

Emergency: Machu Picchu Closed

Tourism is often described as a fragile industry in that demand for travel is highly susceptible to numerous factors. Nevertheless, for many countries the tourism sector is an important contributor to the economy. Especially in some less economically developed countries the local economy is dependent upon and greatly relies upon the tourism industry. One of the most unforeseeable forces affecting tourism are natural disasters. Natural disasters can have a tremendous impact on tourism as they usually destroy the natural environment and infrastructure and thus tourism is significantly disrupted. Additionally, natural disasters more often than not cause an increase in tourists' concerns about security and safety.



In late January 2010 Peru's south-eastern region, the Cusco area, experienced heavy torrential rains which forced a two month closure of Peru's top tourist attraction, the Inca Citadel of Machu Picchu. The Urubamba River, which runs down past the Inca ruins on Machu Picchu, swelled to an unexpected volume of water and up to 20,000 people had their homes destroyed by the floods. According to The Economist, officials predicted a damage of \$240m to infrastructure and farming.

Machu Picchu with the pre-Columbian Inca site is one of the most popular tourist destinations in South America and normally some 68,000 people a month come to visit the ruins. Locals depend on those tourists, who reach the site either by walking along the Inca Trail, or via train.

The Machu Picchu railway, which carried about 2,200 tourists a day was destroyed by the floods and the Inca ruins of Machu Picchu were cut off from the lower sites. The heavy rains forced the evacuation of thousands of tourists from Machu Picchu. As the Cusco region accounts for a high percentage of the country's tourism revenue, Peru was facing fears of a tourism decline resulting from the natural disaster. In fact, thousands of foreign tourists cancelled their holidays to Peru. The inaccessibility of Machu Picchu caused a loss of at least a million dollars a day for the Peruvian tourism industry.



Bartolome Campana, director of the National Chamber of Tourism, highlighted the importance of the tourism sector for Peru when he admitted that the country is dependent on tourism. The government reacted quickly and launched a campaign to deal with the destruction. To help the tourism industry, government cut off prices. Domestic tourists were offered half-price flights and hotel rooms to visit Cusco, the city nearest the world-famous Machu Picchu.

According to the World Travel and Tourism Council, the tourism revenues represent a highly significant 7.4 percent of the country's Gross Domestic Product (GDP) and therefore great losses in this sector would affect thousands of jobs. The Peruvians seemed to have recognized the problem that was highlighted by the crisis – Peru's over-dependence on Machu Picchu for the tourism sector.

BBC Online anticipated that “the number of holidays cancelled by European, Japanese and US tourists is clear evidence that for almost all first-time travellers to Peru, it's Machu Picchu or bust”. Thus, the country decided to seize the opportunity and to diversify its tourism sector in both the short and long term. Officials tried to encourage visitors to explore different parts of Peru such as the Nazca lines and the Colca canyon. Other attractions in the Cusco region that have been promoted to keep people coming to Peru were Sacsayhuamán fortress, the Coricancha sun temple or the town of Pisac.

The re-opening of Machu Picchu at the beginning of April 2010 was of symbolic and economic importance to Peru. Peru's Tourism Minister Martin Perez estimated a loss of \$185m (£122m) for the time the Machu Picchu was closed. And according to Richard Leon, Director of the travel company Peru For Less, the natural disaster has been more disruptive to Peru's tourism industry than the financial crisis and the swine flu combined.



Nevertheless, Peru seems to be back on track. Shortly after the floods the government estimated that despite the difficulties, about 2.2 million tourists would travel to Peru in 2010. With its main attraction, the Machu Picchu, and the initiative to diversify and also promote other attractions Peru is likely to hold and maybe even improve its position as one of the top South American travel destinations.

In the end it clearly shows how important crisis management is in tourism, especially if tourism is such an essential part of the country's economy. But it also demonstrates that relying on a single attraction that acts as a pillar of a whole industry can have tremendous impacts in times of global warming and an increase in natural disasters.

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