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Abstract

Is tourism economically beneficial? If so, who benefits? How much of the money generated through tourism can be channeled into other projects so desperately needed by the community without harming the local tour market? Will tourism continue to grow forever, or is there an end in sight? The authors discuss how tourism will change in approaching the next century: and how people will change if tourism is to remain such an important economic facto

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Tourism: Who Needs It?

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Is tourism economically beneficial? If so, who benefits? How much of the money generated through tourism can be channeled into other projects so desperately needed by the community without harming the local tour market? Will tourism continue to grow forever, or is there an end in sight? The authors discuss how tourism will change in approaching the next century, and how people will change if tourism is to remain such an important economic factor.

From its origins as a form of relief from the day-to-day stress of middle and upper class life in Imperial Rome to its current status as the number one business sector in the world economy, tourism has been the subject of intense debate. At the present time its role as a major segment of numerous local economies has made tourism a topic of discussion by governments, social commentators, social scientists, eco-biologists, historians and anthropologists. Tourism is a major economic factor and social-cultural force throughout the world. It affects balance of trade between countries and provides major economic activity on the state, country, and local level as well. Social scientists debate the economic impact of tourism, not from the standpoint of its importance to society, but rather on its positive versus negative socio-economic effects.

While people have traveled probably ever since there were people, tourism *per se* first became a major industry in Roman times. Whether it was as an escape from the teeming urban life of Rome, or simply the fact that Romans of all economic classes were "avid party-goers and great gourmands,"¹ they traveled in large numbers both within Italy and throughout the ancient empire. Athens was noted for its good accommodations. The night life of Alexandria was both glamorous and exotic, while tourists often complained that the temple priests guarding the Egyptian ruins were liars and thieves. By the second century tourist destinations in Asia Minor were developed around dubious historical or mythological sites. Hucksterism became associated with tourism even at this early date.

As with so much else, the fall of Rome precipitated the decline in tourism. Only a hardy few would make the pilgrimage to Rome. Those who did, such as Attila the Hun, brought back many souvenirs, but the exchange was obviously one-sided! While Attila was perhaps the most "ugly" of tourists, the Crusades could be viewed as the ultimate form of aggressive tourism. On more than one occasion "tour groups" of crusaders were being solicited using brochures and the middle-age equivalent of the wine and cheese social.

The late Middle Ages did see a re-emergence of the more traditional tourist: the religious pilgrim going to the holy sites in France, Spain, and Italy. These people paid for their lodgings, bought tour guides, and paid escorts to talk about the holy shrines and their histories. Many brought home souvenirs, thus enhancing the arts and crafts industries in the various locales.

Leisure Tourists Emerge in 18th Century

By the 18th century there emerged a very recognizable tourist, the man or woman of leisure going on the "Grand Tour." While few in numbers, these modern tourists exemplified the attitudes and behaviors carried down to this day. They saw things through a kind of superior bemusement, feeling both superior to and aloof from the places they visited. This attitude, when multiplied to the millions of tourists now traveling the earth, has created a strain on local resources rivaling any created through conscious effort. With the invention of steam power, the tour became one of such convenience almost anyone could travel. Thomas Cook sold his first tour in 1841², with his first successful tour being in 1855, a five-day visit to the great Paris Exposition. The rest, as they say, is history.

With the explosion in tourism after World War II, scholars began seriously studying the phenomenon. By 1960 economists had begun to realize that tourism may be an economic boon to otherwise un-developed economies. The development of Cancun and Cozumel by the government of Mexico using developmental funds from the World Bank showed how economically disadvantaged areas could be developed into the ideal location: an area with high employment, and a higher living standard, all fueled by a relatively clean industry. The almost impossible seemed obtainable: economic advancement with little, if any, cultural or environmental harm. Tourism development has essentially operated under this paradigm ever since.

The Mexican experiment was a bold step. Assuming that a resort could be built in what had been a swamp and that tourists would come to it was a radical departure from the traditional form of tourist development. Perhaps no better modern example of the traditional development can be found than in Hawaii. Only the very adventurous ever sailed to Hawaii prior to this century. It does not lie on any regular trade route across the Pacific. By the 1920s the Inter-Island Steamship Co. and, later, Matson Lines had established regular passenger cruise service to the islands. Air service via the famous Pan Am "Clipper

Ships” began in the 1930s. But the large-scale development of the islands did not occur until after World War II. With the exposure of the islands to thousands of soldiers on their way to and from the Pacific theater, Hawaii became a very real destination to many Americans. The fact that one of the key propaganda phrases of the war was “Remember Pearl Harbor” didn’t hurt in developing a wide public interest in Hawaii as well. With the advent of low-cost air travel and the continuous improvements in airline technology, the quasi-governmental Hawaii Visitors Bureau seized the opportunity to develop Hawaii into the world-class tourist destination it is today. Starting as an agency governing economic motivations of the hotel owners, HBV later became a “keeper” of a successful market.

