GLOBAL TOURISM UPDATE

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Tourism is the world's largest industry. In 2017, the industry's direct economic contribution was US$2.57 trillion (3.2% of the world's total GDP). When indirect benefits are included the industry's total economic contribution reached 10.4% of the world's GDP or US$8.27 trillion.

That's nearly seven times larger than the total Australian economy. In terms of employment, the sector accounts for 9.9% of global employment (313,221,000 jobs). This includes jobs indirectly supported by the industry. The sector accounted for 20% of all jobs created over the course of the last decade. By 2028, the industry is projected to account for 413,556,000 jobs (11.6% of all employment).

It is important to remember that the emergence of the tourism industry is largely a feature of the latter half of the twentieth century. In 1950, the total number of people travelling internationally numbered just 25 million and most of these trips were cross-boarder movements within Europe. By 1960, the number of people travelling internationally had increased to 278 million. By 2000 it reached 674 million. Today, more than 1.3 billion participate in tourism related international movements. The World Tourism Organization (WTO) forecasts that international movements will rise to 1.8 billion by 2030 (that is one in five or 20% of the world's population travelling internationally each year). Figure 1 shows the rapid expansion of the industry in the period 1995–2017. Only the Global Financial Crisis (GFC) of 2008 disrupted the growth trajectory, albeit for just 12 months. The relatively short-lived impacts of the GFC are still evident in graph of international tourist arrivals (monthly change) shown in Figure 2.

As the industry has matured it has become more diverse and specialised. The degree of specialisation (expressed in terms of revenue) is shown in Figure 3. Cultural tourism continues to be the largest sector, followed by culinary tourism, ecotourism and wellness tourism.

Also of relevant in any examination of the global tourism industry is the polarisation taking place within sector. At one end of the continuum are the transnational corporations – the global travel companies, the airlines, cruise lines, and multi-brand hotel corporations. At the other end of the continuum are the local entrepreneurs – the entertainers, stallholders, restaurants, operators of local attractions and restaurants, and B&B and Airbnd owners.

The growth in global tourism is not without its consequences. Overcrowding is becoming a major political issue as the surge in visitor numbers alienates local residents, overwhelms local infrastructure and degrades the environment.

Much of the growth in global tourism can be accounted for by the decline in the real cost of travel (driven largely developments in aviation technologies, especially the introduction of high capacity aircraft beginning with the Boeing 747 in 1969) and the rise of a global middle class with enough discretionary income to engage in travel.

In terms of the latter, the world's middle class continues grow rapidly. By 2018 there were about 3.3 billion people in the global middle class. Of the 140 million people joining the middle class annually, the overwhelming majority (an estimated 88 per cent) live in Asia. China and India alone now claim more than 20 per cent of the global consumer middle class—with a combined total of 362 million people, more than in all of Western Europe. By 2022 the global middle class will number 4.2 billion. By 2028 it will number 5.2 billion.

The purchasing power of the middle class is projected to increase from $35 trillion in 2018 to $64 trillion in 2030. Households entering the middle class increase the demand for both consumer durables and services including tourism, entertainment, health, education and transport. The lifestyle aspirations of the middle class are central the industry's future.

In this article we focus on the role of China in the growth of international tourism and the not unrelated issue of overcrowding of popular tourist destinations.

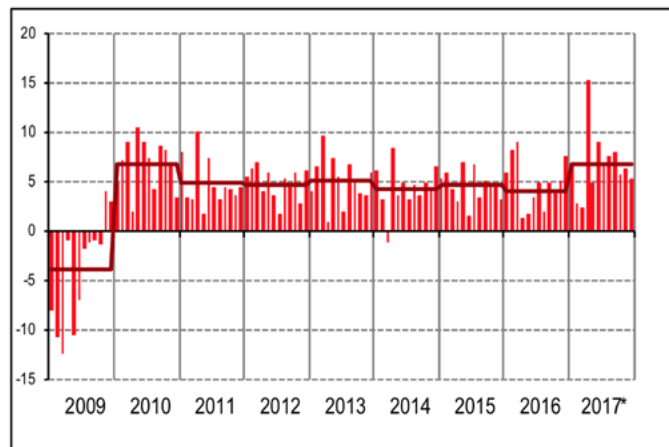## International tourist arrivals, 2095–2017
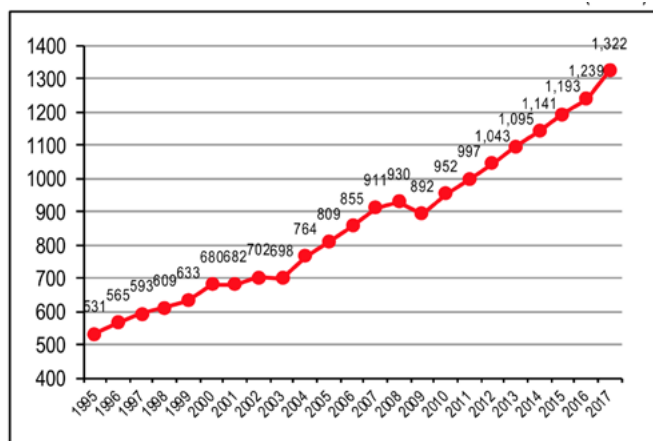
(Million)

