

# [The economic impact of tourism](https://assignbuster.com/the-economic-impact-of-tourism/)

[Economics](https://assignbuster.com/essay-subjects/economics/)

Social and cultural impact of tourism As an industry, tourism is a dynamic, evolving, consumer-driven force. It is the world’s largest industry. It is the employer of 183 million people. This represents 10, 2% of the global workforce. By employing one out of every the workers, travel and tourism is the world’s largest employer. As an industry, tourism is expected to grow much faster than other sectors. Growing so rapidly, tourism presents tremendous opportunities and challenges.

Although a mature industry, tourism is a young profession. The good news is the variety ofcareerprospects for today’s hospitality and tourism graduates. Tourism is a leading producer of tax revenues. When a tourist spendsmoneyto travel, to stay in a hotel, or to eat in a restaurant, that money is recycled by these businesses to purchase more goods, thereby generating further use of the money. In addition, employees of businesses who serve tourists spend a high proportion of their money locally on various goods and services.

This chain reaction continues until there’s a leakage, meaning that money is used to purchase something from outside their area. This phenomenon is usually called the multiplier effect. Social and cultural impact of tourism From a social and cultural perspective, tourism can have both positive and negative impacts on communities. Even a visit to another part of your own country can both socially and culturally stimulating. Undoubtedly, tourism has made significant contributions to international understanding, peace and prosperity.

However, tourism results not only in sociocultural benefits but also in sociocultural problems. Imagine the feelings of an employee in a developing country who earns perhaps $5 per day when he sees wealthy tourists flaunting money. Another example is nude female tourists sunbathing in a Moslem country. On the other hand, tourism is a clean and green industry, that most of the hotels are built with concern for theenvironmentand use local crafts people, designers, and materials.

Tourism brings new revenue to the area, it also creates and maintains higher rate of employment than if there were no tourism. During the past few years, the so-called “ ecotourism” has developed in the countries which try to minimize visitor impact on their natural and cultural environment. In practical terms, ecotourism tour operators prepare participants by educating them about localculture, animals, plants.