

# [The problems and issues jamaica faces tourism essay](https://assignbuster.com/the-problems-and-issues-jamaica-faces-tourism-essay/)

With the rising and falling of our economy it is a major problem to ensure the control of the Jamaican society today. People who are without jobs, low rate of employment, currency exchange importing and exporting of products and not being able to export enough for currency exchange that will help to build Jamaica, leakages and being able to control our economy. The social, environmental and economical impacts on Jamaica may result in poverty on ones country and not being able to produce or provide inventories and vacancy for employment for example using tourism for our main income this can become halted if not handled delicately and if lost other sources of income will have to be planned instead and by using up our resources.

This project will clearly outline what are the problems and issues we face today in Jamaica as a country and how we can solve and prevent this crisis from happening in the near future.

## THE PROBLEMS AND ISSUES JAMAICA FACES

In Jamaica we face various amounts of obstacles in running this country, for example employment, currency exchange rate and much more to name a few. One of Jamaica’s problems as listed above is tourism within the country through tourism is what Jamaica is very dependent on other countries for earnings and currency exchange which is what helps our country to stay afloat in the competitive market with other Caribbean countries that provide Land Sea, and sunshine. However, the measurement of the economic impacts of tourism is far more complicated than simply calculating the total amount of all such tourists’ expenditure, or their related revenue. Such calculations take no account of how much tourist expenditure leaks out of the economy either in payment for imported goods and services to satisfy tourist’s needs, or as taxes and savings. Nor does it account for how much additional expenditure is created through the cascading effect of money being re-spent again and again by different people and businesses throughout a particular economy (Cooper et al, 1993).

## WHY IS TOURISM AN ECONOMIC PROBLEM FOR JAMAICA

Tourism is an economic problem for Jamaica based on the fact that with tourism there comes a possibility of importation of goods and services from other countries and we do not support our own countries produce in the form of service to the tourism industry. There can be leakages of expenditures out of local economy, opportunity cost, displacement effects, and seasonality issues problems over foreign capital investments and creation of new extra cost.

Leakages also includes savings where as money is not being spent but saved up and spent in another country and not of which or where it benefit the tourist. Opportunity cost involves using the money that was earned to preferably upgrade surrounding of the hotel for tourism and by doing this it simply means that the cost of using scarce resources for tourism, either as consumption or development, as different to using the money for replacement, perhaps more socially preferable, purposes. The displacement effects occurs when a new tourism project takes customers away from an existing attraction or facility – rather than adding sufficient numbers of new visitors to the local tourist destination to justify the investment. Seasonality issues occur when there are few visitors at a destination/ hotel or theme park within certain month in a year and within season when traveler decide to go on vacation there can be a over capacity can result in loss of empty premises in the low season, and a lack of restaurants, beds and food when season is high can turn away customers.

## THEORIES AND MODELS TOWARD TOURISM

In the case of tourism and how tourism affects the economy within the process of accomplishing the putting together of accommodation transportation goods and services the theories or methods used to solve these problems would be using the multiplier effect to measure the cost of travel for a tourist to a destination or location how close it is and how much it will cost for the individual to actually get to this point without spending too much. The money that is spent in the host economy starts at the front line, tourist establishments such as, Hotels, restaurants and taxis. The effect of this spending then permeates throughout the economy (Mathieson & Wall, 1982), creating impacts at three different levels: i. e. at the direct, indirect, and induced levels. The direct effect is also called the direct multiplier is the value or tourist spending less the value of imports necessary to supply the service providers such as hotels and restaurants etc. The impact and the size of this multiplier is more likely going to be less than the individual tourist’s actual expenditure because of leakages. Except in rare cases where the local economy can provide service to what the tourist needs. (Cooper et al 1993)

The private businesses that receive their tourist directly can also help other business within the local economy by purchasing goods and service from them. The economic activity generated by these subsequent rounds of expenditure is called the indirect multiplier effect. The indirect multiplier will not include all the money that is spent by the tourist it will be circulated but distributed and leaked towards savings, importing and also towards taxes. At the end of both the direct and indirect multiplier effect it will benefit the residents to pay utilities buy food for their everyday survival and living and also local businesses for their routine services. Some of these are also called the induce multiplier it generates more economic activity by being spent on local goods and services where as when direct, indirect and induce effect takes place and are assessed then the full nature of tourism can be identified to its fullest capacity.