Source: World Tourism Organization (UNWTO) ©

Figure 1: International tourist arrivals exceeded 1.3 billion in 2017.

International tourist arrivals, monthly change, 2009–2017

(Percentage change)

Source: World Tourism Organization (UNWTO) ©

Figure 2: International tourist movements have grown steadily since the GFC in 2008.

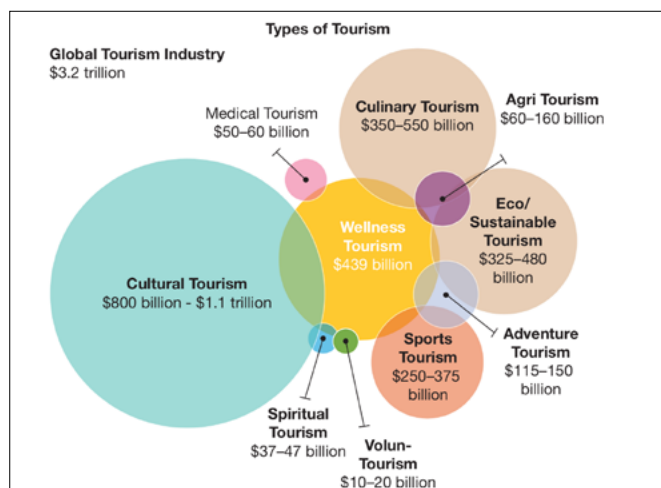## Types of income: Size of sector by revenues (US$)

Figure 3: Global tourism becomes more specialised (or fragmented)

The Chinese tourism surge

The growing number of Chinese travelling abroad has fueled much of the recent growth in global tourism.

Beginning in 1978 the Chinese Government, under the leadership of Deng Xiaoping, initiated a transition from a centralised, planned economy to a free market economy. The government's economic reforms lifted hundreds of million of people out of poverty and resulted in an emerging middle class with the means to travel and explore.

The Chinese government also made it easier for Chinese passport holders to travel abroad. In addition to revoking restrictions on international travel, China signed visa exemption and visa-on-arrival agreements with 61 countries (as of 2017).

As a result of these reforms, China, in 2012, became the world's largest single source of outbound tourists. It is also the world's largest source of tourism revenue at US$258 Billion (See Figures 6 and 8).

Figure 4: Chinese tourist group taking photographs in Segovia, Spain. (Source: Shutterstock)

This growth is outbound Chinese tourism is shown in Figure 5. In 2017, the number of outbound tourism in China reached 127 million people (a 4% increase on 2016), and Chinese visitors spent US$115.3 billion in overseas destinations. The top destinations visited by Chinese tourists were: Thailand (8.77 million), Japan (7.35 million), Vietnam (4.7 million), South Korea (4.1 million) and Singapore (2.2 million). Singapore is followed by the USA and then Italy.

Given China's chronic air pollution it is not surprising that destinations with clean air and a natural environment have become especially popular with Chinese tourists. Island destinations are very popular and accounted for 30 per cent of the total outbound travellers in 2016. Popular island-based destinations include Phuket (Thailand), Bali (Indonesia), Okinawa

(Japan), Maldives, Sabah (Malaysia), Nha Trang (Vietnam), Saipan (Mariana Islands) and Sri Lanka. In 2017, Chinese visitors replaced Australians as the number one source of visitors to Indonesia, with Bali by far the main beneficiary of the influx.

Although it sits well down the preferred destination rankings, Australia is benefiting massively from Chinese tourists, with 1.39 million arrivals in the year to the end of February 2018, a 13 per cent increase on the previous year. That was the first time China overtook New Zealand as our number one source of international visitors.

Number of outbound Chinese tourists, 2010–2017

Year	Number of outbound tourists	Percentage increase on previous year
2010	57.4 million	20.4%
2011	70.2 million	22.4%
2012	83.1 million	18.4%
2013	98.2 million	26.8%
2014	107.0 million	9.2%
2015	117.0 million	9.3%
2016	122.0 million	4.3%
2017	127.0 million	4.0%

Figure 5: The number of Chinese travelling internationally has more than doubled since 2010.

