Chapter 1

Introduction: The Global Tourism System

Introduction

This book focuses on the political economy of the global tourism system in the era of globalisation, and its impacts in developing contexts. It uses case study analysis of South Africa, a country that has emerged as an increasingly popular international destination since the end of apartheid, but whose sector had been greatly shaped and often constricted by outside factors, to assess how tourism as a global system of trade, production, exchange and governance play out in developing countries and what its benefits and disadvantages are for them.

It is a truism that tourism has become one of the world’s major economic sectors. The scale of international tourism, the swift pace of growth it has seen over the past two decades and the economic benefits this sector is thought to carry has meant that tourism development has come to occupy the development policy agendas of most governments in the world. Yet it can be a very volatile sector, sensitive to disturbances caused by factors such as political instability, global economic shocks or even negative media portrayals, and as much as a country’s sector can expand briskly, it can also promptly suffer significant setbacks.

This volatility is perhaps best illustrated by two recent, global incidents. The first is the dramatic impact that the September 11th attacks on the United States in 2001 had wrought on international tourism. Not only did world tourist arrivals decline for the first time in more than a decade, but the tourist sectors of major international destinations in North America, South Asia and the Caribbean contracted by large volumes. Given the nature of the September 11th attacks the airline industry, one of the main components of the global tourism system, was particularly negatively affected and some of the world’s largest airlines were either forced to close down or to restructure.

Second, at the end of 2004 the South and Southeast Asian regions, whose sectors have already been battered by the stultifying SARS virus, experienced the catastrophic effects of the tsunami disaster. Perhaps most damaging for countries such as Thailand, and to a lesser extent, the Maldives and Seychelles was that the disaster had affected some of their prime international tourist locales. For these countries, where tourism is a vital element of their national economies, rebuilding not only means reconstructing infrastructure, but more importantly, restoring global confidence in them as tourist destinations. As such the effects of the disaster are likely to be particularly prolonged.
In contrast, other tourist areas may experience an expansion in their sectors, as tourists substitute one destination for another. In South Africa, for example, 9/11 brought brief growth benefits, as travellers simply redirected from the Americas. Like many other countries the South African government is placing a high policy premium on extending the country’s sector and using tourism as a pathway to development. Indeed, following the end of apartheid tourism has seen dramatic growth and the government has developed a number of initiatives, policies and projects to fully exploit the country’s emergence as a destination of international significance. Its prospects for successful tourism development are greatly influenced by a range of internal aspects (e.g. the nature of the tourism offer and how it fares against other competitor destinations) and external factors (such as the ‘positive’ consequences of 9/11). The country’s experience in attempting to develop a competitive sector, to use tourism as a means toward development and the obstacles it faces in the context of global conditions and structures is one commonly shared by many developing and developed countries.

Tourism growth has gained a particular momentum with globalisation and is of great economic significance. Yet the two events cited above starkly illustrate how intricate the global tourism system is. First, factors exogenous to the system can have severe and often detrimental impacts and events in one part of the world can shape the tourist sectors of many other countries. Second, the global tourism system is an interwoven compound: it consists of a multiplicity of actors involved in the production and consumption of tourism; it is made up of several different structures of governance, trade, finance, transport and marketing; and it is shaped by numerous forces, agents and factors.

It is an analysis of how these different structures, actors and forces interrelate and how this constrains and/or fosters tourism growth that constitutes the focus of this book. There are three main components to the book. The first examines the political economy of international tourism. It explores the building blocks of the global tourism system, consisting as it does of complex arrangements of production and consumption. The closeness of the producer-consumer interface is one of the most distinctive aspects of tourism, yet it can pose significant challenges for aspects such as production, destination marketing and tourism planning. Globalisation has brought significant changes to both the culture of consumption and the relationship between producers and consumers. It has also reshaped predominant modes of production and affected the nature of producer interaction.

