



THE FATHER OF NATION HAVE FULFILLED HIS PROMISE BY INTRODUCING TOURISM IN THE SULTANATE OF OMAN

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Extracts from the Speech by His Majesty Sultan Qaboos bin Said to his people on the day of his accession

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“I PROMISE you to proceed forthwith in the process of creating a modern government. My first act will be the immediate abolition of all the unnecessary restrictions on your lives and activities. My people, I will proceed as quickly as possible to transform your life into a prosperous one with a bright future. Every one of you must play his part towards this goal. Our country in the past was famous and strong. If we work in unity and co-operation, we will regenerate that glorious past and we will take a respectable place in the world”.

ABSTRACT

Tourism is the largest global industry, and the tourism market is growing. According to the World Tourism Organization (WTO), the global tourism market will triple in size by 2020. Tourism benefits local economies substantially by increasing foreign exchange earnings, creating employment and investment opportunities, increasing government revenues, developing a country's image, and supporting all sectors of the economy as well as local communities. Tourism is of vital importance to the national economy of Oman. It is the Kingdom's largest export sector, its second largest private sector employer, and it's second highest producer of foreign exchange. The potentials to generate revenue and employment have been increasing in this Kingdom. I had tried to examine that is tourism industry is indeed a key component of economic growth and competitiveness of the Sultanate of Oman, By comparing Oman with the



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tourism world especially with its neighboring countries in middle East. By analyzing
impact of tourism in Oman I have noticed that His Majesty Sultan Qaboos bin Said
has fulfilled his promise by introducing vision 2020.

HISTORY OF OMAN

Little is known about Oman's pre-Islamic past but it is clear from recent archaeological discoveries and research that early civilizations existed at least 5000 years ago. Sumerian tablets refer to a country named "Magan" as a source of copper. It seems certain that they referred to Oman. Evidence from excavations near Sohar shows that the copper mining and smelting industry was well developed by the year 2000 BC. Frankincense from Dhofar, which was so important in the social and religious life of ancient peoples, also provides evidence of the existence of an early trading community. It is also clear that there were farming and fishing settlements from the earliest times. The ancestors of present day Omanis are believed to have arrived in two waves of migration over a number of years, the first from the Yemen and the second from northern Arabia at a time when various parts of the country were occupied by the Persians.

The Coming of Islam and the Early Imamate

The call of the Prophet Mohammed to the Omanis to become Muslims altered the course of their history. It was in about 630 AD that Amr Ibn al-As arrived in Oman bearing a letter from the Prophet to Abd and Jaifar, the two sons of al-Julanda, who ruled Oman jointly. Having embraced Islam, they were instrumental in defeating the Persians. The early Imamate in Oman arose out of a vision to create the true and ideal Muslim state. The first Ibadhi Imam, Julanda bin Mas'ud, was elected in 751 AD but he died in battle and it was not until 801 AD after a period of turmoil that Warith bin Kaab was elected. There then followed a period of peace, stability and prosperity lasting more than three hundred years Maritime trade flourished and Sohar became the greatest sea port in the Islamic world. As they travelled and traded, the Omanis spread the message of Islam, as well as Arab culture and language, reaching as far east as China.



Portuguese Occupation

In the early 16th century after the Portuguese under Vasco de Gama had discovered the sea route round the Cape of Good Hope to India, they occupied Muscat for a century and a half in order to dominate the trade which had until then been an Arab monopoly. The Portuguese were expelled from Muscat in 1650 by Sultan bin Saif al-Yarubi.

The Ya'aruba Dynasty

Since the expulsion of the Portuguese no other foreign power has ever occupied Oman, apart from a brief period when the Persians made a partial occupation. The Ya'aruba Imams introduced a period of renaissance in Omani fortunes both at home and abroad, uniting the country and bringing prosperity. It was under the Ya'aruba dynasty that many of the imposing castles and beautiful buildings that have been restored recently, such as the fort at Nizwa and the Palace at Jabrin, were built.

Civil War

Unfortunately, on the death in 1718 of the Imam, Sultan bin Saif II, civil war broke out over the election of his successor. Persian troops occupied Muttrah and Muscat but failed to take Sohar which was defended by Ahmad bin Said, who continued to fight the Persians and drive them from Oman after the civil war had ended.

The Al Busaidi Dynasty

In 1744 Ahmad bin Said, who was a man of outstanding personality and courage, was elected Imam. He faced a number of difficulties in reconciling the rival factions after the civil war, but he managed to build up the Omani navy into a power to be reckoned with, personally leading expeditions against pirates and driving the Persians out of Basra. When he died in 1783, his son Said was elected Imam but he was not popular, being replaced by his son Hamad, who had been de facto ruler in Muscat while his father remained in Rostaq. Hamad died suddenly in 1792 and his uncle Sayyid Sultan bin Ahmed, assumed power until his death in 1804. He had exercised such tight



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control over Oman and trade in the Gulf that European powers dealt with him as the effective ruler of the country.

THE SULTANATE OF OMAN AND TOURISM INITIATIVES

The Oman, of late, is placing more emphasis on promoting tourism in the course of lessening its reliance on the traditional oil industry and diversifying the sources of its national income. A strategic geographical location, security, excellent shopping centers, classic accommodation, services and recreational facilities, including an ultra-modern sporting infrastructure, have all ensured that the Oman has become a center for tourism since the 1980s'. Tourists are also attracted by the Oman's heritage and culture, as well as traditional sports of camel, horse and boat racing, pearl diving and falconry. In Oman, tourism industry has received a fillip with the creation of many official organizations that invited the private sector to adopt a more orchestrated approach towards tourism development. The Oman government is focusing on attractions such as heritage, architecture and their landscape. Everything, from amusement parks to tree-plantation projects, has been created to make the country more attractive, while the amount of homes and hotel-rooms are also expanding as a result of massive real estate projects. Despite the crucial role of tourism industry in the Oman economy, economic analyses, particularly the impact of tourism industry on the overall economic growth and progress of the nation are lacking. Many ambitious tourism projects have been implemented in the country since the late 90's. This paper makes an attempt to fill the above gap by including many economic variables in the analyses.

RESEARCH QUESTION

The current study has the following research question:

Did the father of nation has fulfilled his promise by introducing tourism in the sultanate of Oman?

HYPOTHESES

The following two research hypotheses are also tested in the study:

1. The Past, Present and Future of Oman.
2. The impact of tourism and the tourism growth in Future



LITERATURE REVIEW

An activity which cuts across conventional sectors in the economy is called Tourism. The input required in this activity are economical, social, cultural and environmental natured. When we relate Tourism to a country we can distinguish it in to three different forms such as; the activity involving residents of the country travelling within the country is called 'Domestic Tourism', secondly the activity involving non-residents travelling in the country is called 'Inbound Tourism' and the activity in which residents travel out of the country is called 'Outbound tourism'.

IMPACTS OF TOURISM

It has been observed that there are three major Impacts of tourism namely;

Economic Impacts:

Environmental Impacts:

Socio - Cultural Impacts:

Economical Impact of Tourism

Money is spent by the tourists on variety of goods and services provided by wide range of businesses. For instance tourists encompassing transport, accommodation, catering, recreation and services for visitors and entertainment services etc. the tourists expenditure is a result of non-nationals spending within the national economy.