World's top tourism spenders, 2017

Country	Tourism spending (US$ Billion)	Percentage increase on the previous year
China	258	+5%
USA	135	+9%
Germany	84	+3%
United Kingdom	63	+3%
France	41	+1%

Figure 6: The Chinese are the world's biggest spenders on tourism.

The surge in the number of Chinese tourists is expected to continue for the foreseeable future. The World Tourism Organisation (WTO) projects the number to reach 400 million by 2030 (that's nearly a quarter of all international travellers). Of the increase in total international movements between 2017 and 2030 (from 1.2 billion to 1.8 billion) almost half will originate in China.

Even at 400 million there is still potential for further growth. Significantly, China's outbound tourists represent less than 10 per cent of the country's total population. This suggests there exists a huge potential to grow the number of Chinese engaged in international tourism.

Figure 7: China's middle class now aspires to experience the world's great tourist destinations. (Source: Shutterstock)

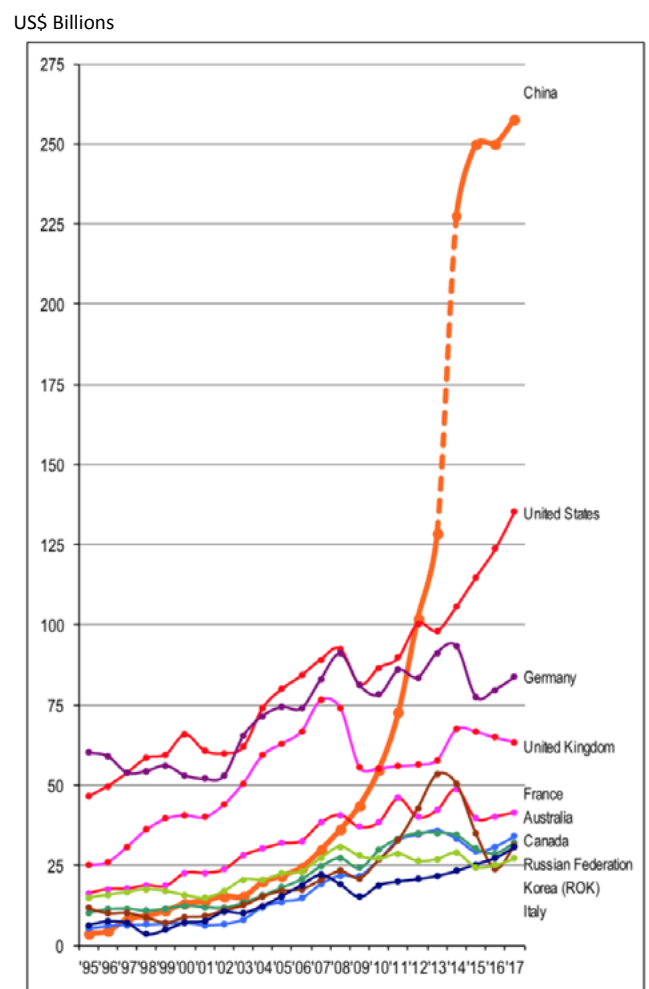## Outbound tourism international tourism expenditure 1995–2017

US$ Billions

Source: World Tourism Organization (UNWTO) ©

Figure 8: China now dominates global tourism expenditure – up massively since the mid-1990s.

Overcrowding

The travel and tourism industry is now a key driver of the global economy. And, thanks largely to a rapidly expanding middle class (especially in developing countries such as China and India), improved digital and physical connectivity (largely a result of declines in real cost of travel and advances in aviation technologies), and the aspiration of people to explore the world, the industry is expanding rapidly.

But! The surge in the number of tourists threatens to overwhelm some of the world's most famous tourist destinations. Once a destination reaches a 'tipping point', the numbers of people visiting specific locations can alienate local populations, overwhelm infrastructure, and ultimately impact negatively on the visitor experience. The impacts of tourism on the biophysical and built environments are outlined in Table 1.

While such tourism-related overcrowding is not new, it is impacting on an increasing number of destinations across the globe, threating the liveability and amenity of places, impacting on cultures and degrading the biophysical and built environments.

The consequences of this overcrowding (sometimes referred to as 'overtourism' include:

- the alienation of local residents resulting is an increase in anti-social behaviour such as 'anti-tourist' graffiti, verbal (and in some instances physical) assault of tourists and the vandalism of tourist busses.

