

International Conference on Co-operative Tourism 14-15 October 2008, Jaipur (India)¹

“Relevance and Feasibility of Co-operative Tourism in a globalised Economy”

Key Note Address, Maurizio Davolio, TICA Co-coordinator, 14 October 2008

I should like, first of all, to thank the organisers of this conference, ICA Asia and Pacific and the Rajasthan Institute of Co-operative Education and Management, for having invited me here.

It is a great honour for me to take part in the Conference and to present an introductory paper.

I have been asked to divide my paper into parts so before I start I shall briefly introduce myself and explain what I do. I shall then give you some information about the history of TICA and its present day situation, I shall cite some valid examples in which the main players are tourism co-operatives, I shall speak about the relations with an important international organisation called BITS, I shall make some general observations on tourism and its relevance to the global economy and then I shall conclude by trying to outline the potential that the co-operative movement has in tourism and I shall provide, if I may, some suggestions for programmes.

I have dedicated my entire professional life to tourism within the co-operative movement at Legacoop, the largest Italian co-operative association, which had as President Ivano Barberini who is now President of ICA.

I am pleased to note that precisely today, 14th October, Ivano Barberini is receiving a prestigious honour from the most ancient university in the world, the University of Bologna. He is to receive the Sigillum Magnum, which in the past has been awarded to some very important and famous figures in the world of politics, science and culture; I must also add that it has been a great privilege for me to work with him in Legacoop and ICA.

I am President of Legacoop Tourism, a Legacoop sector organisation, as well as the coordinator of TICA, a worldwide network of tourism co-operatives. I should also add that since 2004 I have also been serving as President of AITR, the Italian Association for Responsible Tourism, and I shall include some information about AITR as well that will be useful for later discussion.

Legacoop Tourism counts some 350 associated co-operatives, we are the second largest group in Italy for the number of privately owned chains of retail agencies. We have fifteen consortiums of hoteliers and other tourism operators, both incoming and outgoing tour operators, numerous workers co-operatives which manage hospitality structures such as hotels, hostels, camp sites, holiday homes and mountain refuges; we also have as members farming co-operatives which offer farmhouse holidays, fishing co-operatives which offer hospitality in the fishermen's homes and offer opportunities to tourists of participating in professional fishing from fishing boats, co-operatives which operate in wildlife parks and offer eco-tourism, school trips, education for the environment and trekking. Many social co-operatives offer tourism that specifically includes disadvantaged workers with physical or mental disabilities, ex-prison inmates, ex-alcohol or drug

¹ Event co-organised by ICA-Asia-Pacific, Indian Farmers' Fertiliser Co-operative Organisation (IFFCO) and Rajasthan Institute of Co-operative Education and Management (RICEM)

abusers – this in demonstration of how co-operatives have always taken on issues of poverty and nowadays must also confront issues that arise from new forms of poverty and social alienation.

Legacoop Tourism is part of TICA, which, as I have already mentioned, is a network of tourism co-operatives at international level.

TICA was set up in 1992 as a fusion of two pre-existing associations: IFPTO, created by a trade union, and UITCA, an association of tourism co-operatives. In 1995 an agreement was reached with the afore mentioned BITS and the activity of TICA was absorbed by BITS. In 1997 we attempted to re-establish TICA; in 2001 it was transformed into a lightweight network with no membership fees or formal management structure. Today TICA has a data bank and mailing list of about 90 co-operatives and associations of co-operatives in Europe, Asia and Latin America.

However I must present you with a rather flat picture: TICA, in fact, has no life as an association, just sporadic initiatives. This is due to a number of conditions: there are not many co-operatives and they are spread over the globe, the possibilities for meeting up are rare and meetings would incur enormous expense. Many of the co-operatives, the largest, are chains of retail travel agencies who have no interest in meeting with each other or amongst themselves.

There have, however, been some notable successes, in three European countries, the United Kingdom, Spain and Denmark there are co-operatives, particularly of consumers, which have created networks of travel agencies such as Travelcare, Eroski Tour and Dansk Folke Ferie. These have stood out for the quality of the services provided to members and non-members alike, for the strong relations they have developed with other co-operatives and social organisations in their areas as well as for their constant business and technological innovation.

In Latin America I should particularly like to mention Cooprena, in Costa Rica, a co-operative that has become a leader in the field of eco-tourism and community-based tourism.

In Asia there are important companies that have their origins in co-operatives created to provide services for their members, in particular in Japan and Korea, there are also co-operatives operating in Malaysia, Sri Lanka, Nepal, Vietnam and China.