The second component of the book focuses on governance of and within the global tourism system. The different producer spheres and economic sectors that make up tourism have particular means of organisation and self-regulation. Tourism is an elaborate economic activity that as a system of production is formed by series of competitive and collaborative interactions among different producers. Mechanisms such as subcontracting, the provision of trade commissions and marketing cooperation help to order relations. Overarching tourism-specific institutions of regulation also fulfil the function of maintaining stability in what is otherwise a fractious system. Often, however, governance regimes can act as constrictions on tourism growth. This particularly pertains to the global aviation regime that, structured through bilateral agreements among states, can constitute
institutional barriers to expansion. In the era of globalisation, furthermore, economic and trade liberalisation and their concomitant institutions of governance can have major tourism implications. Under the General Agreement on Trade in Services (GATS), global tourism and its various production components will be liberalised. Developing countries tend to be locked into the global tourism system at unequal points of exchange. Provisions such as the GATS can be more disadvantageous to their tourist sectors.

Following from the above, the third major component of the book is an exploration of how tourism production, consumption and governance relate to development. Using the example of South Africa it investigates how changed global consumption patterns, different forms and relations of production and global institutions of regulation can impact on tourism’s economic and social benefits. Tourism policy-making is often premised on even patterns of global expansion and stable environments. South Africa, like many countries has invested much in establishing a progressively expanding sector that can contribute to national development. Yet, tourism is shaped by many factors affecting how it functions as a global system of trade, transport and finance and dissemination. This book is a comprehensive study of South African tourism and its linkage to the wider international sector. It examines the nature and extent of global tourism production, consumption and regulation and how these bear upon developmental prospects, specifically in the South. It aims to draw out lessons for other developing countries about the limitations and possibilities for greater linkage to the global tourism system.

The International Political Economy of Tourism

International Political Economy as an Approach

At its most rudimentary, International Political Economy may be defined as the study of the intersection between states, markets, and societies, the interaction among actors predominant in each sphere, and the consequences of such interaction (Gilpin, 1987; Stiles and Akaha, 1991). Strange (1988: 18) defines international political economy as that which involves ‘the social, political and economic arrangements affecting the global systems of production, exchange and distribution, and the mix of values reflected therein’.

The study of international political economy has long theoretical antecedents, and stems from the eighteenth century works of Adam Smith and others on the relationship between economic activities and authority, and the role of the nation-state in the market. As it has evolved, three broad theoretical traditions predominate the academic discipline of international political economy. These are liberalism (embodied in the works of Adam Smith, and characterised by its emphasis on the primacy of the market over all other spheres); realism/statism/mercantilism (which holds that economics should be subordinate to, and directed by state interests), and the Marxist, or critical tradition (which, broadly, offers a critique of prevailing economic and political structures) (Gilpin,
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The international political economy framework draws attention to the fact that events are the consequences of actions undertaken by a range of actors present at a number of levels, whose (often conflicting) interests intersect to produce certain outcomes.

Global tourism is a highly complex system. It consists of a multitude of actors who interact at crosscutting levels to produce certain outcomes and is built around overlapping structures of trade, finance, production, marketing and consumption. To understand tourism’s economic outcome in a given location requires an understanding of the structure of this system, and of the events, forces and agents that shape it. This means analysing the linkage(s) between the domestic and international sectors, in terms of the prevailing patterns of production, diffusion, consumption and regulation, and the economic and social relations evolving from these. Given the nature of global tourism, which is made up of a disparate number of producing and consuming bodies stemming from locales across international boundaries, an International Political Economy framework is particularly well suited to analyse the international tourism system and its economic outcome in given locations (Clancy, 1999; Yamamoto and Gill, 2002).

The Nature of Tourism

Tourism refers to the movement of people from one geographical location to another for the purpose of engaging in leisure and/or business acts, and the economic transactions that accompany this. It is essentially a service activity, and involves the flow of capital, finance, goods, knowledge and humans (Britton, 1991). Tourism has both a production and a consumption component. As a form of production, tourism is multisectoral and multifaceted, drawing upon the activities of a wide range of actors from a number of economic sectors (Debbage and Daniels, 1998). As an activity of consumption tourism is distinct in that the consumer has to travel some distance to a destination in order to consume the product. This feature of tourism means it is referred to as an invisible sector (Mathieson and Wall, 1982). It also means that tourism is the nexus between systems of production and systems of consumption. The tourist product is varied. It consists of both tangible (e.g. flights, hotel accommodation) and intangible (e.g. customer satisfaction or perception) elements (S. Smith, 1994). Given its ephemeral nature, the tourist product can be viewed as a highly perishable item (Mathieson and Wall, 1982).