- the physical crowding of streets and attractions

- overloaded infrastructure, especially public transport

- damage to nature and threats to culture and heritage

Ultimately, these consequences run the danger of degrading the experiences that attracted tourists to the destination in the first place.

Examples of popular European destinations impacted upon by overcrowding include Amsterdam in the Netherlands; Rome, Venice, Milan and Florence in Italy; Dubrovnik in Croatia; and Barcelona, Palma de Mallorca and Bilbao in Spain.

In Italy, overcrowding in Rome and Venice (especially in the northern summer) is the source of growing discontent. In the case of Venice, 20 million visitors a year (55,000 a day) crowd the city's narrow canals, alleyways and piazzas. As a consequence, many of the city's residents feel overwhelmed by the flood of visitors. Many have left for the mainland, forced out by high rents and the difficulty of living day-to-day in what many see now see as a historical theme park rather than a thriving community.

The city's population has declined from a peak of 164,000 to in 1931 to just 55,000 today. High housing rents, a result of the apartments being converted to short-terms holiday rentals (for example, Airbnd), boutique hotels and B&B accommodation, have contributed to the drift of people to the mainland as has the closure of many of the shops and services that once supported the local population. Many of these have been forced to close because landlords can extract higher rental income from souvenir vendors, restaurant operators and the branded clothing boutiques targeting the daily ebb and flow of tourists.

Figure 9: Even in winter Venice is often packed with tourists keen to explore city's many attractions (Source: Shutterstock)

Especially problematic are long weekends such as the Easter and May Day celebrations when up to 125,000 visitors descend on the city. Locals refer to such weekends as a "Bollino Nero" (code black) – the term commonly used by Italians to describe motorway gridlock in Italy.

Also relevant is seasonality. While the northern hemisphere's summer remains the peak tourism season (see Figure 11) seasonality is becoming less relevant as the numbers of out-of season visitations increase worldwide. In Venice, for example, the once relatively quite winter months are becoming increasingly busy.

Even little things irritate locals and add to congestion in Venice. Examples include not keeping to the right when crossing bridges, stopping on the city's raised wooden walkways (used as pathways when the city floods) to take photographs, littering and eating lunch in resident's doorways.

Figure 10: The increasing numbers of giant cruise ships visiting Venice is a major source of irritation for those living in the city. (Source: Shutterstock)

International tourist arrivals, by month, 2013–2017

Million
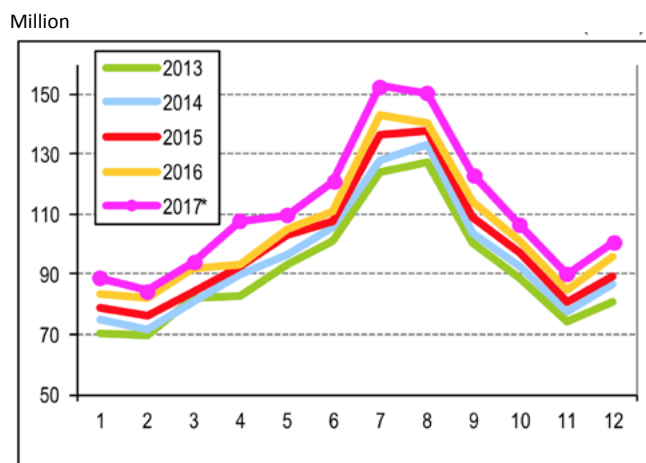
Source: World Tourism Organization (UNWTO) ©

Figure 11: While summer in the Northern Hemisphere remains the peak tourism season the number of people engage in tourist related activities has increased throughout the year.

The increasing numbers of giant cruise ships visiting Venice is another source of irritation. Each ship can disembark up to 4,000–5,000 tourists right into the heart of the city. Protestors are demanding that authorities ban such ships or at least limit their size and place limits on the number that can dock there each summer.

To address the issue of congestion, the city's major, Luigi Brugnaro, recently announced that authorities would trial metal barriers and turnstiles at two key entry points: the Calatrava Bridge at Piazzale Roma, where car and coach passengers arrive, and Lista di Spagna, outside the city's railway station. The intention of the barriers is to segregate tourists from locals on the main routes into the city's historic centre, Piazza San Marco. While uniformed police allow resident access through the turnstiles, everyone else is directed to use alternative routes to the Rialto Bridge and Piazza San Marco. Protestors rejected this initiative and demanded a response that avoided the corralling of people.