Following are the factors involved in measuring economical impact of tourism;

1. **Total Demand** Travel & Tourism increases the demand for economic activity.
2. **Employment** Travel & Tourism Economy employment is estimated at jobs of total employment increased in tourist activities.
3. **Gross Domestic Product** Travel & Tourism Industry contributes to Gross Domestic Product (GDP) by rising in nominal terms in this same period.
4. **Capital Investment** Travel & Tourism capital investment is estimated at percent of total investment by tourists.
5. **Personal And Business Travel & Tourism** Travel & Tourism is estimated at percent of total personal consumption or Business Travel of tourists.
6. **Exports** Visitor Exports play an important development role for the resident Travel & Tourism Economy.

Environmental Impact of Tourism



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The environment (natural or artificial) is changed or modified in order to facilitate tourists. Environment plays an important role in promoting tourism and developing strategies. Followings are the benefits achieved from environment development for tourism;

1. Ancient monuments, sites and historic buildings are restored or preserved.
2. National parks and wild parks are created.
3. Reefs and beaches are protected.
4. The cleanliness is emphasized by the municipality of the country.

Inspite of the positive impact of tourism we have some negative impacts such as;

1. Hunting and fishing
2. Sand dunes can be damaged and eroded by over use.
3. Camp fires may destroy forests.
4. Ancient monuments may be damaged or disfigured.
5. The improper disposal of litter can detract environment and harm wildlife.
6. Tourism activities can put scarce natural resources.
7. Tourism is responsible for high level of air and noise pollution through the transportation.

Socio – cultural Impact of Tourism

The living style or behavior of any nation including style of wearing clothes, eating food, interacting with people in a religious practice in society is called culture.

Tourism is a fast growing industry and a valuable sector, contributing significantly to the economy. Tourism affects the economy and lives of communities and has proven to be a lifesaver for many destinations. There are real and perceived fears that are sometimes attributed to tourism and largely related to poorly managed or mass tourism ventures. As with any economic activity, tourism can have negative impacts on communities. These must be minimized and measured against the benefits that tourism brings. There is some concern that tourism development may lead to destinations losing their cultural identity by catering for the perceived needs of tourists particularly from international markets. This is based on the observations of other "destinations" having compromised their sense of identity. However, research



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shows that most tourists travel, not to visit home away from home, but because they want to experience the personality and true character of towns, communities and attractions. The tourism experience is different to what they can see or do at home and this includes experiencing the real life and lifestyle of the destinations they visit.

Sustainable tourism is thoughtful tourism. It is "derived," not "contrived." A community involved in the planning and implementation of tourism has a more positive attitude, is more supportive and has better chance of making a profit than a population passively ruled or overrun by tourism. One of the core elements of sustainable tourism development is community development. This is giving the community the process and capacity to make decisions that consider the long-term economy, ecology and equity of all communities.

Through tourism, social cultures become known to other people from different countries. So the impact is a positive one for cultures that have opened tourism to the world besides the point that it also brings jobs and a resource of income for that country. Very briefly, the basic aim of tourism and culture is to promote the diversity and appreciate the universal colors and various kinds. Through traveling we come to know others and their beliefs which help us appreciate our own.

ANALYSIS

“Geography of Oman is Ideal destination for tourists”. Continuing to my discussion I would like to discuss different regions of Oman.

MUSCAT

The Governorate of Muscat is situated on the Gulf of Oman, nestled between the Eastern Hajar Mountains and the Sharqiyah region to the east, the Batinah region to the west and the Dakhiliyah region to the south. It extends from Seeb, home of Oman's international airport, in the north, to the fishing port of Quriyat in the South. Muscat Governorate consists of six districts (wilayats) Muscat, Muttrah, Seeb, Basher, AI Amarat and Quriyat.

According to the December 2003 Census the population of this area is 631,031, of which 380,092 are Omanis. Because of its strategic geographical position Muscat has been an important trading port in the Gulf and Indian Ocean for centuries. In modern



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times it has become Oman's capital and main political, economic and administrative centre.

Today, Muscat is a clean, elegant yet vibrant city, which, while keeping pace with 21st century advances, has lost none of its traditional charms. A visitor will find no concrete and glass skyscrapers in this city, despite its rise in stature as a regional and international economic centre. Instead, Muscat's architecture combines Arab culture and heritage with a genuine embrace of modernity. Urban areas are meticulously planned with new buildings designed to incorporate traditional elements. The Sultan Qaboos Grand Mosque in Bausher that opened in 2001 is one of the country's most striking architectural landmarks and a perfect example of cutting edge design blending with time honoured traditions. Seeb International Airport and the sea ports of (Mina) Port Sultan Qaboos and Mina Al Fahal provide the main links between Oman and the rest of the world, together with a modern system of multi-lined highways and telecommunications networks. Seeb Airport also provides regular access to Salalah and the smaller regional airports within Oman. Walls enclose the old city of Muscat, while its gates display a mixture of ancient and contemporary styles. Muttrah souq on the waterfront opposite Port Sultan Qaboos is a well preserved traditional market that has become a popular tourist attraction, selling an alluring mix of Arabian herbs and spices, fragrances and handicrafts, including Omani silver jewellery and artifacts, as well as clothes, shoes and household goods. Overseas visitors are frequently impressed by the range of enormous cooking pots to be found in the souq. If you are planning a meal for 50, this is the place to buy suitable pots and pans. Muscat's many facilities include Sultan Qaboos University, various colleges and training institutes, schools, major commercial banks, the stock market, specialist hospitals (both government run and private), sports associations, youth clubs, museums, and cultural and arts centers. The city's international class hotels, imaginatively designed parks, historic and contemporary buildings, scenic beaches, enhanced by a backdrop of mountains and fertile wadis are a delight for visitors and residents alike. In 2003, it won a UN Public Service Award in the Improvement of Public Service Category Results



BATINAH

The Batinah plain, an approx. 25 kms wide coastal strip between the Hajar Mountains and the Gulf of Oman, was traditionally fishing and farming region. These days it is one of the Sultanate's most industrialised, urbanised, and highly populated areas. The Census held in December 2003 revealed that this area has a population of 652,667 in its 12 districts: Sohar, Rustaq, Shinas, Liwa, Saham, Khabourah, Suwaiq, Nahkl, Wadi al Maawil, Awabi, Musana and Barka. Sohar, the first Omani city to embrace Islam and mentioned in folklore as the departure point for Sinbad the Sailor's travels, is currently being developed as an industrial city and port. The ambitious, multi-billion Rial Sohar port project will bring much increased employment to the region and is in line with Oman's objectives of diversification of the economy and Omanisation of the workforce.

DAKHILIYAH

This mountainous region is regarded as a region for trade between the coast and the interior. It links Muscat and the coastal plain with the interior through the Sumail Gap. It has 8 districts with a population of 265,083: Nizwa, Sumail, Bahta, Adam, A] Hamra, Manah, Izki and Bidbid. Nizwa, the city known as "the pearl of Islam" attracts many tourists to its restored 17th century fort and its souq, with carved wooden doors opening onto a range of shops and courtyards. Nizwa is particularly popular with visitors to its silver souq, which contains many fine examples of traditional Omani jewellery, and to the Friday cattle souq. The oasis of Bahla owes its prosperity to the Bann Nabhan, the dominant tribe in the area from the 12th to the end of the 15th century. The ruins of the immense fort, with its walls and towers of unbaked brick and its stone foundations, is a remarkable example of this type of fortification and attests to the power of the Banu Nabhan. The Fort, listed in 1987 on the World Heritage in Danger List, was removed from that List at the beginning of 2004 as it is now considered out of danger and work was undertaken since then.

