**The changes of the top 10 country spenders and earners from international tourism for 2012 and 1995**

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International tourism plays an important role in the country’s economy. It can bring significant income and create many working places. In a global economy, income from tourism is the second one from oil extraction and processing and accounts around 6% of GDP. In many developed countries, tourism is one of the most important sources of income.

Tourism is viewed as an industry of 3 Gs – get them in, get their money, and get them out (as cited in Archer and Fletcher, 1990). Many African, Asian South and Central American countries use tourism as additional possibility for employment and additional source of income (Archer and Fletcher, 1990). In general, international tourism accounts for 8% of total export receipts and 5% of GDP of different countries all over the world since 2008 (as cited in Abounoori et al., 2012). In the current paper, two years will be compared in order to see the changes in the tourism industry. Top receiving countries from tourism, as well as top spenders, will be compared. The following table contains the top international tourism receipts in 1995 and 2012.

|  |  |
| --- | --- |
| Rank | Top-10 International Tourism Receipts (1995, 2012) |
|  | 1995 | 2012 |
| 1 | United States | United States |
| 2 | Italy | Spain |
| 3 | France | France |
| 4 | Spain | China |
| - |  | Macau, China |
| 5 | United Kingdom | Italy |
| 6 | Germany | Germany |
| 7 | Austria | United Kingdom |
| - |  | Hong Kong, China |
| 8 | China, Hong Kong | Australia |
| 9 | Switzerland | Thailand |
| 10 | China | Turkey |

**Table 1**: Top-10 International Tourism Receipts (UNWTO, 1997, UNWTO, 2013)

Out of top ten countries that earn from international tourism in 1995, 8 remained in the same list, but on different positions. The United States, France and Germany after 17 years remained on the same positions. The international tourism in the United States had always been growing, except a few years period after September 11 attack, when the country experienced an immediate and precipitous drop in arrivals of international visitors that used planes to get to the U.S. from overseas (Cornwell and Roberts, 2010). In general, the international tourism in the U.S. started growing rapidly after the development of commercial flights in the second half of twenties century. As the country is located far from most of the other countries in the world, the only way to get to the U.S. is to take a flight. As time goes by, flights are becoming less expensive and more people can afford to visit the U.S. There are other factors that influence the tourism industry in the U.S.: the absence of visa with the majority of developed countries, English as a native language in the country, a huge number of attractions, and a variety of things to do, starting from lying on the beach and finishing with skiing. Moreover, the U.S. government widely promote a tourism industry in the country, as it is one of the most important ones, with contributes three times more to GDP than automotive manufacturing and chemical industries (Nicol and Eckervogt, 2012). As a result, the U.S. is permanently the number one receiver from international tourism in the world.

European countries, like France, Spain, Italy, the United Kingdom, Germany, which has a long history and are among the most ancient civilizations in the world, are traditionally among the top receivers from international tourism. Moreover, after the creation of European Union and Schengen Agreement, people are welcome to freely travel through the members without any serious limitations. However, official statistics shows that the amount of earnings from international tourism in many European countries is decreasing every year (UNWTO, 2013). For example, the earnings of Spain, France, Italy, and Germany have decreased in 2012 in comparison to 2011 by $1.85 billion in average (UNWTO, 2013). China, Thailand and Turkey got into the top list in 2012 instead, with a permanent increase in earnings from international tourism. China, which did not welcome foreigners for a long time, after changing its policy became a popular destination because of its ancient history and various attractions. In 1995 Asian countries were not popular destination because of low level of development and long distance. However, at the beginning of the twenty-first century people found out that such countries as Thailand, Indonesia, Sri Lanka are good places for relatively cheap vacation, with beautiful nature and warm climate. Of course, all these countries have some unique features that attract tourists. For example, Turkey is popular among many international tourists, especially for its cheap all-inclusive 5 star hotels, Thailand, in turn, is famous for sex-tourism. Of course, not only these features raised the countries to the top list. Development of commercial flights industry, globalization, price reduction, modern technologies – all these made international tourism more attractive and easy accessible for many people all over the world.

