
Hill Country	3.6	3.6
South Coast	43.7	43.0
Total	100.00%	100.00%

Source: Ceylon Tourist Board. Extracted from Central Bank of Sri Lanka, *Annual Report 1999*, Table 94.

Eco-tourism

According to the Eco-tourism Society of the USA, eco-tourism means "responsible travel to natural areas which conserves the environment and improves the welfare of the local people." An 'Eco-tourism Society of Sri Lanka' has been set up to promote eco-tourism in Sri Lanka. The Tourism Master Plan of Sri Lanka also champions the cause of a tourism development strategy attuned towards the cultural and historic attractions, and natural scenic beauty of the island buoyed by rising proportion of the tourists paying visits to wild-life parks and botanical gardens in the past twelve years (CBSL, *Annual Report 1999*: 168).

On average eco-tourists spend about US \$1,000-1,500 per trip compared to US \$700-800 per trip expended by conventional tourists (Eco-tourism Society of the USA, *Eco-tourism Statistical Fact Sheet 1998*). Presently, about 40-60% of the total international tourists are eco-tourists (ibid). As the industrialised countries are experiencing a growth of ageing population there would be a declining demand for 'sun and sea variety' of tourism, and rising demand for cultural/historical, wild-life/nature reserves/rain forest, and scenic beauty tourism. Older people also have greater leisure time in their hands. Consequently, in the next two decades, whilst the international tourist population is expected to grow by 4% per annum (on average) eco-tourists are forecasted to grow by 10-25% per annum (ibid).

The year 2002 has been declared as the international year of eco-tourism by the United Nations. Therefore, it is timely for Sri Lanka as well to embark on a tourism development strategy with the priority objective of promotion of eco-tourism. According to Chandra de Silva, president of the Eco-tourism Society of Sri Lanka, certain persons in the tourism trade are marketing substandard products as environment friendly, which blurs the image of Sri Lanka as an eco-tourism destination. In his words "eco-tourism is being integrated with mass tourism, being diluted and losing its core completely" (*Sunday Observer*, 01-10-2000: 21).

Ethical Tourism

It seems that there is an urgent need to standardise tourism in Sri Lanka in terms of environment and people friendliness, i.e. ethical correctness. Thus, ethical standards need to be the basis of a new rating system in tourism trade. Ethical standards incorporate non-exploitation of both environment and people, that is devoid of physical abuse of nature, children, women, and men. A proper certification mechanism need to be developed and put in place whose authenticity and credibility is not questioned by discerning consumers. At present tourist hotels are rated up to 5 star according to the physical facilities and services provided to customers. In a similar fashion hotels and tourist sites need to be classified in terms of its environment and people friendly atmosphere, facilities, and services as well.

The proposed grading of hotels and tourist sites in terms of environment and people friendly standards is best done through self-regulation by the tourism industry itself with support from the public and non-governmental sectors, and the civil society. Environment and human friendly non-governmental organisations (such as the Eco-tourism Society of Sri Lanka and Protecting Environment And Children Everywhere—PEACE), academics, and concerned citizens could assist the industry to develop appropriate yardsticks to be applied in the proposed classification system, and a code of best ethical practice. The certification should be given for a fixed period, say for an year, so that there will be continuous maintenance of ethical standards in hotels and tourist sites.

The hotels and tourism sites can be audited by independent experts on the bases of air and noise pollution, waste disposal, water and air quality, efficient use of water and energy, storage and management of fuel, gas, and toxic waste, free of child, female, and male prostitutes, and such other ethically correct criteria to be determined by the stakeholders. A grading/rating of 1 to 3 can be awarded in proportion to the attainment of set criteria.

We earnestly hope that such an ethical tourism strategy would be in harmony with the natural, cultural and human endowments of the island, and would help Sri Lanka attract high value tourists amidst a perennial civil war. The loss of high value tourists due to the civil war may be partly offset by the introduction/institution of ethical tourism. The overall strategy should be to re-brand tourism in Sri Lanka from a low-value high-volume to high-value low-volume trade.

2nd impression

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