The standard and most widely accepted definition of what constitutes tourism is that utilised by the World Tourism Organisation (WTO, Basic References on Tourism Statistics). A tourist is a person who travels to and stays in a place outside his/her usual environment for at least one night and less than one year, and whose primary purpose of travel is not remunerated from within the place visited. Tourism is defined as the set of activities engaged upon by a tourist. Domestic tourism refers to the movement of residents within their national borders, whilst international tourism involves people travelling to another country.

The WTO definition is a demand-side description of tourism, defining the activity from the point of view of the tourist (S. Smith, 1998). In tourism literature
there is a sharp division between scholars who promote a demand-side approach to tourism and those who advocate a supply-side approach (e.g. Crick, 1989). According to S. Smith (1989), for example, many researchers commit a methodological error by defining tourism from the perspective of the product and those who consume it, a fallacy, he claims 'equivalent to defining the health care industry by defining a sick person'. Such an approach, he argues, leads to a disparate picture of what is essentially a collection of production activities. To many others (e.g. Ioannides and Debbage, 1998) a supply-side approach – focused on the producer facets of tourism and the firms and institutions responsible for this – should be adopted.

The process of defining tourism is therefore not without contestation. Part of the reason for this may be the definitional inadequacy of the key concepts related to tourist activities – leisure and leisure time. The conventional treatment of leisure sees it as that state or condition where no work is being carried out, and where there is no (tangible or intangible) product or commodity as outcome. Leisure is seen as the opposite of work or labour, as ‘free time’ with no economic value. Similarly, tourism as a form of leisure activity, is that action engaged in by people in their ‘free time’. The problem posed by such an understanding is that it treats labour, and the value of labour, in a minimal way; it is only true for some parts of some societies some of the time. As noted by Britton (1991) the concept of ‘free time’ (the condition of an absence of work) disregards the disparity in the value accorded to, for example, men and women’s work, and particularly labour in the domestic (household-level) sphere. Furthermore, ‘free time’ is a culturally-determined, context-specific concept – different societies orient themselves differently to time. A similar epistemological problem is the lack of distinction between a tourist and a traveller. As it has evolved, contemporary standard treatments of tourists see them as present-day reincarnations of the pioneering travellers from former times. While in one sense this is valid, particularly when one considers the psychological dimensions involved in the selling of tourist packages in the advent of cultural tourism (see discussions below), in another it fails to distinguish between the very different economic origins and significances of touring and travelling: a business traveller is something different to a business tourist – the latter is set apart by his/her consumption of explicit tourist goods. How one draws a discrepancy between these has a very important impact on how one gathers information in tourism research.

A parallel and equally vigorous debate in tourism studies is on whether tourism constitutes a single industry. Several researchers argue that tourism should not be seen as a monolithic industry, but rather as a collection of industries that share similar functions and produce similar products (e.g. Tremblay, 1998). Leiper (1990), one of the most vehement proponents of this view, contends that tourist activities do not constitute an industry in the conventional sense since no single or standard product is produced. The outcome is rather an array of products; the fact that these are both tangible and intangible leads Leiper to conclude that tourism is in addition only partially industrialised. Specifically, Leiper argues, a large part of those economic sectors or functions involved in tourism can exist independent of any tourist activities, e.g. restaurants or retail stores whose primary market base
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comprise of households. This industrial duality precludes any logical typification of a single tourism industry (Leiper, 1990). This book’s analysis of global tourism uses the concept of sector, rather than industry.

Historically, scholarly analyses of tourism tended to be centred in the fields of Anthropology and Sociology, where works by authors such as Cohen (1972, 1974, 1979, 1984), MacCannell (1973, 1976), Lanfant (1980), and Urry (1990) provide a rich tradition. It is only over the last three decades that tourism has come to be more seriously treated as a research subject in other social science disciplines, most notably Geography, Politics and Economics (Ioannides and Debbage, 1998), and various sub-branches thereof (e.g. human geography, economic geography, environmental studies, marketing and management studies, development studies).

A broad categorisation may be made of demand-side and supply-side approaches to tourism. A simplified distinction is that the former is occupied with aspects and activities related to the buying and using (i.e. consumption) of tourist goods, while the latter is concerned with the creation (procurement and production) of those goods.