As I mentioned we have a consolidated relationship with BITS (Bureau International du Tourisme Social) which has a high membership: 132 members in 33 countries. It has prestigious international recognition (it is a member of UNWTO in which it plays a number of important roles), an office in Brussels, another in Canada, its means of communication include a rich website, a newsletter, a magazine and a widely recognised logo; it organises conferences and other initiatives for its members and the public, research and study projects. However even BITS has its limits – for example, it is totally absent from Asia (this is a subject for discussion later) and it is an organisation that thinks in French even though all its documents are translated into English. But English is becoming more and more popular and used within BITS.

BITS has a significant history, it was established more than 40 years ago, it is based on no-profit co-operation and its area of interest covers social tourism in all its implications: co-operative tourism, tourism for pensioners, youth tourism, tourism for the disabled – all areas of interest that we mostly share. The co-operatives organise tourism for their members and there are initiatives of this type organised by co-operatives of farmers, consumers and workers; this is undoubtedly social tourism. We share a number of ideas and goals with BITS: encouraging access to tourism for the less well-off, the aim of offering tourism that has a rich content as well as respect for workers' rights.

The existing platform of collaboration with BITS is an important asset to reflect on and I will return to the matter further on.

I must add that BITS is one of the organisers of the Forum Internationale du Tourisme Solidaire, FITS, which this year will be held at Bamako in Mali in the next few days; up to the present it has been held in France in 2004, Mexico in 2006, i.e. in Europe, South America and now in Africa – just Asia is left out. I shall come back to this point.

In talking about tourism there is always the risk of stating the obvious or repeating information and data that is already widely known.

I shall not mention data provided by the UNWTO, e.g. the number of international journeys, the arrivals, the number of nights booked, percentages of growth, the record table of countries by numbers of incoming and outgoing tourists, earnings generated by tourism and so on.

I wish rather to focus on some aspects of tourism which I believe should be kept in mind as we are a co-operative movement that aims at working, investing and making commitments in tourism, and identifying opportunities.

It is by now a well known fact that tourism is the major world industry and is destined to steady and continuous growth; the perception of tourism has changed from one of a luxury to a primary necessity like shelter, food and clothing. Tourism is now not even halted by catastrophes such as war, acts of terrorism, epidemics, economic crises or natural calamities; it may falter as after 11th September 2001 or the devastating tsunami but it soon picks up. The tourists may change destination or delay their departure but in the end they travel just the same. It is a phenomenon known as resilience that is particularly applicable to tourism.

This is obviously taken into account in national policies as well as in company strategies.

The other consideration is that tourism only ever in part, at times a tiny part, corresponds to the expectations placed in it. Many countries believe in tourism, invest in tourism but then come to realise that unfortunately the economic social and business benefits are very few in the territories that have become tourist destinations while there are many disastrous negative effects, the so called tourism pathologies: damage to the environment, to local cultures and traditions, the abandonment of traditional crafts and professions, the spread of crime, drugs, money laundering, prostitution even of juveniles, the generation of unpleasant tension between tourists and residents; the increase of the cost of living for local residents, the reduced availability of water for domestic and agricultural use and so on. I should like to recommend at this point that you read the wonderful book by Leo Hickman, "The Final Call", in which a chapter is dedicated to the Indian region of Kerala. A large portion of the price paid by the tourist stays in the pockets of parties outside the destination territory: the profits of the tour operator who produced the package, the travel agency that sells it, the airlines, the hotel chains that are more often than not the property of companies based in the Northern Hemisphere, even the purchasing of foodstuffs. This is known as leakage, the loss of income that often exceeds 80% of the cost of the package; the host community is left with the crumbs – the manual labour in the hotels and some complimentary activities that may be more or less legal.

Criticism of tourism has led to the birth of the responsible tourism movement whose philosophy has at its centre the interests of the local community that hosts the tourists. It is the host community that must have the right to decide freely whether it really wants the tourism or not, what kind of tourism it wants, with which expectations and regulations. The tourism must respect the natural environment within a framework of sustainability, it must respect the local cultural and artistic heritage, the local religious beliefs, the local traditions, customs and lifestyle; in responsible tourism it is the tourist who must adapt to the territory and its culture and not the other way round. The cuisine must be typically local, the ingredients must have been produced locally and not imported, lodging is provided in family run hotels, the transport, guide services and shops are under local

management. The local workforce must, of course, be sufficiently prepared and trained to be able to provide adequate quality service. The local cultural events must remain genuine and intact rather than be trivialised for the tourists. Opportunities for the tourists and host community to meet and get to know one another must be organised within a framework of conviviality and reciprocal respect.

In this type of tourism priority is given to the interests of the host community but this also provides a huge advantage for the tourist who will enjoy a far more interesting and valuable experience in comparison to a conventional holiday. The tourist in this case will return home satisfied and very gratified.