## WHAT ECONOMIC CONCEPTS OR INTERVENTIONS THAT COULD BE EMPLOYED TO CORRECT ISSUES IN TOURISM?

Concepts that can be used to correct issues is tourism are ensuring that tourism industry find ways and means of provide employment to increase levels of training and education, the introduction of advance technology in which it not only benefits the business but also the local community where as the money will be invested within the country and not send to another country of which we will not benefit. Secondly the investing of currency exchange is important because it can help to build and maintain or produce new ideas for earning currency exchange within Jamaica. lowering the importing and elevating our exporting will enhance the coming in of more currency exchange by doing this it will give us the opportunity to be able to purchase goods or services from other countries easily and of which will enhance our ability to provide bigger and better services to our visitors to ensure a wonderful experience. Jamaica also need to have investments on the international market so that it can increase the income of foreign exchange and also showing ways of which we as a country can be versatile in promoting Jamaica. However to ensure that Jamaica is on the right tract we must consider opportunity cost in enhancing our tourism industry and also providing and ensuring that we focus on development within the country in which a higher risk of sustainability will come into play , it will protect the environment through advent eco-tourism.

## WHAT ARE THE BENEFITS OF APPLYING THE CONCEPTS ABOVE?

Economy of Jamaica can be beneficial with the help of tourism if they ensure that within the industry education and training are practiced so that locally each individual can have a better way of having employment after education and also be qualified for a job position in the industry. With this being said each individual will have a clear understanding of what to accomplish have knowledge of the job and ensure that the need and want of the business is met. However if Jamaica does not invest in the education system then the people will not be able to understand how to manage a day to day operation of a business or even be able to understand the running and usage of technology which will force them to import more and hiring individuals from other countries which can lead to leakages of money within the economy of Jamaica to other country of which the individual is from.

Secondly investing on an international market will give Jamaica a clearer path in promoting our culture, history, food and it’s people along with what Jamaica as a country has to offer, so that other investors will spread the news and give us more resources to the market by recommending others to travel to this destination with the benefit amongst it shareholders and help us compete amongst the competitive market by bringing in more currency exchange. The more currency exchange we have the better chance we have to compete in the tourism industry and the competitive market as a developing country, which will give us the opportunity to have increase on the value of our Jamaican currency.

Lastly the sustainability of our environment is important as it is the key to our income and investments. The cleaning of our local communities and the maintenance of the coral reef, beaches and inner communities, environment to and from and surrounding the destination, the usage of our natural resources to keep the visitors coming back to a well environmentally friendly destination. With saying this Jamaica can also involve the community in tourism much more (community based tourism) were the people will get involved by have small business of which each can support the other and help circulate the currency so it can benefit not only them but the environment and the economy.

## CONCLUSION

Tourism clearly provides a significant number of beneficial economic impacts to any country or locality which receives a steady flow of visitors. International visitors are a valuable source of foreign currency. at the same time, spending both domestic and foreigners produces a flow effect of new job through the economy via the multiplier effect, Meanwhile the people and the government can come together to make a developing country reach its peak of being in the competitive industry and increase revenues.

But there are some negative factors also to consider which concerns leakages and expenditures out of the economy pressure for increase imports and also new utilities on infrastructure costs. the ability to compete you need investor internationally and also a way of coming together as a country to sustain the environment and invest in education socially and environmentally prepared for what the economy has to offer so that one’s country can be a part of the competitive market.

## APPENDICES

Jamaica is always in between success and failure regarding making currency exchange to accomplish this Jamaica needs to ensure that 50% of the tourism industry have a international investors market,