SHARQIYAH

With 11 districts - Sur, Ibra, Bidiyah, Al Qabil, Mudhaibi, Dimawa at Tayeen, and Al Kamilwa at Wafi. Jaalan Bani Bu Ali, Jaalan Bani Bu Hassan, Wadi Bani Khalid and



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Masirah Island and a total population of 312,708 the Sharqiyah is the third most densely populated region in Oman. Translated as "eastern" the Sharqiyah is flanked by the gravel plains and valleys of the Hajar Mountains. Further to the south-east is the Jaalan, a vast sandy plain stretching to the Arabian coast at Sur and At Ashkarah.

Sur, an ancient port and seafaring town played a major role in the development of trade between Oman, East Africa and India. It was one of the major shipbuilding centers of the region for centuries and remains an active shipbuilding centre, with dhows constructed directly on the beach. Sharqiyah is an area of contrasts, from the fertile wadis and dramatic gorges in the Eastern Hajar, to the beautiful and unspoiled coastline of Tiwi, Sur and Ras Al Hadd in the east down to Barr Al Hickman and Masirah Island in the south. The coast abounds with wildlife; dolphins and turtles are a common sight. A necklace of coral reefs stretches along the coastline where the sea is rich with fish provides a livelihood for the coastal people. Meanwhile, the vast Wahiba Eastern Sands, traditional home of the Bedouin, has one of the largest areas of lithified sand dunes in the world.

DHOFAR

Dhofar has a sweeping coastline on the Arabian Sea and an arid interior flanked by mountains. The regional capital, Salalah, is situated on the coast. The Dhofar Mountains form a narrow girdle, at most 23 kms wide, that extends for 400 kms. East to west from the Hallaniyat Islands to the Yemen border, the highest peak is 2,500 meters. Dhofar Governorate consists of 9 districts with a total population of 214,331: Salalah, Thumrait, Taqah, Marbat, Sadah, Rakhiyout, Dhalkout, Muqshin and Shalimwa Al Hallaniyat Islands. The monsoon rains, which make this area so fertile, fall on a 75 km stretch of mountains and an 8 km wide plain surrounding Salalah, cloaking them in lush greenery for the months of July and August. The coastal plain is thickly planted with vegetables, bananas and coconut palms and roadside stalls offer drinks of coconut juice straight from the shell. The region has modern roads and electricity, water and telecommunications services, while the city of Salalah and other towns have been enhanced with landscaping projects and public parks and gardens.



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A thriving tourist industry has been built up in recent years, Dhofar's exceptional summer climate, which has made it a magnet for Arab and foreign visitors escaping the searing summer heat at home. Numerous projects to expand the available services and develop leisure facilities, tourist sites and areas of historical and cultural interest are underway, along with an ongoing road building and improvement scheme. Today Dhofar's visitors are drawn not only by its natural attractions, but also by its extensive cultural, artistic and leisure programs among the most popular being the Salalah Khareef Festival. In ancient times Dhofar was the heart of Oman's frankincense trade. Ancient civilizations traded in frankincense, which was burned in religious ceremonies and as highly prized as gold, until 7,000 years ago. Caravans of camels set out from Dhofar carrying their precious load to the trading capitals of Mesopotamia, Syria and Egypt. Consignments of frankincense were loaded onto vessels travelling across the Mediterranean, bound for markets in ancient Rome and other cities across Europe. Frankincense trees, *Boswellia sacra*, still grow up to five meters tall on the lower slopes and craggy plains of Jebel Dhofar. The trees grow just out of range of the monsoon rains but thrive in the cool winds that sweep across Dhofar during the rainy season. Omani frankincense is regarded as the highest quality frankincense in the world and is still much in demand. It is still widely used in Oman where it is burned in homes across the country for its rich, exotic fragrance. It is also used in the production of fragrances.

WUSTA

Much of the central Wusta region consists of desert, running from the breathtaking sandy coastline with its wide bays, rocky caves and inlets to the interior, where most of Oman's oil, gas and mineral reserves are to be found. This area is a great favorite with conservationists. Dolphins and turtles are often seen close to the shore and the lagoons are resting spots for many thousands of migratory birds. At Qarat Al Kibrit erosion of salt has carved caves and open pits. Dark limestone has been brought to the surface by underground salt forcing its way upwards. The Arabian Oryx was re-introduced to a national park area on the Jiddat al Harasis and in 1994 UNESCO included the project on its World Natural and Cultural Heritage List. The Arabian Oryx Sanctuary is an area within the central desert and coastal hills are



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biogeographical regions of Oman. Seasonal fogs and dews support a unique desert ecosystem whose diverse flora includes several endemic plants. This region has 4 districts Hanna, Mahout, Dugm and Al Jazir, with a population of 23,058.

MUSANDAM

The Musandam Peninsula covers an area of around 3.000 sq. kms, and is separated from the rest of the country by the United Arab Emirates. The smallest and most northerly region of the Sultanate its rocky headland juts out into the Strait of Hormuz, giving it strategic domination over one of the busiest shipping lanes in the world. The navigable waters through the Strait are on the Omani side. Some 28,263 people live in Musandam with the greatest concentration in Khasab, the regional capital. This governorate has 4 districts: Khasab, Bukha, Daba Al Baiya and Madha. The magnificent Hajar mountain range dominates the Musandam landscape. The range extends about 640 kms from Ras Al Hadd in the south up to Khasab, and ends with the Ru'us Al Jabal (Heads of the Mountains) plunging dramatically and dizzily into the sea. The 1,800 meter mountains rise steeply above the region's rocky coastal inlets, and the resulting dramatic scenery has led to comparisons with Norway's fjords. The Musandam area provides huge potential for tourism and several development schemes are underway to help exploit the region's many charms to its best advantage."Oman – A memorable tourism destination, an evaluation of the paradigm shift" have applied the five important criteria on the growth of the tourism industry in Oman. The criteria applied to evaluate were Accommodation, Attractions, Accessibility, Attitude (of the host community) and Advertisement. Their study revealed and confirmed that tourist destination would become memorable only when it meets the needs and wants of the tourists just above their expectations. Hence the total satisfaction and pleasant experience of the visitor are the key motivating factors for any destination to be regarded as a memorable tourist destination. The finding of the study has further confirmed that Oman is an emerging world-class tourist destination in the recent years and has the potential to make the visit a memorable one for a traveler. They have also highlighted tourism industry's contribution to the economic progress of Oman.



THE CURRENT ECONOMIC SCENARIO OF THE OMAN

Oil and natural gas account for 80% of Oman's export earnings. The sultanate produces around 900,000 barrels of oil a day and it has a reserve of some 30 trillion cubic feet of liquid natural gas, as yet to be fully exploited. (A new LNG refinery recently opened in Sur).