Dubrovnik is another destination adversely affected by overcrowding. The Croatian city has seen a huge increase in the number of visitors, partly due to the exposure it received in the *Game of Thrones* television series. In late 2017, the city's mayor announced plans to slash the number of tourists allowed into the Dubrovnik's ancient centre. A daily cap of 4,000 people will be imposed by 2019 after UNESCO warned that Dubrovnik risked being placed on the organisation's World Heritage Endangered List. UNESCO claims that the shear number of tourists visiting the city poses a threat to its culture and heritage.

On the Croatian island of Havar the local population has been unsettled by the island's growing reputation as a party destination. Local authorities have introduced huge fines for drinking in public (€700), wearing swimsuits in the historic town centre (€600) and not wearing a top in the town (€500).

In the face of growing community protests, Amsterdam's tourism authorities have announced plans reduce the impact of the 14 million tourists visiting the city each year. Authorities have developed a range of strategies to subtly move tourists away from the most popular attractions, such as the city's Red Light District and Museum Quarter to alternative attractions. They have used app-based tourism data to study the way tourists behave. Typically, tourist visit the Van Gogh Museum in the morning, and take a canal boat cruise in the afternoon. Authorities have sought to switch this pattern, for example by suggesting people take a boat ride in the morning to avoid the crowds.

Another strategy involves displaying a live feed showing the queue at the most popular places, such as the Van Gogh Museum, to encourage visitors to plan their trip for later in the day or opt for another of the city's attractions altogether.

In Barcelona, Spain, anti-tourist protests, accompanied with graffiti saying 'tourists go home' and 'tourism kills', have occurred across the city. Tourist buses have had their tyres slashed and their windows spray-painted. The bikes of tourists have been vandalised. Of particular concern are rising rents. Some neighbourhoods now have more apartments available for tourists than permanent residents.

Figure 12: Anti-tourist graffiti is one indicator that resident populations sometime resent the crowding of destinations.

The Spanish island of Mallorca has also been the site anti-tourist demonstrations and graffiti across the city of Palma de Mallorca. Smoke flares have also been set off among diners in popular tourist areas. Residents fear that tourism is turning the town into a theme park, where locals can no longer afford to live.

The Spanish city of Bilbao is another place where locals have protested against the impacts of tourism. Activists, concerned about the changing character if the region spray-painted the offices of the Basque Country tourist board.

While authorities struggle to achieve a balance between meeting the needs of tourists, businesses and local residents in many destinations, it is inevitable that tourism numbers will only continue to grow. The industry will continue to create new jobs, new opportunities, and new experiences. The challenges of growth, and especially overcrowding, are ongoing. There is, however, a general recognition that tourism acts as force for greater international understanding and peace in the world.

Table 1: Impacts of tourism on the biophysical and built environments

The biophysical environment

Changes in floral and faunal species composition

* Disruption of breeding habits
* Killing of animals through hunting
* Killing of animals in order to supply goods for the souvenir trade
* Inward or outward migration of animals
* Destruction of vegetation through the gathering of wood or plants

* Change in extent and/or nature of vegetation cover through clearance or planting to accommodate tourist facilities
* Creation of a wildlife reserve/sanctuary

Erosion

* Compaction of soils, causing increased surface runoff and erosion
* Increased risk of occurrence of land slips/slides
* Increased risk of avalanche occurrence
* Damage to geological features, such as tors and caves
* Damage to riverbanks

Pollution

* Water pollution through discharges of sewage and spillages of oil or petrol
* Air pollution from vehicle emissions
* Noise pollution from tourist transportation and activities

Natural resources

* Depletion of ground and surface water supplies
* Depletion of fossil fuels to generate energy for tourist activity
* Increased risk of occurrence of fire

Visual impact

* Facilities, such as buildings, chairlifts and car parks and litter.

The built environment

Urban environment

* Land taken out of primary production
* Change of hydrological patterns

Restoration

* Reuse of disused buildings

Infrastructure

* Overload of infrastructure, such as roads, railways, car parking, electricity grids, communications systems, waste disposal facilities and water supplies
* Provision of new infrastructure
* Environmental management to adapt areas for tourist use, such as sea walls and land reclamation

Urban form

* Changes in residential, retail or industrial land uses, such as the move from houses to hotels and boarding houses

* Changes to the urban fabric, such as roads and pavements

* Emergence of contrasts between urban areas developed for the tourist population and those for the host population

Visual impact

* Growth of the built-up area
* New architectural styles
* People and belongings
* Tourism-related advertising

RIGHT: NCL vintage poster - The Grand Staircase-Escalante National Monument, southern Utah

GRAND STAIRCASE-ESCALANTE
NATIONAL MONUMENT
U T A H

NATIONAL CONSERVATION LANDS

Geography Teachers Association of NSW

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