



Ilia State University
Business School
Level- Bachelor

Syllabus

1.	Title of the Course	Tourism Economics
2.	Length of the Course	1 Semester
3.	Number of Credits	6 Credits 1 Credit=25 Hours
4.	Distribution of Hours	<u>Contact Hours-34:</u> <ul style="list-style-type: none">• Lecture - 13 hrs.• Seminar - 13 hrs.• Midterm Assessment - 2 hrs.• Second midterm Assessment - 2 hrs.• Final Presentation – 4 hrs. <u>Independent Work - 116 hrs.</u> <u>Total: 150 hrs.</u>
5.	Instructor	Dimitri Japaridze , Doctor of Business Administration, Professor. E-mail: japaridze@iliauni.edu.ge
6.	Preconditions for the course	
7.	Course Methodology	<ul style="list-style-type: none">• Verbal Method;• Discussions/Debates;• Case study• Demonstration Method
8.	Course Objectives	<p>The main aim of this course is focused on providing an understanding of the basic concepts about tourism as well as the fundamental role played by tourism in developed and developing countries.</p> <p>The most important aspects of tourism will be analyzed in the course such as sustainability, economic impacts, demand, supply, costs and benefits, social and environmental consequences and tourism as a potential factor to develop destination areas.</p>
9.	Major Topics	<ul style="list-style-type: none">• Explanation of the concepts related to the economics of tourism

		<ul style="list-style-type: none"> • The tourism sector in the economy • The economics of tourism destinations • Demand for Tourism • The microeconomics of tourism • The consumer theory applied to the tourist • Production in tourism • The macroeconomics of tourism • Sustainable tourism • The measurement of tourism
10.	<p>Learning Outcomes and Competencies (General and Field-Related)</p>	<p><u>Field-Related Competencies:</u> Upon completion of the course students are aware of:</p> <ul style="list-style-type: none"> • The legal, organizational and ethical conditions of professional activity in tourism and recreation • The general rules of creation and development forms of tourism entrepreneurship • The contemporary conditions and trends in the development of tourism and recreation in the world • The essence of economics of tourism and its theoretical principles; • The essence of economics of tourism and its theoretical principles; <p><u>General Competencies:</u> Upon completion of the course students have developed ability to:</p> <ul style="list-style-type: none"> • Gain analyze and make use of theoretic or statistical information in the field of tourism economics. • Critically evaluate, analyze and consequently make logical and consistent conclusions about the topics and questions related to the course; • Make effective communication using proper field-related terminology; • Make efficient use of modern information technologies; • Evaluate the learning process; • Keep and consider the field-related ethical norms. • Work in a team, in the different roles, know how to accept and assign tasks, has the elementary organizational skills.

- Think and act entrepreneurial.

11. **Assessment System**

Assessment is within 100 points.

Grade breakdown is as follows:

- (A) 91–100 Excellent
- (B) 81–90 Very Good
- (C) 71–80 Good
- (D) 61–70 Satisfactory
- (E) 51–60 Enough
- (FX) 41–50 Fail, but a student has the right to re-sit the exam only once
- (F) 0-40 Low failure, a student should repeat the course to get the credit.

Assessment Components:

1. **Activity (Participation in Seminars)-20%**
2. **Midterm Assessment/test- 30%**
3. **Second Midterm Assessment/Test - 30 %**
4. **Final Presentation - 20 %**

1. **Activity - 20 points.** Activity basically means frequency and quality of student participation in discussions during the seminars.

Points are distributed as follows:

- **15-20 points** Student revealed thorough knowledge of the topic and essential course material. Participation in the debates was significant; his/her answers were always adequate and extensive. In the discussions his/her ability of critical thinking and formulating logical conclusions were evident.
- **10-14 points** - During the seminar student often revealed thorough knowledge of the topic and essential course material.
Participation in the debates was often significant; his/her answers were often adequate and extensive. In the discussions his/her ability of critical thinking and formulating logical conclusions were often evident.
- **5-9 points** –During the seminar student rarely revealed thorough knowledge of the topic and essential course material.
Participation in the debates was rarely significant; his/her answers were rarely adequate and extensive. In the