Revenues from its natural resources have helped to transform the country's economy and to make Omanis, if not rich, then at least considerably better off than many other residents of the Middle East. Official figures compiled by the World Bank calculate Oman's per capita gross national income (GNI) to be \$7,700 (2000 figures), even higher than that of Saudi Arabia (\$7,230). Unofficial sources suggest that Oman's per capita GNI may actually be closer to \$10,000. In 2000, according to the World Bank, the per capita GNI of the Middle East as a whole was only \$2,090. Omanis do not pay income tax and health care and education is financed from the state's coffers. The country's modern infrastructure has been built up with the help of the large (in proportion to the overall population) expatriate workforce. Skilled trade people and professionals from Africa, India, Pakistan and other parts of Asia make up over 50% of the working population, a factor which has caused tension among native Omanis. Oman's total labor force is 850,000 and the percentage of expatriate workers 55% (which is the same as in Saudi Arabia) is lower than most of the region, attributed to the government's "Omanisation" programme which encourages locals to take up jobs formerly done by foreigners. Although the programme has its flaws, some companies hire Omanis "on paper" but continue to use expatriates such as Indian construction workers, because they are willing to work for much lower wages than the locals. The Economist, in a survey conducted in March 2002, estimated that since 1990, the native proportion of workers in private companies in Oman has risen to 20%, up from only 10% a decade ago.

One of the major challenges for the government, which it shares with other oil producing kingdoms in the region, is the growing number of young people who cannot find jobs or rather jobs with the relatively high salaries that their parents



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FIGURE (i)

COMPARISON OF EXPATRIATES IN THE ARABIAN GULF, BY COUNTRY

Country	Non-citizens % of population	Expatriates % of workforce
Bahrain	40	64 *
Kuwait	64	81 *
Oman	26	55 *
Qatar	80	90 *
Saudi Arabia	27	55 *
UAE	82	90 *

* estimated

Source: The Economist, March 2002



LIBERALIZATION OF THE ECONOMY

From the start of the oil boom in the 1970s, the Omani government has played a major role in managing the country's development. In recent years, however, there has been a move towards liberalizing the economy and taking more of a hands-off attitude, in order to encourage foreign investment and to cut down on the many levels of bureaucracy even the most mundane transactions. Oman was the first country in the Gulf to privatize its power sector. The government is currently in the process of privatizing most of the hotels and turning airports over to the non-government sector, a move which will, it is hoped, facilitate the flow of inbound travel.

The Omani Ministry of Commerce and Industry also offers "soft" loans to companies willing to invest in the tourism infrastructure and to provide tourism services. Formerly these loans were interest free. At present, banks and other lending institutions are typically charging around 4% interest per annum, still a low rate by commercial banking standards. In January 2001, Oman raised the ceiling for foreign ownership in Omani companies from 49% to 70%. In 2003, the government will also allow foreign ownership of banking services, brokerage houses and insurance companies, in a further move to diversify the economy and free up the flow of capital. The government is also making it easier for international travelers (business and leisure) to visit Oman, by easing trade restrictions and simplifying visa requirements, from 15 categories to five. Recently Oman concluded a visa arrangement with Dubai to make it easier for visitors to come to both countries. Import fees have already been abolished. In 1996, the Omani government started negotiations for joining the World Trade Organization and five years later, on 9th November, 2001, Oman became the 139th member of the WTO.

INTERNATIONAL ARRIVALS

Oman's tourism industry might be in its infancy but it is expanding at a rapid rate, albeit from a low base. According to the WTO, between 1990 and 1995, Oman's tourism industry grew by 13%, one of the strongest performances among newly emerging destinations. In 1996, according to the WTO, the sultanate welcomed



مجلة علوم إنسانية WWW.ULUM.NL - 2010 Issue 44, Year 7th , Jan. 349,000 visitors (leisure and business). By 2000 that figure had risen to well over half a million a 38% increase in only five years.

The majority of inbound travelers do not originate from the Middle East as one might expect given Oman's close cultural and economic ties with its neighbors, but from Europe, the source of almost 40% of inbound travelers in 2000. While a large number of these visitors were business travelers, the Omani government is actively targeting Europe as a prime source of leisure visitors, a strategy that appears to be paying off. Between 1999 and 2000, traffic from Europe increased by almost one third.

Travelers from the Middle East represent 22% of inbound visitors. The majority of visitors from neighboring Gulf Cooperation Council (GCC) countries and other areas of the Middle East are business travelers, government employees and people visiting family and friends. A large proportion of inbound travelers from East and South Asia, the homelands of many of Oman's migrant workers also represent VER traffic.

Between 1999 and 2000, visitation from the Americas, just under 6% of total inbound traffic dropped from 58,626 to 34,089. The drop is attributed to the economic climate in North America. For the past couple of years, oil and natural gas importers, many of which are headquartered in the USA, have, like other US corporations, been downsizing, laying off staff and cutting back on international travel. Furthermore, the ongoing situation in Israel and the Palestinian territories, whilst far from Oman, is curtailing travel from the USA due to the perceived danger among Americans of travelling to the Middle East. Outbound travel by Omanis to the USA, on the other hand, has increased in recent years from just over 3,000 in 1996, to 5,396 in 2000, according to the Office of Travel and Tourism Industries, a division of the US Department of Commerce. The majority of European visitors 30% come from the UK which accounts for 66,555 visitors in 2000. Britain has strong historical and economic ties to Oman and in the past couple of years, travel agents and tour operators have been marketing the sultanate to leisure travelers as an alternative (or add-on) to Dubai, a similar destination which already attracts some 4 million visitors annually. In 2000, 58,357 Germans (the next biggest group, accounting for 26% of inbound Europeans)



www.ulum.nl - 2010 Issue 44, Year 7th, Jan. visited Oman. drawn by its image as a new, exotic "sun" destination. Germans, who favor holidays in hot places, are quick to set travel trends. Their sense of adventure often makes them the first nation to try out emerging tourist venues. They are, as a group, well-heeled, well-educated travelers, the type of holidaymaker, in short, that the Omani government is wooing. According to figures released by the WTO in June, last year, Germans spent an estimated \$45.9 billion on international travel, second only to the Americans, who spent \$58.9 billion while abroad.

The Swiss, French, Dutch and Italians make up the next biggest European source markets for Oman. Compared to the British and the Germans, their numbers are negligible, but they have been steadily increasing by a couple of thousand visitors annually, a move in the right direction. Leisure travelers do, however, account for a small percentage of total international arrivals (the statistics in Figure (iv) are for all arrivals) nonetheless, as has happened with other emerging markets, an increase in overall travel, including business travel and the MICE sector, can raise the profile of an up-and-coming destination by making it appealing to the leisure travel market as well.