While tourism as an activity has origins in the very distant past, as one can see, the development of tourist destinations is very new. The two paradigms of destination development, either a “build it and they will come” philosophy like Mexico’s or a “we’ve got it, so make it accessible” philosophy like Hawaii’s, seem to have enjoyed great success. Either way, sustainable market growth has depended on one essential ingredient — hotels. Without a place to stay, travelers remain only transient visitors, quickly en route somewhere else. Much of the initial capital investment in a resort takes place in the form of large infrastructure projects funded through public agencies and numerous smaller private investments in hotel properties.

Golden Age of Tourism Exists Now

Currently, this is what may be looked back upon as the golden age of tourism development. On a worldwide basis, tourism increased 2 percent in 1993 and 3 percent in 1994.³ The green light is lit. Just about everyone, from economists to United States senators, agree that tourism is good and more tourism is better. Little is heard about the impact of tourism on local cultures or local quality of life. Governmental organizations from the smallest local level to the largest international organization are spending enormous amounts of time and money trying to control the tourist economies. Often overlooked is how to control and guide tourism and its effects.

Until recently most of the planning efforts have been directed toward how to attract more tourism. The debate often has become one of how to soak the tourist for more tax revenues, most of which goes into general governmental funds while little is spent improving the tourist experience. Until very recently almost no one debated the issue of how much tourism is enough and what type of tourism is healthy for the society. Tourism must produce some economic gain, through jobs, returns on investments, or an increase in governmental revenues while protecting the quality of life that the local residents currently enjoy. Certainly few, if any, voices have been heard about whether or not tourism is a good thing.

In one month, the New Mexico Department of Economic Development and Tourism warned readers not to take tourism for

granted,⁴ while Vancouver was hosting the global conference, Peace through Tourism.⁵ From the World Bank and the International Monetary Fund to the Key West Visitors Bureau, governmental organizations of all sizes have focused their attention on tourism.

Tourism Creates Jobs

The Travel Industry Association of America⁶ reports that travel and tourism in the United States generated \$417 billion in expenditures and was the nation's leading service export, bringing in \$77.9 billion from foreign tourists visiting the United States. This activity is estimated to have created 6.3 million direct jobs with a payroll of \$110 billion. The various governmental bodies within the United States collected \$58 billion in taxes. This is big business by any definition of the term. The statistics are not unique to the United States. Tourism is the principal employer in most developed nations ranging in size from one worker in 11 in Japan to one worker in five in Spain.⁷ This may prove that the idea of developed nations entering a post-industrial age may be more fact than fiction.

When governments turn their attention to attracting more tourism, they use one of the two paradigms described in the previous section. Japan recently announced a push toward developing its tourism through aggressive promotions.⁸ In a clear use of the Hawaii paradigm, they are taking a well-known destination and assisting in an exchange of information with the organizations originating convention business. A problem that they have is overcoming perceptions of Japan not as a tourist destination but rather as an expensive business destination.⁹

The Maldives have a different situation. They used the Mexican paradigm and have developed 11,300 rooms for guests to their 1,200 islands. In 10 years their tourism receipts have jumped 450 percent.¹⁰ In 1994, China generated about \$5 billion in revenue from international tourism.¹¹ The Mexican paradigm is alive and well in Latin America where as recently as May 1995 articles speak of the need to develop multilateral funding schemes in order to jump-start tourism.¹²

Unlimited Development May End

A change is in the wind. Recently scholars speak of an end to unlimited development. Bill Renner speaks of an awareness "that tourists are more interested in savoring the culture of the region instead of being comfortably billeted in Western-style hotels..."¹³ The idea of sustaining the uniqueness of a place should not be confused with "ecotourism," a tourism segment as specialized as religious sites or gourmet restaurants. What has emerged now is an understanding that more remote destinations must develop based on unique local charm rather than on mass appeal. Sustaining tourism growth is a matter of some urgency. Manning and Dougherty¹⁴ describe this environmental problem at length. Too many tourists can simply "wear down" the environment and thus make the destination less inviting than it had been.

