

**COURSE NO: THMO-122**

**TITLE: TOURISM ECONOMICS**

**TOTAL CONTACT HOURS:**

**(60 HOURS)**

**Objectives of the course: After successful completion of this course, students will be able to**

- Distinguish between the tourism as an industry and as a system
- Understand the nature of tourism demand and supply
- Understand the role of tourism in the economic development of a country
- Explain how tourism development can influence the socio-cultural, economic and natural environment of a country

**Module 1: Economics of Tourism Demand**

**(12 Hours)**

Nature of demand-Factors influencing tourism demand, economic determinants- price elasticity and Veblen effect; income elasticity and measuring actual tourism demand- Forecasting tourism demand.

**Module 2: Economics of Tourism Supply**

**(12 Hours)**

Supply and cost-, elasticity of supply- tourism supply and market structures- pricing in tourism, main types of integration in tourism supply trends.

**Module 3: Tourism Development and National Economies**

**(12 Hours)**

Development theories, tourism and community development-tourism's contribution to GDP- problems in measuring tourism's contribution to GDP.

**Module 4: Economic Impacts of Tourism (A) Employment and Income Generation (12 Hours)**

Special characteristics of employment and income generated by tourism, (I): tourism multiplier effect, limitations of tourism multiplier (II): input-output analysis.

**Module 5: Economic Impacts of Tourism (B): Balance of Payments**

**(12 Hours)**

Terminology- balance of payment-, comparative and competitive advantages in tourism, travel and tourism receipts and payments- tourism satellite account, foreign exchange dependence on tourism-effects of tourism development on the balance of payments.

**Recommended Reading List:**

1. Vanhove, N. (2005): *The Economics of Tourism Destinations*, OUP, Oxford
2. Bull, A. (1995): *The Economics of Travel and Tourism*, Longman, Australia.
3. Butterworth, Tribe, J.: *The Economics of Leisure and Tourism*, New Delhi.
4. Cullen, P. (1997): *Economics for Hospitality Management*, International Thomson Business Press, London.
5. Sinclair, M.T. and Stabler, M. (1997): *The Economics of Tourism*, London.
6. Mukhopadhyay, Sipra (2008): *Tourism Economics*, Ane Books, New Delhi.