FIGURE (ii)

INTERNATIONAL ARRIVALS IN OMAN, 1996-2000

1996	1997	1998	1999	2000
349,000	376,000	424,000	503,000	571,000

Source: WTO (Figures have been rounded)

FIGURE (iii)

ARRIVALS OF NON-RESIDENTS IN OMAN IN HOTELS

(FIGURES ARE FOR 1999-2000)

Region of origin	Arrivals 1999	Arrivals 2000	Market share %	% change 1999-2000
Europe	172,022	227,143	39.77	32.04
Middle East	96,216	125,995	22.06	30.95
East Asia/Pacific	84,692	98,295	17.21	16.06
South Asia	53,887	65,555	11.48	21.65



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Americas	58,626	34,089	5.97	-41.85
Africa	37,345	20,033	3.51	-46.36
Total	502,788	571,110		13.59

Source: WTO (Figures have been rounded)

FIGURE (iv)

ARRIVALS OF NON-RESIDENTS OF OMAN IN HOTELS, ORIGINATING IN EUROPE (FIGURES ARE FOR 1999-2000)

Country of origin	Arrivals		Market share
	1999	2000	%
Great Britain	54,888	66,555	30.00
Germany	45,063	58,357	26.00
Switzerland	16,397	18,810	8.00
France	14,843	16,718	7.00
Netherlands	9,624	11,746	5.00
Italy	5,703	7,663	3.00
Other Europe	25,504	47,294	21.00
Total	172,022	227,143	100.00

Source: WTO/Mintel (Figures have been rounded)

TOURISM REVENUES

One of the government's goals is to increase revenues from tourism, not just by attracting more visitors but also by targeting up market, older travelers, particularly eco-tourists and "cultural" tourists, who spend more than younger travelers. Whilst the latter groups are often adventurous and likely to enjoy visiting Oman, they tend to travel on the cheap. As has already been mentioned earlier in this report, German travelers are big spenders, as are the Japanese and Americans, particularly the older, well-heeled professionals. Oman is, however, a long-haul destination (there is fierce competition from other exotic tourist venues) and as yet, a somewhat unknown entity.



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Competition from other countries may curb some of the Omani government's more ambitious goals to attract older, upscale travelers. Nonetheless the Gulf region is slowly becoming better known as a leisure destination not least because it is much easier to visit countries like Oman than it was a decade ago. Since 1990, revenues from tourism have doubled from \$59 million, to \$120 million in 2000. Per capita tourism expenditures, however, have gone down from \$396 per person, to \$210, according to WTO statistics. The drop in per person expenditures could indicate while there has been an increase in the overall number of visitors, the majority of these are probably VFR travelers, who do not spend as much as those on long-haul trips from Europe, North America and Asia. Figure (v) shows the slow, but steady increase in tourism revenues between 1995-2000. Over the same period, tourism expenditures outside the country by Omani residents have been creeping up, creating an ever widening travel deficit. Clearly, if this balance is to be redressed, the sultanate, with the help of foreign tour operators and companies specializing in the MICE sector, will have to be even more aggressive about creating interesting trips to attract overseas visitors.

FIGURE (v)

TOURISM EXPENDITURES IN OMAN AND OTHER COUNTRIES, 1996-2000

Year	Oman \$ mn	Outside Oman \$ mn	Deficit \$ mn
1996	105	255	150
1997	111	252	141
1998	114	289	175
1990	106	323	217
2000	120	341	221

Source: WTO/International Monetary Fund



TRANSPORT BY AIR

Oman has over 140 airports but most are desert strips. The two major gateways are Seeb International Airport which is 20 miles from Muscat and Salalah in the south of Oman. The government, as part of its strategy to stimulate international tourism, has recently turned over both international airports to the private sector. Seeb and Salalah will be managed by an international consortium, the first such airport privatization initiative in the Gulf region. Oman is just over eight hours' flying time from most major European cities. It is served by major carriers (or their code sharing partners) such as KLM Royal Dutch Airlines, Lufthansa German Airlines, British Airways and Air India. Negotiations are under way to attract even more international carriers to Oman, in a further move to widen links to other countries.

Two regional carriers serve Oman and Emirates, which is based in Dubai and Gulf Air, headquartered in Bahrain. Gulf Air, like similar airlines of its size, has, since the mid 1990s, been experiencing financial problems. The carrier was jointly owned by Qatar, Oman, Bahrain and Abu Dhabi, but in May 2002, Qatar pulled out of the consortium, taking passengers with it. Gulf Air has also lost market share to flag carrier Oman Air (although Oman is still a partner in Gulf Air and along with the other players, has repeatedly injected capital in the beleaguered multi-national carrier to keep it operating). Oman Air, on the other hand, is optimistic about its future. The carrier is currently expanding its routes and upgrading its fleet. The new aircraft will include three Boeing B737-700s and a B737-800 which will replace the current fleet of two Airbus 310s and one B737-400. The Boeings, which have more leg room and wider seats than the current fleet, are primarily aimed at wooing more business travelers to the region. In early June, Oman Air also launched a route to Zanzibar, Oman's trading partner for many centuries. Later in 2002, Oman Air will add flights to Mombasa. The carrier's network currently serves 15 destinations in Oman, the Gulf region and India. There are plans to start services to London, Germany, France and the Far East. In 2001, Oman Air carried 730,000 passengers. Airline travel in the Gulf region in general, while it did feel the after effects of September 11th and fallout from the global recession, has not suffered the same downturn as traffic in Europe and



مجلة علوم إنسانية WWW.ULUM.NL - 2010 Issue 44, Year 7th , Jan. North America. In fact, industry analysts predict that air traffic may actually increase throughout 2002 as Gulf residents opt for holidaying in their own region, rather than travelling afar. Rather tellingly, some tour operators in the Middle East are not promoting North American travel this year as whilst Americans are wary of travelling to the Middle East, Gulf residents for their part, feel that they might receive a hostile reception in the USA.

ROAD AND OTHER TRANSPORT

Oman has 20,385 miles of roads, most of them unpaved. There are 5,268 miles of modern highways. City roads are well-maintained but rural roads are often little more than dirt tracks. Rental cars are readily available and most major international firms such as Avis Rent-a-Car, Budget Rent-a-Car, Europcar and Hertz, have offices or representation (through agencies) in the sultanate.

Oman is becoming a stopover point for some cruise ships. The first marina to be built in the sultanate (Bandar al-Rawdha) opened in 1996, in Sidab.

ACCOMMODATION

The 1990s saw an expansion of Oman's hotel supply. New properties were built and older ones, like the luxurious Al Bustan Hotel (considered to be one of the prime properties in the Gulf region) were renovated. The high end hotels which primarily cater to business travelers (over 60% of their business represents corporate or conference travelers) have also started marketing their properties to leisure travelers. Most of the properties, as well having business centers with internet access, meeting rooms, voicemail and the like, have all the requisite facilities for holidaymakers such as swimming pools, saunas, health clubs, tennis courts, gymnasiums, beauty salons, boutiques, ethnic restaurants and night clubs with live entertainment. In 1996, Oman had 44 hotels with a total of 3,065 rooms. By 2000, the accommodation supply had increased to 77 hotels with 5,312 rooms. There are other types of accommodation in Oman, such as self catering apartments, but they are not documented here as not all have a high enough standard for international travelers.



