

Tourism Returning as the Pandemic's Impact Slows

By Naoyuki Haraoka



Covid-19 badly hit the services sector all over the world, as personal contact – a vital part of business in the sector – was rigorously restricted as infections spread. The global economy today is now highly oriented towards the services sector, as the decline in overall economic growth has been significant due to this restriction between 2020 and 2022.

The tourism industry – the subject of this issue – is an important part of the services sector. The serious decline of this industry during the period when Covid-19 threatened public health and adversely affected our daily economic activities is mentioned by some authors in our Cover Lead. The situation has now improved, but we still do not know if the crisis is completely over, or whether another variant of the virus or another pandemic will emerge soon. Meanwhile, the services sector is learning how to maintain business even in the midst of these crises, and to be better prepared for the next one. But we do not see yet any clear signs of business innovation, and this will probably be a theme to examine in a future issue highlighting tourism again.

This issue showcases the current restoration of the tourism industry in the wake of the pandemic and in particular the potential of the Japanese

tourism industry and the challenges it faces, and what role it is expected to play in the future of the Japanese economy. Our conclusion is that tourism in Japan has outstanding potential and if some of the challenges can be resolved, it would be the most dynamic sector in an enhanced Japanese economy.

All the key issues on this topic are covered in the Roundtable discussion at the beginning. I think readers will see from this discussion that only a tiny change in attitudes would lead to breaking the impasse that Japanese tourism faces – that is, a greater awareness of the diversity of tourists visiting from abroad and of the need to invest in facilities and human resources to meet these diverse needs.

In the following article, Nejc Jus, head of research at the World Travel & Tourism Council (WTTC), provides an overview of world tourism in the wake of the pandemic. World tourism is on the same recovery track as tourism in Japan, but the picture is a little more complicated due to the war in Ukraine. Eventually, inflationary concerns provoked by energy shortages and energy price hikes due to the war will have some serious impacts on tourism in the long term, even if the short-term impact is rather limited. He also discusses some new aspects



of tourism, such as DX in tourism, sustainable tourism, and medical tourism.

This interview is followed by an article on the quantitative aspects of recovery of tourism in Japan. The particular highlight here is the key role of the tourism industry in Japan's local economies which are facing depopulation and structural changes. Statistics prove that local economies can be restored if they have successful tourism sectors.

The next two articles involve two New Zealanders who have long experience of Japan. Terrie Lloyd has been an entrepreneur in Japan for many years and is the well-known founder of a portal site on Japanese tourism. In an interview with *Japan SPOTLIGHT* he assesses what needs to be done to encourage more tourism in Japan. Jillian Yorke, a Japanese-English translator and interpreter and one of our Editorial Committee members, elaborates amusingly on the attractions of Hida Takayama, one of the most popular tourist spots in Japan for foreign tourists and a place she knows well from personal experience. The views of such non-Japanese people who have deep knowledge and experience of Japan will surely be invaluable in promoting tourism in Japan.

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