

# Responsibility in development

## INTERVIEW WITH RODOLFO ELIZONDO TORRES

SECRETARY OF TOURISM, UNITED MEXICAN STATES



RODOLFO ELIZONDO holds a BA in Administration from the Technological Institute of Superior Studies in Monterrey. In addition to his career in the private sector, Mr Elizondo has participated actively in politics for the past 20 years. As a member of the National Action Party (PAN), he has been Secretary for International Affairs, a member of the National Executive Committee and president of the State Directive Committee in Durango. He was Spokesperson for the Presidency of the Republic from January 2002-03, following which he was appointed Secretary of Tourism. He was re-appointed to the same post by President Felipe Calderón in December 2006.

### How important is the tourism sector to the Mexican economy and its future prospects?

Nowadays tourism makes a far greater contribution than it used to in economic, developmental, employment and investment terms. In 2008, the sector generated US\$13.29 billion (bn), an increase of 3.4 per cent on the previous year's total. According to the Bank of Mexico, foreign tourism receipts increased 6.4 per cent in comparison to 2007, generating US\$4.76 bn, with foreign visitors to Mexico in 2008 reaching 22.6 million.

Our main success story in this country has been 'sun and beach' tourism, which is where the bulk of tourism demand is located. Nevertheless, during the last five years we have implemented programmes with the aim of diversifying the country's tourism offering and increasing tourism activity in the country's interior. In this respect we have launched programmes like 'Pueblos Mágicos' (Magic Towns), 'Tesoros Coloniales' (Colonial Treasures), 'Las Siete Ciudades de Oro' (the Seven Golden Cities), 'Ruta Don Vasco' (the Don Vasco Route) and the 'Ruta Maya' (Maya Route) just to name a few. From our point of view these programmes are not competing directly with sun and beach tourism, they are complementing it and therefore both domestic and foreign tourists can get to know different facets of the country's rich diversity – for example, its gastronomy, culture, music, customs and practices of the various regions.

### How does its economic impact compare with that of other economic sectors?

The growth rate of tourism in the last five years has been between 4.5 and 5 per cent. When we compare this with other economic activities we can see that tourism is among the most important. Among the elements we have to develop in order to ensure continued growth in tourism are the infrastructure for investment and security in the country, so that both national and international investors will have confidence and be able to continue investing in Mexico.

From my point of view, we are entering a phase in which Mexico will be able to grow much more vigorously and intensively than it has done so far.

### And can local communities participate directly in these initiatives?

Yes, of course. What we are creating are social projects with communities. We have 36 'magic towns' which

have certain characteristics that can be exploited in tourism terms by the community itself, with support from the federal, state and municipal governments. Our objective is for people to participate in tourism activity and the provision of services and thereby diversify their means of subsistence, which traditionally have been agriculture and livestock.

Alongside this kind of project, we are also generating conditions for the development of hunting tourism, adventure tourism and ecotourism; we are promoting golf tourism strongly in several regions of the country and we are driving forward what we call 'premium' tourism which includes boutique hotels and luxury chains like San Regis, Four Seasons, Banyan Tree and Rosewood, amongst others.

We are developing this whole variety of programmes because we are well aware that beach destinations can go out of fashion, as has happened in the past. What doesn't change is the essence of the country, which is its culture, its colour, its people.

### The government of President Felipe Calderón has placed a great deal of emphasis on relieving poverty in the country. What role is the tourism sector playing in this respect?

I think we are beginning to play an increasingly important role in terms of development. There is no doubt that tourism has the ability to reduce poverty in large areas of the country, provided we have a long-term, far-sighted tourism policy. I am talking about policies to create infrastructure for roads, ports, airports, services and above all security and order in the country. Security for visitors and security for investors. I think this is the most important factor in order to improve the conditions for regional development.

### What impact has the government's crackdown on organised crime had on the tourism sector?

Since the start of President Calderón's administration there has been no negative impact on tourism, in a period in which a full-on war against drug trafficking and criminality has been undertaken. It has not been easy to counteract the resulting negative images but fortunately we have not suffered a drop in tourism. We need to bear in mind, however, that the worldwide economic situation, particularly in the USA and Europe, may have an adverse effect on the growth of tourism in Mexico.

The main reason why our tourism has not been affected is because the violence is located in the border regions most affected by drug trafficking. It is worth explaining that this situation does not arise in all states, cities or tourist destinations. So far, I am pleased to say, we are still maintaining our growth and occupancy margins.

---

**How has the impact of the global economic crisis been felt in Mexico and what are your strategies to for dealing with the situation?**

---

Up until January this year we hadn't noticed any negative impact. I think that the bad months are still to come. We believe that instead of having growth of 4.5 or 5 per cent this year we will have no growth or we will have a growth of 2 per cent.

We are therefore redirecting our efforts towards our most competitive and nearby markets. The exchange-rate is still attractive for currencies like the dollar, euro and pound, which makes us competitive and therefore helps us to retain our market share. For example, the Americans haven't stopped travelling but they have stopped spending like they used to and they have cut down their stays in comparison with previous years.