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Unfortunately, while the room supply has increased, occupancy rates have been low, ranging from 49% in 1996, to only 42% in 2000. One explanation is the seasonal nature of Oman's tourism industry which limits travel to the cooler times of the year (at least for visitors outside the GCC region who are not used to the hot temperatures). Also, while the construction of new properties has been continuing apace, in accordance with government plans, there are, at present, too many rooms chasing too few people, an imbalance which may diminish once Oman becomes better known as a leisure destination. A number of international hotel chains have a presence in Oman, with the majority in Muscat (almost one-third of the room inventory). Most are medium-sized properties which are less than five years old or which have recently been refurbished, like the Sheraton Oman. Many of the brand name properties are situated in Qurm, Muscat's beach area or are close to Seeb International Airport and the Seeb Exhibition Centre. Several resorts designed to appeal to leisure travelers and families, are being planned or are already under construction. At Mirbat, near Salalah, the Dhofar Tourism Company is building a \$150 million tourist "village" which will include two hotels, a diving centre and a park. UNESCO recently awarded heritage site status to five destinations in Dhofar which were part of the ancient frankincense route. One of the most ambitious projects is the Barr Al Jissah Resort which will be built some five miles south of Muscat. This 700-room resort, which is being developed by Zubair Enterprises and which will be operated by the Asian luxury group, Shangrila Hotels and Resorts, will be a self-contained complex of three hotels, with a health spa, a souq, nightclubs and specialty restaurants. Construction is expected to begin in November 2002 and is scheduled for completion by the summer of 2005.



FIGURE (vi)

ACCOMMODATION IN OMAN, 1996-2000

Year	Number of hotels	No. of rooms	Occupancy rate (%)
1996	44	3,065	49
1997	47	3,476	51
1998	69	4,657	47
1999	73	5,138	41
2000	77	5,312	42

Source: Directorate General of Tourism/WTO/Mintel

MEETINGS AND CONVENTIONS

Most of Oman's luxury hotels have meeting space. As is the case in Europe and North America, the busiest meeting and convention periods are centered around the spring and autumn.

Omanexpo LLC, which is headquartered in Muscat (it also has an office in Dubai) is the major organizer and marketer of trade fairs, international conferences, seminars and special events. Upcoming events focusing on tourism and travel, include the Middle East Travel and Tourism trade fair (28-31 October, 2002) and the Gulf International Food Expo (April 2003) an exhibition highlighting the food and hospitality trade.

AGRICULTURE

The Sultanate had an estimated 73,000 hectares of land under cultivation in 2003 and during that year agricultural produce totaled 1,200,000 tons, almost double the figure recorded in 1988. The government provides a wide range of facilities to support agricultural production through the agricultural development centers, these include financial incentives and services including aerial crop spraying, the distribution of fertilizers and high quality seeds, the creation of model farms, and the introduction of modern irrigation systems to conserve much prized water resources.

FRUIT AND VEGETABLES



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The Sultanate is now estimated to be 93% self sufficient in dates and seasonal fruit, such as coconuts and bananas, and 64% self sufficient in vegetables, while Omani agricultural produce accounts for 37% of total exports. The projects and advice programs initiated by the government are designed to improve crop productivity and quality while safeguarding natural resources such as water and the sustainability of arable land for future generations.

CAMEL CONTROL

Royal Decree 8/2003 promulgating the Law on Pastures and Livestock Management gave a major boost to the national strategy for improving the natural pastures in the Dhofar governorate. This project is aimed at achieving a balance between camel numbers and sustainable pasture and will have a positive impact on preventing desertification in that Governorate. Around 95% of the region's camels have been registered and tagged for local sale or export, thus helping conserve natural pastures.

FISHERIES

Fisheries represent the second most important sector in the national economy after hydrocarbons and provide one of the main sources of food. With its long coastline and abundant fish stocks, with care this sector should prove to yield a highly sustainable resource for domestic consumption and export. According to estimates, more than a quarter of the Sultanate's population depend in one way or another on fishing for their livelihood. The sector has grown significantly over recent years; in 2002 over 142,000 tons of fish were caught by around 30,000 local fishermen.

Exports of Omani fish rose by 18% in 2002. Commercial production topped 62,250 tons with a value of RO46.4 million, a rise of 18%. The combined total for the traditional and commercial sectors in 2002 was 142,668 tons with a value of RO61.15 million, a 10% rise in volume, compared with the figure for the previous year.

Private sector investment projects include fish processing factories, port services such as ice factories, marine workshops, fuelling stations, restaurants and cafes, net and



مجلة علوم إنسانية WWW.ULUM.NL - Issue 44, Year 7th, Jan. fishing tackle manufacturing, and boatyards for making modern boats, as well as projects with a tourism dimension such as dolphin watching and aquariums.

COMMERCE & INDUSTRY

Oman's people have long recognized the value of commercial links and the strategic location of their country, lying as it does at the crossroads of shipping routes between east and west. The government's aim in the 21st century is to amplify these trading relations to further integrate Oman with regional and international economies. On the one hand, there are the regional organizations of which Oman is a member such as the Arab Gulf Cooperation Council (AGCC), the Arab Free Trade Area, and the Indian Ocean Rim States Association for Economic Co-operation; on the other hand, there is Oman's membership of the World Trade Organization (WTO). In addition, Oman liaises with other countries through joint committees and bilateral agreements aimed at enhancing mutual interests and achieving the nation's development objectives by opening new markets for Omani products. A comprehensive strategy of diversifying sources of national revenue and stimulating the role of the private sector is pursued. Exports are supported by the offering of generous incentives to Omani exporters while inward investment is encouraged by simplifying procedures and extending initiatives to foreign investors. Complementing this general strategy, bilateral trade agreements such as those signed with the Islamic Republic of Iran in July 2003 and the Republic of Belarus on 17 March 2004 play a vital role not only in stimulating exports but also widening the scope of economic co-operation. In spite of regional and international uncertainties during 2001 and 2002, Oman's trade sector performed well during 2003 with a positive participation in the country's GDP, in line with the objectives spelled out in the Five Year Plan. Commodity exports in 2003 increased by 4.4% over 2002, to reach RO4486.6 million, and include both oil and gas exports and non-oil exports.



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Results for Oman, Travel & Tourism activity (LCU billions), between 2004 - 2009

Travel & Tourism activity (LCU billions) (Oman)	2004	2005	2006	2007	2008	2009
Personal Travel & Tourism	0.408623	0.424126	0.469039	0.514077	0.598266	0.501344
Business Travel & Tourism	0.156046	0.183255	0.185996	0.230731	0.280631	0.215823
Gov't Expenditures - Individual	0.01	0.01	0.01	0.01	0.01	0.01
Visitor Exports	0.232238	0.230315	0.285683	0.346819	0.400675	0.328959
Travel & Tourism Consumption	0.804499	0.846267	0.949963	1.10302	1.29258	1.0571
Gov't Expenditures - Collective	0.02	0.02	0.02	0.03	0.03	0.03
Capital Investment	0.03	0.148151	0.144989	0.249619	0.329173	0.277615
Exports (Non-Visitor)	0.556902	0.636926	0.876618	0.994501	1.29796	0.761847
Travel & Tourism Demand	1.41381	1.65104	1.99275	2.37331	2.94947	2.12177
Employment (000s)	26.1451	22.5256	25.1263	29.4254	27.1516	23.731
Gross Domestic Product	0.203487	0.214716	0.268869	0.315088	0.358486	0.254034
Employment (000s)	78.4328	74.8575	87.4482	101.491	99.5616	76.2319
Gross Domestic Product	0.790708	0.951455	1.26268	1.46308	1.79632	1.07818
Imports	0.623104	0.699584	0.730076	0.910224	1.15315	1.0436
Other						
Gov't Expenditures - Total	0.03	0.03	0.03	0.04	0.04	0.04
GDP Economy Direct	0.462431	0.556435	0.738435	0.855669	1.05053	0.630542
Industry Imports	0.456551	0.479142	0.490243	0.564226	0.679612	0.622753
Employment Economy Direct (000s)	45.8699	43.7786	51.1412	59.3559	58.226	44.5821
Employment Industry Indirect (000s)	18.5611	15.989	17.8353	20.8917	19.2742	16.8439

*source figure taken from WTO



CULTURAL IMPACT

Today Oman has become one of the leading commercial and industrial countries in Gulf. The sight of Muscat gives a charm to the tourists with its historical sites of interest like forts and watchtowers, its traditional Arab residences, popular markets, museums and beautiful coastline. The fort of Jalali and Mirani built in 1587 and 1588 respectively by the Portuguese is definitely an attraction of the tourists who visit Muscat. There are numerous important archeological in Oman. German, French and Italia archeologists are investigating the places like Nizwa, Dhofar, Ras al Junaiz, Ras al Hamra, Sohar act under the supervision of the Ministry.