Mass market destinations have also begun to realize that they must maintain their uniqueness. Scholars have recently discussed how Hawaii manages a unique but very popular site, Hanauma Bay.¹⁵ The government of Indonesia, for instance, has passed laws to keep the people in Bali in their "pristine, primitive state" for tourists to see. Denying people the benefits of modern society may raise some ethical issues. The strain that modern mass tourism places on certain destinations cannot be denied. The Hobson's choice of tourism at all costs may be unavoidable.

What Is the Future?

Most scholars currently see a rosy future for the global tourism economy. Shogo Arai calls for a "great travel age" ahead in Asia.¹⁶ Most writers generalize this to include the whole world. Few worry that the growth will not continue, but are rather concerned about the potential for overuse of destinations. One thing is clear; governmental intervention into tourism will only increase. The challenge is to make such involvement a positive force.

It is not hard to see that more and more people will travel. The same socio-economic factors that caused Imperial Romans to travel are active today. As the industrial nations enter the post-industrial age, their populations will make a ready tourist market. Currently, it is estimated that 50 percent of the Asian tourist market is made up of Japanese travelers. As other Asian nations develop mature economies, it is not hard to predict that Korea, Taiwan, and Singapore will become sources of tourists rather than destinations for tourists. As China builds a tourist infrastructure, it is possible for that country to become the principal tourist destination for the region, with perhaps 100 million travelers entering the country annually. South America, with a population speaking two of Europe's most popular languages and ecological as well as historical sites worth seeing, has only to finish building a world class tourist infrastructure to become the hottest destination in the Americas. Interestingly, Florida is just midway between Europe and South America, and thus makes the ideal jumping off place for travelers in both directions. As a new millennium dawns, it is not hard to see a growing urge for many people to visit the holy and pseudo-holy destinations in anticipation of this historic event.

It is obvious that many of the destinations yet to be developed will be appealing because of their perceived "charm" or "rural" atmosphere. It is hard to construct a highly popular destination while retaining a degree of "charm" and without the destination becoming somewhat "Disneyesque." Concerns about destinations becoming concrete canyons like Waikiki are well founded. Perhaps planners need to remind themselves that charm wears thin very rapidly, hence the numerous non-historic activities surrounding Williamsburg. New destinations may wish to develop a "basket" of activities, some cultural, some recreational, and some Western-style in order to lesson the adverse impact high levels of tourism may have on the charming elements of a society.

Governmental Agencies Play Key Role

Clearly future successes and failures rest squarely on the shoulders of the various governmental agencies. Recent tourist protests in New York City and Florida have resulted in a lowering of the bed taxes, once collected. The tourist is a boon to the economy, but there is a limit to how much of the burden of financing governmental activities a tourist is willing to bear. Governmental tourism organizations running without substantial industry input have been less than successful in capturing market share. The Hawaii paradigm of a quasi-private visitors bureau is probably the most effective way of promoting the local tourist trade. Unfortunately, this lesson will not be learned before more and more tourist destinations continue down the wrong path of greater governmental involvement in tourism. Rather than operating in partnership with industry, it seems that government-run tourism projects may become the last remaining examples of failed socialistic policies of the past.

Anyone looking into the future must become alarmed at the potential negative impact communication technology possesses. A person's natural urge to go out and experience new things may be channeled into staying in and hooking up to some grand virtual reality technology that could literally bring foreign destinations into the home. It is hard to argue against being able to visit the top of Mount Everest within the comfort of one's living room, yet viewing a football game from that same living room may take away key elements of the experience. While such a future would make concerns about overuse moot, it is not clear how the computerized traveler would be able to experience a vacation at home while leaving his or her money at the tourist destination.

Tourist-related companies have to be aware of several potential future pitfalls. It is obvious that some destinations have become overutilized to the extent of changing the travel experience from a positive to a negative one. While more people will want to travel, it is unclear what these people want when they do go somewhere. Throwing large amounts of investment capital into untried destinations is as foolish as trying to squeeze one more property into an already overbuilt market. Successful new destinations will be funded through various forms of governmental/private enterprise partnerships. The successful new destinations will have to find a way of avoiding attempts to mass market. Many opportunities exist to appeal to the mass market in destinations close by emerging sources of tourism. What must be avoided at all costs is the now prevalent attempts by cash-starved governments to kill the goose that lays the golden egg.

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