Among the reasons for high growth in travel industry, a huge role belongs to the development of such countries like China, Russia, Brazil and India, where a strong global middle class is being created (Fuller, 2013). All those people receive the opportunity to see the world, and most of them use it. Goldman Sachs predicts that, in 15 years, only China will add the world 2 billion middle class citizens, who will be potential travelers (Fuller, 2013). While in the table of top tourism receivers the major players from 1995 and 2012 did not change their rank greatly, the leaders of top tourism expenditures from 1995 and 2012 varied.

|  |  |
| --- | --- |
| Rank | Top-10 International Tourism Expenditures (1995, 2012) |
|  | 1995 | 2012 |
| 1 | Germany | China |
| 2 | United States | Germany |
| 3 | Japan | United States |
| 4 | United Kingdom | United Kingdom |
| 5 | France | Russia Federation |
| 6 | Italy | France |
| 7 | Netherlands | Canada |
| 8 | Russia Federation | Japan |
| 9 | Austria | Australia |
| 10 | Canada | Italy |

**Table 2**: Top-10 International Tourism Expenditures (UNWTO, 1997, UNWTO, 2013)

 In 1995, China did not occupy any top position in international tourism expenditures and it is not surprising because only in 1992 China proclaimed the course of building a socialist market economic system. In less than 20 years, China became the top country in international tourism expenditures and overtook the United States and Germany. It can be explained by several reasons. The first reason is a high birth rate and quick increase rate in the number of population in the country. In 2012, the total population of China was 1 billion 350 million people (World Bank, 2012). Secondly, the country was closed from the rest of the world; people were poor and were not allowed to travel freely. However, in the period of globalization, the government of the country understood that it is wrong to close the country from the outside world. Moreover, along with economic development and trade relationship with many countries, people started earning money so that they could afford travelling. Finally, Chinese people are addicted to the luxury brands of clothes, bags, jewelry and cosmetics so they contribute a lot to the tourism expenditures.

Germany, the United States and the United Kingdom held almost the same positions in 1995 and 2012 among the top countries in tourism expenditures. They are for 18 years within top 5 spenders on international tourism. Germany is an economic powerhouse in Europe and Germans spend around $83.8 billion annually in tourism. They have a high standard of living and   specious way of life and that is why they are willing to cross the border of their native country (Tourism Review, 2013). For British people, tourism plays an important role in life, as well. It is the reason they occupy in both 1995 and 2012 4th position in top tourism spenders.

Russia, being one of the fastest growing economies in the world, increased its spending in tourism in 2012 and occupied the fifth position in top tourism spenders (Tourism Review, 2013). Instead of focusing on advancing their careers, Russian mid-income segment of the population focuses on balanced life-work combination and thus spend more money on tourism (Corfield and Johal, 2012). The growth of the local economy and the wide availability of special promotions to the most popular destinations resulted in growing of outbound tourism expenditures in 2012 (Corfield and Johal, 2012). Canada changed its position in top international tourism spenders from 10th position in 1995 to 7th position in 2012.

In 1995, the Netherlands occupied 7th position in top spenders on tourism. However, in 2012, it is not among the leading countries. There was a minor decline in travelling abroad in 2012 because of the worse economic situation. The booking started slowly in 2012 and travel agencies lowered the prices as they were afraid not to sell enough packages in the season. This led to decline in tourism expenditures in 2012 (Euromonitor International, 2013). One may also observe a decline in spending of Japan on tourism. The country dropped from the 3rd to the 8th place. Japanese market started to gradually decline in the mid-90th because of the market stagnation. The most significant drop was from 2000 to 2005. From 1996 to 2000 the spending of Japanese tourists on shopping declined a lot. The tourism became more common for Japanese people so it was not so necessary to buy souvenirs (European Travel Commission). The earthquake in 2011 influenced the decline in tourism expenditures of Japan in 2012. Moreover, the demand for two major destinations of China and South Korea declined because of the escalation of territorial disputes over surrounding islands (Euromonitor International, 2013).

Today’s tourism industry is under the great influence of globalization and internationalization; modern technologies, transportation and communication are making travelling easier and more affordable (Reisinger, 2009). In many countries, the situation with tourism is rapidly changing, as this industry is likely to bring big profit. However, the situation differs among the countries. For example, Asian countries are becoming more attractive for the international visitors, while some European countries lose their popularity. It happens because of the development of commercial flights, communication, and internet that makes travelling much easier for the average person. Moreover, some countries, like China, change their policies regarding tourism and make it more tourist-friendly.

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