Oman has various traditional arts and crafts. The Ministry is trying to preserve these. For instance the traditional way of ship building manner can be still seen in Sur. The traditional pottery in Bahla and a textile weaving work shop in Sumail are other example. The voyage of Sohar that has been preserved near al Bustan Palace brings forth the historic link of Oman with china.

The old forts and castles are definitely one of Oman's foremost tourist attractions. Bahla has been declared as a world heritage site by UNESCO. By this time the Ministry of Heritage and culture has successfully restored more than 100 historic forts and castles throughout the country. Oman has so many museums that are built for restoring the culture. The museum established in 1974 at Madinat al Alam has been renovated. It has massive wooden entrance door built in the Omani traditional style. The natural history museum is another popular museum situated within the Ministry's complex.

Oman is a country where the number of expatriates comes more than the natives. So definitely there is the chance for the interaction of cultures. The Omani young generation is very much attracted towards the Western culture, these days we should not imitate other cultures blindly. This will be resulted in diminishing our own culture. We have our own national dress that is very much traditional and good. So we should preserve it by constantly using it rather than imitating the Western styles. Also we have our own customs and manners that are linked with our religious beliefs. The young generation should not neglect the customs and manners that depict the



مجلة علوم إنسانية WWW.ULUM.NL - Issue 44, Year 7th, Jan. 2010. العدد 44: شتاء 2010 - مجلة علوم إنسانية traditional value and culture. Also they should try to restore the Arabic calligraphic way of writing by studying it style and pattern.

FUTURE PROSPECTS OF TOURISM IN OMAN

Oman is currently operating under a five year plan (2001-05) which calls for more private involvement in the tourism industry and while it is meeting with some success, much remains to be done. An overall criticism among travel industry professionals is that Oman still suffers from a lack of recognition because of insufficient marketing.

FUTURE PROSPECTS OF TOURISM IN OMAN

Oman is a country of enormous diversity and natural beauty, which, while it has much to attract the discerning traveler, had until recent years been largely overlooked by international tourists. The government was anxious not to promote the Sultanate to tourists until it was ready to accommodate them. Now, with an enviable infrastructure securely in place, a wide range of international hotels and a wealth of things to see and do, Oman is ready to offer its traditional hospitality to visitors from around the world. By the end of 2002, the number of hotels and hotel apartments in the country stood at 124 and 6,078 respectively. Some 1.1 million visitors, who together spent a total of 3.9 million nights in Oman in 2002, spent an estimated R092 million. Work on developing further facilities has been constantly ongoing. Indicative of the importance the government affords this sector was the issue of Royal Decree No. 61/2004, establishing a Ministry of Tourism and appointing a woman as its minister.

MEGA PROJECTS UNDERWAY

There has been an emphasis on larger scale projects with high revenue yields such as the Barr at Jissah Resort and the Seeb Seafront Resort Development Project (The Wave). The Wave, costing R0305 million, will stretch along 7.3 kms of pristine beach area just west of Muscat. Waterfront Investments (WI) representing the Sultanate's government, national pension funds (represented by NIFCO) and the State General Reserve Fund have agreed to team up with a private investor from the UAE to form a joint venture company to launch the first phase. The first phase will involve land



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reclamation, the building of the infrastructure and the construction of certain landmarks such as the 18 hole PGA golf course and a marina with a yacht club. Luxury hotels, exclusive villas and condominiums of the resorts overlooking the Gulf of Oman will be constructed in phase two.

The Barr al Jissah project has generated a lot of excitement in the international press. It is located 45 minutes from Scab International Airport and this resort is expected to cost approximately R085 million in total. The government is participating with 4090 of the equity capital while 60% is provided by a leading private sector business group. The prestigious Shangrila Hotel Group will operate this complex of three different hotels comprising 683 rooms: 'Al Husn', an ultra luxurious hotel with its own private beach. 'Al Bandar', a deluxe five star hotel and the four star hotel Al Waha'.

AIRPORTS DEVELOPMENT

In order to keep pace with the increase in tourist numbers, a new terminal will be operational at Seeb International Airport by 2006. The new facility will be capable of handling an additional 6.5 million passengers a year and has been designed to blend Omani tradition with 21st century airport facilities. Plans for the further development of Salalah airport are also being reviewed. Studies for a new airport at Ras al Hadd, about 40km away from Sur and 335km from Muscat, are also under consideration. The area, famous for its turtle breeding beaches, is also a significant gateway to the eastern area and would be expected to provide a significant boost to trade and tourism in the area

INVESTMENT

Domestic and foreign investors have responded positively to government initiatives to establish public private sector partnerships in schemes such as the Barr al Jissah and Wave projects. With international travel companies worldwide hotly tipping Oman as the next "must see" holiday destination it is not difficult to understand their enthusiasm. An ambitious multi-pronged strategy aims to double tourist arrivals and the size of the tourism economy by 2010. Tourist locations have also been selected and offered as vehicles for domestic and foreign investment at various locations across the country. The investment will not only be in infrastructural but also in manpower. Oman expects tourism to become a major source of employment and the



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government aims to have 80% Omanisation in the sector by 2010. The agreement for the running of the Oman Tourism and Hospitality Academy (OTHA) which provides training to Omanis seeking employment in the tourism sector has been renewed with the Austrian government for a further year from October 2004. At present more than 250 Omani men and women are studying at the Academy.

THE FORTS

The government is in the process of developing some of the country's imposing forts and castles such as the forts of Nizwa, Jabrin, Al Hazm, Nakhl and Khasab, which are among the Sultanate's main historic sites. Oman's forts and castles are a proud testament to its history and architectural skills. The rise and fall of dynasties, foreign invaders seeking to control lucrative trade routes, feuding tribes battling over strategic locations are all part of Oman's rich historic tapestry. The project involves landscaping, improving existing facilities and providing a range of essential services, as well as furnishing the interiors, installing small hi-tech museums and gift and handicraft shops within the buildings, and setting up permanent exhibitions illustrating architectural styles, old weaponry and examples of traditional dress and folklore. Many of the country's forts contain small museums and a wealth of information; the aim now is to bring all of them up to a similar, improved standard.

