

11.2_D

ReviewNotes

1 Political factors: e.g., taxation policies, election results, pressure groups, protection thro' tariffs or quotas, foreign companies coming into country

(a) election results, e.g., Margaret Thatcher's new government 1979

UK → mid-1980s privatization

→ new business opportunities esp. service sector incl. tourism

→ manufacturing declined

→ policy copied by other countries

(b) pressure groups, e.g.,

Greenpeace (environment) → Shell 1995 lost 50% sales
(planned to dump oil rig at sea)

Other Greenpeace campaigns relating to tourism:

→ Iceland anti-whaling protest

→ expansion Heathrow

→ park development

Tourism industry = maximize profit

→ sustainable tourism: bottom line = \$\$\$!

InterContinental Hotels → environmental audit major hotels

Forte, Hilton, Holiday Inn, Sheraton → shared programme

mass tour operators → working together in UN project, but ... ???

2 Economic factors: e.g., changing importance of different business sectors. Drucker ('The next society' 2001):

• 1913: farm products = 70% of world trade. Now < 1/5 of economic activity

• developed countries:

= big ↓ in contribution by agriculture to GDP

also manufacturing decline → ↑ in service industries

• 'new' economies: reduce farming → ↑ manufacturing

AND services (e.g., India, China) → competition with

developed countries

• ? will China/India, etc., → dominate global tourism?

Summary

11.2_D Model answers

Review

Types of political influence are: ...?

Example of a political influence on business ...?

Example of pressure group ...?

Challenge ...?

Sustainable examples ...?

Developed countries:

growth in ...?
decline in ...?

'New' economies:

Increase in ...?
In future ...?

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Summary

Political, economic and environmental factors have all influenced the tourism and hospitality industry, and continue to do so. In developed countries there is now an emphasis on service industries rather than manufacturing, while boom economies in developing countries are increasing their manufacturing output as well as their tourism industries. Sustainable tourism is a powerful environmental force. The question is, though, whether it is something that clashes with the business interests of large hotels, tour operators, airlines, etc. New economies may become more powerful economically than older developed economies such as the US.