Demand-side studies by definition, are focused on the tourist consumer, and mainly on the behavioural aspects related to travel and tourism. Such studies seek to explain why it is that people (want to) travel, engage in leisure, or recreate, and the choices people make with regard to tourist destinations. These approaches are essentially motivation-based and delineate the psychological and psycho-social factors that cause people to undertake tourist activities – the ‘push’ and ‘pull’ factors of tourism (Uysal, 1998; Pearce, 1995). Motivational factors for tourism may be classed into personal characteristics (e.g. individuals’ need for self-esteem or social status); changes in the economic capability of persons (i.e. rising disposable incomes); and increased leisure time (Lea, 1988). Supply factors such as easier access to destinations through enhanced and cheaper transport also play a role. Tourism motivation is in addition influenced by tourists’ perception and evaluation of the physical, natural or tourist resources in particular destinations, and people’s perceptions of the social, economic or political conditions in destinations. Specific marketing factors, and the sorts of images that tourism producers create about destinations, also influence people’s decision-making (Uysal, 1998; Hall and Page, 1999).

Demand-side studies also focus on the manifest preferences and tastes of travellers and tourists. These are used to devise models of tourist demand and as bases to predict potential demand (e.g. Archer, 1976; Witt and Witt, 1995). Tourism production, development, marketing and management policies are largely informed by the perceived desires and needs of tourists (e.g. Perez and Sampol, 2000).

Supply-side approaches focus more specifically on the various components of tourism and the producer aspects related to it. Such analyses are usually industry-specific, and look at the firms and institutions responsible for creating tourism products, the various factors and forces that shape the industries, and the resultant impact on the tourism market. Studies that fall under this category generally investigate the structures, trends and changes in the core sectors of tourism, i.e. the airline industry (e.g. Wheatcroft, 1994, 1998; Page, 1999), the hotel sector (e.g. Dunning and McQueen, 1982; Milne and Pohlman, 1998) and the tour operator
sector (e.g. Ioannides, 1998; Delaney-Smith, 1987; Sheldon, 1986). Within the realms of physical and economic geography, supply-side studies include research on the spatial features of tourism, such as the location of accommodation establishments or sites of tourist attractions within a given region (e.g. Pearce, 1995; S. Smith, 1983). Another focus of supply-side studies is the human resource or employment aspects of tourism, and more specialised subjects such as labour relations in tourism.

The Components of the Global Tourism System

In a seminal analysis Britton (1991) groups the array of economic activities linked to tourism into the tourism production system. It includes:

- those economic activities aimed at producing and selling travel and tourist products;
- the social groups, cultural features and physical components which serve as tourism attractions;
- the ordering institutions and bodies set up to regulate ‘commercial behaviour and social externalities associated with such production’ (Britton, 1991: 455).

The various components of the global tourism system may be depicted as follows:

![Diagram of the global tourism production system](image)

**Figure 1.1 The global tourism production system**

*Source: Author’s own design. Based on Britton (1991)*
According to Britton, tourism can be conceptualised as having its own division of labour between diverse functions (transport, accommodation, travel and tour operators, marketing, ancillary services, attractions), its own markets (the demand for, and supply of, travel and tourist products), and formal regulatory agencies. Beyond these features are commercial practices, industry structures, and organisations which have evolved in response to the interrelated technical requirements of creating tourism products, changes in technology, and conditions shaping competition (including government licensing and controls) (1991: 456).

In all, global tourism entails distinct markets based on the exchange between tourism producers and consumers. On the demand side it consists of societal groupings with certain socio-economic and socio-cultural attributes, desires, needs and wants. On the supply side it consists of producers that interact, innovate and compete. The interrelationship between producers is monitored and ordered by various regulatory bodies that set the parameters for tourism production.

The Producer-Consumer Nexus

One of the peculiarities of tourism and as is illustrated in Figure 1.1, is that as an economic activity, it involves the close interface between production and consumption: tourist products are often produced and consumed at the same time, and producers and consumers often occupy the same physical realms. While this is characteristic of most service activities, tourism is distinguished in the degree to which this interface is part of the eventual product – tourist enjoyment often depends on the extent to which a consumer believes a producer (be it a tour operator, waitress or tour guide) has fulfilled in his/her expectations or has contributed toward a total experience. On the basis of such intangible factors, tourists make assessments of locales or destinations and future travel plans (Urry, 1995; Uysal, 1998). The close proximity between producers and consumers, therefore importantly relate to wider aspects regarding the tourism system – how goods are produced, for whom, and what sorts of economic gains are made.

