# CHAPTER 11

## Economic and Political Impacts of Tourism

Nobody goes there anymore; it's too crowded.

—Yogi Berra

### **LEARNING OBJECTIVES**

### After you have read this chapter, you should be able to:

- 1. Identify and explain the economic benefits of tourism.
- 2. Identify and explain the potential economic problems that can be created by tourism.
- 3. Explain why tourism revenues are considered an export.
- 4. Explain what is meant by the tourism multiplier concept.
- 5. List the various organizations that help promote tourism.
- 6. Explain how convention centers are used to generate tourism in a city and how these centers can be funded and managed.
- 7. Explain the steps involved in tourism planning.
- 8. Explain why tourism development can lead to political tugs of war.

### **CHAPTER OUTLINE**

### Chamber Director Headache #1456 Introduction

### Looking to Tourism for Economic Growth and Vitality

Comparative Advantage

Tourism and Foreign Exchange Rates

### The Multiplier Concept

Realizing Tourism's Export Potential What Goes Around Comes Around Tracking the Impact of Tourism Expenditures Economic Impact Analysis

### Other Economic Impacts

Potential Problems in Tourism-Based Economies Tourism in the Economic Balance

#### Tourism and Politics

The Role of Government in Tourism Tourism Promotion Agencies

### Public/Private Organizations

Chambers of Commerce and Convention and Visitors Bureaus Convention Centers

### **Tourism Planning**

Political "Tugs of War" over Tourism

Summary

You Decide

**Net Tour** 

Discussion Questions

Applying the Concepts

Glossary

References