In 2008 we received 22.6 million visitors of which 64.96 per cent came from the USA and 8.18 per cent from Canada, which are our two biggest source countries. We haven't written off the European market, however in times of crisis we have to focus our efforts. It is important to maintain occupancy as this impacts directly on the sources of employment and investment.

---

**How important is the European market, and the British market in particular, for Mexico and what differences do you notice between the kinds of tourists you have coming from the UK and those from North America?**

---

The United Kingdom is our main source of European tourists to Mexico and our third most important at the international level, after the USA and Canada, with 2.42 per cent of the total visitors coming to Mexico.

Based on information from the Mexico Tourism Board office in London, the British tourist is an important market for us because he or she is a traveller with experience, has travelled extensively and particularly to long-haul destinations.

The UK presents a significant market opportunity in the 'young adults' (between 25 and 35 years of age) segment and in particular in the 'mature adults or baby boomers' segment (between 35 and 65 years of age) due to the fact that the proportion of travellers included in those groups is 5 and 12 percentage points above the corresponding level according to population distribution. In contrast, low levels of travel are observed in the segments corresponding to 'children' (under 15 years of age) and 'older and retired adults' (over 65 years of age). The main difference between the North American visitor and the European one is the distance travelled and the average length of stay. For example, there is no city in the USA which is more than five hours from Mexico if you are travelling by plane.

In Europe the most important markets, in order of importance are: the UK, Spain, France, Italy and Germany. Therefore, that is where we have offices ►

**There is no doubt that tourism has the ability to reduce poverty in large areas of the country, provided we have a long term tourism policy**



Photograph courtesy Mexico Tourism Board

San Miguel de Allende: one of Mexico's colonial treasures

People are increasingly aware of the importance of preserving the environment and this can only be good for Mexico

Mexico's pre-Columbian heritage is a major lure for visitors to the country's interior

◀ which also deal with secondary markets, generally neighbouring ones. We are also now making inroads into Eastern Europe as this is a market which we will be focusing on in the near future. We currently have flights from Budapest and Prague to Cancún during the winter season and both routes are working very well.

**With the inauguration of Mexicana's direct service to London and Thomas Cook's decision to add additional capacity on its routes to Mexico, do you think there is more potential for growth in the British market?**

With the opening of Mexicana, which has four direct flights a week, combined with the three British Airways flights (four flights a week in high season) a large portion of travellers are covered by commercial airlines. Although both are to Mexico City, which today has become one of the most visited capitals in Latin America, from this point journeys by road to colonial towns and Pacific and Gulf beaches can be combined. It also offers a large supply of air connections to more remote destinations. With regard to Thomas Cook, it is in fact setting up a charter flight for the summer, which also involves a growth in the flow of tourists from this important group.

**How important is Mexican culture as a selling point in Europe?**

Our culture is very important for attracting tourism because it is what differentiates us from other countries. For example, in the pavilions we install at tourism fairs we have decided to present several contemporary artists, as it is important to give this offering wide

coverage. For example, in London during the last World Travel Market Fair, the pavilion was inspired by the work of Leonora Carrington who, although she was born in Britain has lived in Mexico for a number of years. She is a very successful woman in terms of painting and sculpture.

With regard to the support for different exhibitions at different cultural institutions, it has certainly worked because it has a massive impact on the consumer which translates into visitors to Mexico through the synergy of these events with tourism operators who create different itineraries alluding to the corresponding exhibition. The result with previous exhibitions like the Aztecs and Frida Kahlo for example, has been translated not only into the creation of new itineraries but also into an increase in the visitor's average stay in Mexico City. As in London with the Leonora Carrington themed pavilion, in Madrid during Fitur the theme was the work of the Mexican sculptor Manuel Felgueres, and we will continue with artistic and cultural themes in the other pavilions.

As for the support for the Moctezuma exhibition at the British Museum, of course it's important because, as I mentioned earlier, the idea is to use the exhibition as a hard selling point. It's not that we don't attach importance to sun and beach, but we have to show the cultural side which complements the experience of the journey.

**You can't make an omelette without breaking eggs. How can the government encourage large-scale tourism development in Mexico without sacrificing fragile ecosystems?**

There is a legal framework which protects rural life and the use of land with regard to wetlands and mangrove swamps. This does not mean that no development can take place but there must be a balance in order to maintain the ecological equilibrium. There are examples of developments like Mayakoba in the Mexican Caribbean, where the mangrove swamp was respected by creating canals to transport people from the hotel, which was located behind the mangrove swamp and not in front, to the beach. This development in particular has attracted a number of high-quality hotels of international renown.

There are techniques for regenerating the mangrove swamp which can help us to recover and restore areas of mangroves that has been destroyed or affected. I don't think that absolute prohibition would be the solution as we can't close the door to development either. I repeat that we have to strike a delicate balance with the due preservation of and respect for nature. Nowadays, people are increasingly aware of the importance of preserving the environment, and this can only be good for Mexico. **F**



Photograph courtesy Mexico Tourism Board