Following the larger discourse on the emergence of the consumer society, commodification, changes in the culture of consumption and related changes in production (see for example Bauman, 1992; Featherstone, 1991; Urry, 1995) one of the most important debates in tourism scholarship concerns the relationship between producers and consumers and whether consumption is taking precedence over production (Gotham, 2002).

In the main tourism literature and praxis ascribe to the neoclassical economics view on the sovereignty of the consumer. This is particularly reflected in the proliferation of academic writing on the effect of neo-Fordist changes in consumption patterns on the tourism industry (see discussion in Chapter 2) and in tourism promotion, of lifestyle marketing and market segmentation. With regard to the former Ioannides and Debbage (1998: 100) for instance argue:
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Under the logic of this post-modern culture of consumption, the constant search for novelty and alternative experiences is emphasised. As a result, in the travel industry, a premium has been increasingly placed on providing the post-modern citizen… with an unending range of novel travel experiences.

These works make the argument that tourist preferences and tastes shape the production and location of tourist goods.

There is an opposite view in tourism literature that holds that tourism producers exert power over consumers. One example is Cheong and Miller’s (2000) application of Foucauldian analysis to tourism. They argue that tourism consumers are subject to the influence of (producer) bodies such as government officials, tour guides, hotel or restaurant employees. Such bodies, they contend, ‘compel the tourist to function in a certain way’ (p.381) by guiding tourists to certain locales and attractions, and through promotional and information material, even determining how tourists (should) see the places they visit.

According to these authors, tourists are power-bound and are influenced by (Foucauldian) agents (tourism producers) from the time they first seek information and make travel plans until they return home (Cheong and Miller, 2000: 381).

By this analysis, the power of producers specifically lies in the knowledge they hold and selectively filter through to consumers.

The ‘consumer over producer’ debate is rooted in a wider socio-theoretic analysis of cultural changes in modern society. In tourism studies it provides the analytical framework for understanding how aspects such as development and management policies are informed by the perceived desires and needs of tourists, or how processes of destination marketing involve the moulding of tourists’ views (and therefore often travel flows) by producers.

In this book the position is adopted that the nature and consequences of producer-consumer relations vary depending on the type of product element that is involved in the commercial exchange between them. On aspects such as travel components (flights, car rental, excursions) consumers have limited choice. In this case it is tourism producers who steer tourism demand. On aspects such as the content of tour itineraries (the focus of the Chapter 5) demand impulses do affect what is produced and offered by producers.

The Developmental Significance of Tourism

In the present era tourism is widely accepted as an economic sector with large growth potential. Tourism is often associated with the inflow of foreign currency, the generation of income, the creation of employment, an expanded revenue and tax base for governments and a contribution to a country’s balance of payments (e.g. Archer, 1977; 1982; Elkan, 1975; Fletcher and Archer, 1991; Lea, 1988; Sinclair and Bote Gómez, 1996). This stands in marked contrast to the earlier part of the twentieth century when scholars and policy-makers’ general bias stood
against the services sector in favour of production and manufacturing, the latter which were seen to be the only economic activities which produced real, sustained growth. Today, tourism is viewed as an important outward-oriented growth sector (Brohman, 1996). This is indicative of a theoretical repositioning with regard to what is accepted as export or import goods, with a much larger parameter allowing for intangible tourist goods, such as ‘tourist enjoyment’ being classified as an exportable tourist commodity.

In spite of this, little consensus exists precisely where the developmental potential of tourism lies or how it can be fostered (Shaw and Williams, 1998). Indeed, many authors are quick to point out that tourism’s employment creation potential can be significantly lower when compared to other economic sectors (De Kadt, 1979; Hudson and Townsend, 1992). This is because tourist activities can be subject to seasonal fluctuations and high elasticities of demand, causing seasonal or part-time employment in destinations to be a common feature.