In truth the rules for responsible tourism are very strict: the group must not exceed 12 people, each participant must attend a preparatory meeting before leaving in order to get to know the others in the group and to share information; the trip must last at least two weeks, it must be taken slowly and be oriented not at the number of places to visit but rather the extensiveness of the visit. Pricing must be transparent and include itemised details of the organiser's costs and profits; there should be a questionnaire to evaluate the trip and the cost of the holiday could include a sum to be devolved to finance future development projects in the poorer countries.

Legacoop Tourism was one of the promoters and founders of AITR in 1998 which today has 90 members among whom there are about 30 co-operatives some of which are in South America. AITR is today the largest organisation in the world in the field of responsible tourism and includes as members small tour operators, 13 NGOs specialised in tourism, associations, co-operatives, religious groups and environmentalist organisations as well as ECPAT.

AITR started the process of setting up the new European network which in two days time, on 16th, in Brussels will be formally established: EARTH, European Alliance for Responsible Tourism and Hospitality with members in many European countries and the support of EU institutions that are very favourable of the concept of responsible tourism which, I must repeat, involves every country in the world because some values are universal: the environmental, financial and social sustainability of tourism, the quality of the relationship between tourists and residents, the confirmation of the values of tradition, identity and authenticity, social inclusion, the democratic participation of citizens in the political choices regarding local tourism.

EARTH has started out as, and will remain, European but right from the start it will establish links with other non-European networks. In the last few weeks I have been invited to the presentation of an initiative that is starting up in Brazil to give rise to a Brazilian network for responsible tourism. AITR and the newly constituted EARTH have been invited to take part in the setting up phase of ABTResponsavel; as we speak 14 AITR members are active in Brazil with holidays and projects. It is the Federal State of Brazil itself that has encouraged the birth of this new association.

The UNWTO is also very interested; we are members through one of our members and have received funding for five ST-EP projects in five African and South American countries; as you probably know the ST-EP projects are coordinated by a Foundation that is based in Korea and embody high ideals and values; it is a great honour for us to collaborate with the UNWTO and its Foundation and we play a supporting role in the five projects.

I believe that for the co-operative movement there are very exciting and promising new horizons.

The ideals of sustainable and responsible tourism are very close to the ideals of the co-operative movement and are largely part of our history.

These include participatory democracy in decision processes, the central role of the person with his needs and interests, solidarity, the respect for labour and the support given to small businesses, the relationship between businesses and their territory and the quality of human relations; all these are values that are an integral part of our experience and history.

Furthermore, the co-operative movement presents itself as an aggregation with a rich variety of activities and experiences that can be exploited in an integrated way in the correct touristic development of a territory and in the organisation of the offer. We do not just have co-operatives that operate exclusively in tourism i.e. that manage tourism activities such as hotels and agencies but there are also co-operatives of farmers who can be interested and involved, co-operatives of fishermen, craftsmen, transport, construction, sales, as well as in banking and insurance.

One of the most interesting formulas of responsible tourism is the “Community-based tourism” in which the entire population is involved, not just the tourism operators, and this often takes on the form of a co-operative.

If I may, to conclude, I should like to briefly describe a few proposals that we could look at in more detail in the workshops following the Conference.

The first is a working method that includes all the components of the co-operative movement that could be interested from a variety of stances; the creation of a team of differing members that could work together either as branches or be based in the territory. If necessary this collaboration can be extended to other parties such as small family businesses and associations of a variety of types: religious, cultural, sports, etc..

The second proposal is that of setting up a higher level network at national or transnational level in order to overcome limits of size, resources and visibility.

The third is the evaluation of the idea of creating an aggregation of tourism co-operatives and more generally co-operatives interested in tourism within the framework of ICA Asia & Pacific; this aggregate could form links with BITS which is very keen to have representation in Asia in the form of a reliable connection that would be formally recognised. Today, the first Asian organisation that joins BITS could legitimately expect to be recognised as their reference for Asia.

In this context it is possible to start thinking about choosing Asian countries as possible candidates for hosting FITS in one or two years or of organising a special edition of FITS in Asia; this would certainly mark a strong start through which the co-operative movement would place itself at the lead of social tourism and responsible tourism throughout the continent. At the same time a network for Indian or Asian responsible tourism could be set up; AITR and EARTH would collaborate in the initiative and it could become a specific project supported at state level or by the UNWTO.

It is plain to see there are many possibilities for collaboration and there is a great deal of work to be done.

Tourism, however, deserves our commitment not just because it is a major industry in constant full growth, but because if, on the one hand it has disappointed many expectations as I have already described, it is a vast phenomenon not just on an economic scale but also at social and cultural levels that is really able, if correctly managed, to encourage mutual understanding amongst different peoples, to overcome prejudices, to create intense collaboration and to construct strong ties of friendship as well as contributing to building peace and the fight against poverty.

Co-operatives are able, given their history, their distribution and the values they embody, to make a significant contribution to the proper development of tourism.