TREKKING PATHS

The government is committed to restoring the old mountain passes. A mountain pass has been successfully restored in the Muscat area which is a 1.1/2 hour walk between Muttrah souq and Riyam Park. This project was the first in a series and passes have now been marked in the Western Hajar range in the areas of Jabal Shams, Misfah al Arbiyeen. Jabal al Akhdhar, Awabi and Wadi Ghoul which will eventually create an interlinked system of mountain passes and provide opportunities for adventure tourism, trekking and mountain climbing. Signboards at the beginning of the passes give the route, its length, grade of difficulty and the average walking time.

CULTURAL TOURISM

The government is continuing with its year round cultural and artistic activities, which always prove popular with both domestic and international audiences. These include evening performances at the spectacularly restored At Fuleij Castle Theatre on the



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Batinah coast which offers a wide variety of impressive, professional Arab and international programs. The newly built 7000 seat Salalah Theatre in the Governorate of Dhofar, is expected to have an important impact upon cultural tourism in the Sultanate.

PUBLICITY AND TOURISM OFFICES

There is participation by the government and private sector establishments in international tourism fairs, meetings and markets to ensure would be tourists are furnished with the latest information about what Oman has to offer. During 2004 there are plans to attend 17 such events in countries of the European Union, Russia and Japan, as well as in some AGCC states. There are tourism representation offices in Paris, London, Sydney and Tokyo. Tourist information centers have also been opened at Seeb International Airport as well as at the overland border crossing points with the UAE. A range of booklets, maps and guidebooks on the different regions of the country continue to be published, the latest being the 140 page "Destination Oman".

YOUTH PROJECTS

The Sanad Project was launched in 2001 with a RO2 million donation from the government, but the private sector now assists with training and financing. It encourages young people to explore non-traditional work areas and to consider the possibilities of self employment in various fields by providing financial and technical assistance to them to set up their own small projects with a maximum assistance of RO5, 000. The Fund for the Development of Youth Projects was established by Royal Decree No.76/98 in order to provide young Omani entrepreneurs with technical assistance and managerial support for the launching of small/medium sized businesses. It began with a registered capital of RO25 million and an issued capital of RO5.3 million. Initially, 26 projects were financed with another 82 being authorized on 3 April 2004. In order to increase the organization's operational efficiency, changes were introduced into its constitution at an extraordinary General Meeting on 16 March 2004. These changes reflected amendments introduced into the Commercial Companies Law. As part of this review, the Fund's authorized capital will increase to RO 10 million over the next five years. Another initiative, Intilaagah Oman was launched by the Shell International Group of Companies on the Sultanate's 25th



مجلة علوم إنسانية WWW.ULUM.NL - Issue 44, Year 7th, Jan. 2010: العدد 44: شتاء 2010 - National Day in November 1995. Intilaagah targets young (25-30 year old), unemployed Oman's with the aim of encouraging them towards self employment. Once they have formulated a business idea, Intilaagah offers a programme of three months training and counseling. The best business plans submitted after the training is rewarded with trophies and cash prizes. The programme which was officially started in January 1996, in Muscat, has now expanded to 20 training centers around Oman. Intilaaqah is a non-profitable organization with a Board of Trustees. Since its inception, many private sector companies namely Oman LNG, Oman International Bank, National Bank of Oman and Bank Muscat have joined Intilaaqah as partners in addition to the Shell Group of Companies.

MINERAL WEALTH

The minerals sector is set to make an increasingly important contribution to Oman's GDP and diversification of the sources of national revenue. The mining of copper was first practiced in Oman 5,000 years ago and the tradition continues, albeit with state-of-the-art technology. The most important mineral deposits in the Sultanate include chrome, limestone, marble, decorative stone, silica, lead, gypsum, iron, dolomite and copper. Gold has also been discovered in economically feasible quantities. A number of feasibility studies are being carried out at the sites of potential ore deposits and private investors have been invited to participate in mining ventures. Private investors will also benefit from the services of a dedicated mining laboratory and facilities offered in the areas of exploration and investment. The Mining Law, promulgated by Royal Decree 2003/27 on 16 April 2004, laid the groundwork for these initiatives.

INTELLECTUAL PROPERTY LEGISLATION

Prior to the Sultanate's accession to the World Trade Organization (WTO) in November 2000, particular attention was given to the setting up of the relevant legislation and in this connection the World Intellectual Property Organization (WIPO) sent delegations to Muscat to make recommendations which resulted in compliance with the Agreement on Trade Related Aspects of Intellectual Property Rights (The TRIPS Agreement). In January 2002, the World Intellectual Property Organization (WIPO) and the government held an international forum in Muscat. In September 2004, the present Director General of the World Intellectual Property



مجلة علوم إنسانية WWW.ULUM.NL - Issue 44, Year 7th, Jan. 2010. العدد 44: شتاء 2010 - منظمة (WIPO) was conferred the Order of Oman in appreciation of his efforts in protecting intellectual property and for consolidating ties between WIPO and various countries.

TRANSPORT AND COMMUNICATION

As part of its overall development agenda, Oman has currently embarked on various projects to develop its transport and communication facilities. While the existing ports at Muscat, Salalah and Sohar essentially continue to be the strategic hub of all shipping activities of the country, a new port complex at Duqm will be the focus of attention in 2008. Oman has also promoted multimillion dollar investments to develop road and air transport facilities. A two phase expansion plan for the Khasab port was initiated in February 2007. The proposed first stage would see the expansion of the existing breakwater, construction of a new breakwater, deepening the dock, and building a commercial dock and zone. The second stage shall involve construction of buildings for departure, administration, coast guard, immigration and customs facilities and the construction of 4 storages. Belgian Jan De Nul, Turkish STFA and Oman's CCC were awarded a contract for \$ 486 million to develop the marine infrastructure for the Duqm port complex. Oman Dry Dock Company is developing a \$ 650 million ship repair yard within the Duqm port complex. It is expected to commence operations in 2010. A consortium of Galfar, the largest construction company in Oman and South Korea's Daewoo Engineering and Construction will build the facility.

The Government has signed an agreement to triple the size of Port Sohar and to establish a Special Economic Zone. Oman International Container Terminal has inaugurated its second phase at the Port of Sohar. The Port of Salalah's Berth 6, expected to be commissioned in early 2008, will increase its capacity to 4.5 TEU. Port Sultan Qaboos at Muscat is planning an expansion to increase its container terminal capacity to 1 million. Oman will invest more than US\$3bn for development of airports infrastructure in the country. The Oman ministry of transport announced that the project will include the construction of three new airports. One of the three new airports to be constructed will be located in Sohar.



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Muscat International Airport (renamed from Seeb international Airport) has plans to increase its handling capacity from the present 3 million passengers per year to 12 million in 2010. One of the biggest road projects in Oman's modern history, a \$ 342 million Southern Expressway project is under execution by Galfar, the largest construction company in Oman. The Government has announced plans to sell a part of government holdings in Omantel to a strategic investor.

CONCLUSION

The very first speech of His Majesty Sultan Qaboos Bin Said has leded Oman into a fastest developing country in the Gulf region, presently Oman is a hub for tourism in the region, and has increased the tourism sector contribution to the GDP, by increasing Omanisation to 80% (by enhancing the role of the private sector). The success story is as unique in all aspects. Tourism sector is still at its path to success, and this success story became possible only with the wise Leadership of "His Majesty Sultan Qaboos Bin Said". I would like to thank his Majesty on behalf of the Nation.

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