Research indicates that three structural factors influence the economic impact of tourism: the strength of backward and forward linkages among industries (Britton, 1991; Sinclair and Tsegaye, 1990); the ownership structures and patterns that characterise the tourism sector; and the spatial features of tourism production and related consumption in a given tourism economy (Britton, 1982; Pearce, 1995). If weak linkages prevail among economic sectors and industries involved in tourism production, the flow-through effect of tourism’s impact, particularly from core to ancillary industries (e.g. construction, transport), will be weaker. Similarly, if the ownership of tourism producer and supplier companies does not lie in the tourist destination but in a different country, foreign exchange leakages, rather than earnings may characterise tourism in the destination country (Sinclair, 1998; Brohman, 1996). Finally, if tourism production and consumption occur in spatially concentrated locales in a country, the economic impact of tourism will be limited (Pearce, 1995).

Along with the positive economic effects of tourism, therefore, there are also a number of associated economic costs. Depending on the nature and structure of an economy these factors can have a negative impact. In the case of many developing countries such costs may be high (Mathieson and Wall, 1982). Balance of payments gains may be offset by a high propensity to import goods and services or a high rate of revenue expatriation. Higher inflation or costs could negatively impact on local economies. Further, many smaller countries can develop an overdependence on tourist activities. Bull (1995) for instance shows how in countries such as Antigua and the Bahamas tourism constitutes more than half of the economy, leaving them at risk to the shocks from ‘single-sector climatic, political or trade cycles’ (Bull, 1995: 131).

While all countries experience both the positive and negative impacts of tourism, developing countries tend to be more vulnerable to the sector’s negative externalities. In part this arises from the fact that in the South there tends to a much greater reliance on international tourist activities and the capital created by tourism, and in part this is due to the particular structure of ownership in global tourism, with most of the large tourism multinationals, who often have a commanding influence in the wider system, based in the North. Chapter 2 provides a more
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complete discussion of the various discourses on tourism and development and how globalisation provides an appropriate framework for understanding the complex interface between global, local and intermediate levels of production, consumption and governance.

The Structure of the Book

The three overarching themes of the book are addressed in various parts and through various analyses of the South African tourism system. Chapter 2 provides an overview of the main theoretical and analytical perspectives regarding tourism and development. It reviews the main discourses that have developed over the past four decades. These range from analyses that focus on unequal power relationships between the global North and South, neo-classical perspectives on tourism’s trickle-down effects, and discussions of alternative and sustainable tourism. The chapter details how processes of globalisation have reshaped global forms of production, consumption and governance, and how the producer-consumer nexus has been impacted. This in turn affects the developmental outcomes of tourism.

Chapter 3 provides an overview of South Africa’s tourist sector – its historical evolution, market characteristics and broad patterns in policy development. Key challenges faced by the post-apartheid government – both uniquely, resulting from the continued political, economic and social effects of apartheid, but also stemming from South Africa’s location in the wider global tourism system – are highlighted.

Chapter 4 focuses on the nature of global tourism production and how this impacts on development. The various components (or producer spheres) of the global tourism system have all varyingly been affected by factors of globalisation. Competition and collaboration among producers are shaped by aspects such as consolidation (or horizontal mergers) and alliance formation. The production process is highly dynamic. Some producers have more leverage in the production process than others. This is based on the size of the producer and relatedly, market access and penetration, although, in the case of airlines and tour operators their position and function provide them with a high degree of influence. South Africa is characteristic of many other developing countries in that its tourism sector is interlocked with that of large international source markets. This can provide international producers a large degree of influence over the South African production process and also determine the dynamics of tourism outcomes.

Chapter 5 explores this latter theme further, by investigating how South Africa is produced, imaged and marketed as an international tourism destination by domestic and international producers. This chapter analyses global tourism as interconnected systems of production and consumption, investigating the nature of interplay between producers and consumers. The image that is predominantly sold by international producers – focused on the natural, rather than the cultural components of the South African tourist product – is a continuation of the image established during the apartheid era. This has a developmental impact, moreover, as tourist imaging affects tourist flows. This negates the attempts of the South African government to develop and promote a more encompassing image, one that
is dually aimed at meeting some of the domestic, political and economic objectives of the government, and shore up some of the government’s foreign policy endeavours.

Chapter 6 investigates the overall regulatory framework of the tourism system and the institutions, rules and regimes that set the parameters for tourism production and consumption. The roles of various intergovernmental and other institutional bodies and the effect of these on global tourism and the South African sector are examined. The focus falls on two structures of international governance: the aviation regime, and the effect of increased trade liberalisation under the GATS. Tourism governance is an essential element of the global tourism system. Regulatory institutions have a direct impact on tourism production. This is particularly the case with regard to the international aviation regime. In the case of South Africa, for instance, a protective approach to regulating international airline access does have a constricting effect on flight capacity and affects tourism flows. Like many other developing countries, however, South Africa is attempting to contend with a competitive aviation environment and regulation is an important mechanism for this. Liberalisation under the GATS will have major effects – both positive and negative – on the global tourism system. Developing countries are likely to bear a larger cost with respect to the easing of service trade restrictions.

Chapter 7 focuses on the interlinking between two increasingly significant niches in global development – sport and mega-events. As a sector sport tourism has grown tremendously over the past number of years and has become very important. Yet is only recently that the analysis of the economic extent and political and socio-cultural impacts of sport, has developed into a field of study in its own right. The same can be said for mega-events, which may be regarded as one element of the worldwide business that has developed around the hosting and organising of conferences and exhibitions. Today it is relevant to speak of a mega-events industry, one that is global in scope and characterised by the dominance of a few multinational firms that set production and dissemination agendas. Hosting or bidding to host sport hallmark or mega-events such as the Olympic Games or Soccer or Cricket World Cups have started to be included in the development programmes of many countries, both advanced and developing. The aim is to use sport mega-events to profile countries, to draw foreign investments, stimulate infrastructure development and help expand tourism sectors. South Africa is no exception, and has become one of the leading international sport events destinations on the African continent. Chapter 7 examines the political and other dynamics around mega-events and sport tourism development in South Africa. While many advances have been made, particularly in the country’s successful hosting of a number of major international events, and in its awarding of the rights to host the 2010 FIFA finals, little progress has been made thus far in the development of a cogent sport tourism or events strategy. If unaddressed, this is likely to have negative consequences for the country’s wider sport tourism economy in the longer term.

Chapter 8 summarises the main arguments of the book. It draws together aspects from the case study that are of policy importance to other developing and developed countries, and provides a prognosis for global tourism development.
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Notes

1 It is worth noting here how the image of the explorative, pioneering traveller is a deliberately constructed narrative that emerged out of the interactions of different human groups over different times. It is important to recognise that this narrative has both positive and negative elements, and a social purpose.

2 Briton’s concept of a tourism production system is supply-side focused. It highlights the interplay between different producer groups, and some of the factors and forces that both underlie and govern such interaction. The advantage of such an approach is its ability to discern the diverse components that make up tourism. This enables key actors in tourism to be identified and for the flow of goods, ideas, money, and power to be traced.

3 The orthodox treatment in economics of the relationship between consumers and producers in a market economy attributes primacy to the consumer. In neoclassical economic theory producers compete to produce goods at the lowest possible costs and highest rates of return. Goods are only produced for which there is a demand, defined as the quantity of a good or service that potential buyers are willing and able to buy during a certain period. Demand is determined by the price of the good, the price of related goods, and the income and taste(s) of the actual or potential purchaser. The fact that producers act so as to satisfy the needs and preferences of consumers, impart leverage to consumers in determining the flow of the market (Keat, 1994). This view of the sovereignty of consumers is one that is contested. In one of the stronger counter-views, Herbert Marcuse, in his theory of society postulates that modern capitalist society is characterised by the control of people by producers, who through the use of media and advertising attempt to create and perpetuate mass consumption. According to Marcuse (2001: 83-84), ‘What we have in fact is a highly centralized society, systematically managed from above, in all spheres of culture. This management … works through the control of the huge technical and technological apparatus of production, distribution, and communication; an apparatus which is so huge and so rational that individuals, and even groups of individuals, are powerless against it.’ This control of the masses is necessitated by economic and technological advances that ultimately reduce scarcity. In order to counter this, ‘the very needs of the individual (even his instinctual needs and satisfactions) are manipulated’ (Marcuse, 2001: 85). In a contrasting analysis Abercrombie (1994) contends that in contemporary societies goods are as much consumed by people for their meaning than for satisfying certain needs. Through advertising producers effectively give meaning to goods, what Abercrombie (1994: 51) terms the ‘commodification of meaning’, thus providing them with a degree of power over consumers. Abercrombie argues however that rather than being dominated by producers, consumers respond to, and give their own signification to what they (choose to) purchase.