		<p>discussions his/her ability of critical thinking and formulating logical conclusions were rarely evident.</p> <ul style="list-style-type: none"> • 1-4 points - During the seminar student almost never revealed thorough knowledge of the topic and essential course material. Participation in the debates was of extremely rare significance; his/her answers were almost never adequate and extensive. In the discussions his/her ability of critical thinking and formulating logical conclusions were almost never evident. • 0 point - A student almost never has taken part in the discussions. <p>2. Midterm Assessment(Test) – 30 points. Test comprises 3 open (max. 20 points) and 10 closed questions (max. 10 points)</p> <p>3. Presentation - 20 points. -Students have to make a presentation about any of the essential issues of the Tourism Economics.</p> <p><u>Points are Distributed as follows:</u></p> <ul style="list-style-type: none"> • 15-20 points - Structurally the presentation is consistent. The subject is depicted accurately and exhaustively; Terminology adequately considered; arguments accurate; a student is thoroughly aware of the course material; discourse about the topic is consistent; makes effective use of wide variety of visuals and can make effective communication with the audience by involving it in the presentation sequence and managing and handling the whole process successfully. • 10-14 points - Structurally the presentation is consistent. The subject is mostly depicted accurately and exhaustively; Terminology is mostly considered; arguments accurate; a student is well aware of the course material; discourse about the topic is consistent; makes effective use of wide variety of visuals and can make communication with the audience by involving it in the presentation sequence and managing and handling the whole process effectively.
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		<ul style="list-style-type: none"> • 5-9 points - Structurally the presentation is sufficiently consistent. The subject is depicted quite accurately and exhaustively; Terminology is considered; most arguments are accurate; a student awareness of the course as well as additional material is sufficient; discourse about the topic is quite consistent; visuals used are satisfactory; communication with the audience and managing and handling the whole process of the presentation is also satisfactory. • 1-4 points - Structurally the presentation is partially consistent. The subject is depicted exhaustively; Poor terminology used; most arguments are inaccurate; a student awareness of the course as well as additional material is partial; discourse rarely deals with the essence of the topic; rare use of visuals; communication with the audience and managing and handling the whole process of the presentation is also partial. • 0-point – A student has not done presentation <p>4. Final Assessment (Test) – 30 points.</p> <p>The test comprises open and closed questions. Closed questions take 1 point whereas open questions take 2 points:</p> <p>2 points – the answer is extended, convincing, thorough, well-reasoned, original, interesting and perfect.</p> <p>1.5 points – the answer is extended, convincing and thorough though lacks some significant information.</p> <p>1 point – the answer is quite extended but superficial.</p> <p>0.5 – point – the answer gives only general description of facts; imperfections are traced.</p> <p>0 point – the answer is completely incorrect.</p>
12.	Literature and other Resources	<p><u>Major Literature:</u></p> <ul style="list-style-type: none"> • The Economics of Recreation, Leisure and Tourism, John Tribe, 2011. • The Economics of Tourism Destinations, Guido Candela, Paolo Figini, Springer-Verlag Berlin Heidelberg 2012. • Tourism Economy and Planning, David L. Edgell, Elsevier, 2008.

		<p><u>Additional Literature:</u></p> <ul style="list-style-type: none"> • The Economics of Tourism Destinations, Norbert Vanhove, Elsevier Limited, 2005 • Global Tourism, Edited by William F. Theobald, Elsevier Inc., 2005.
13.	Topics According to Weeks	Literature
	<p><u>Week 1.</u></p> <p>Lecture - 1 hr.</p> <p><i>The economics of recreation, leisure and tourism</i></p> <p>The chapter discusses the scope of recreation, leisure and tourism and techniques of economics are outlined. The final part of the chapter explains how the study area of recreation, leisure and tourism can be analysed using economic techniques</p> <p>Seminar - 1 hr. discussion</p> <ul style="list-style-type: none"> • The importance of the recreation, leisure and tourism industries to national economies. • Why these industries provide so many new jobs. • The globalization of recreation and leisure. <p><u>Week 2.</u></p> <p>Lecture - 1 hr</p> <p><i>Recreation, leisure and tourism organizations</i></p> <p>The behavior of organizations in the recreation, leisure and tourism sector.</p>	<p><i>Major reading:</i></p> <p>The Economics of Recreation, Leisure and Tourism, John Tribe, pp. 2-24.</p> <p><i>Major reading:</i></p> <p>The Economics of Recreation, Leisure and Tourism, John Tribe, pp. 27-47.</p>

<p>distinctions between public and private sector organizations, differences in finance, control, structure and objectives of organizations.</p> <p>Seminar 1 hr., case study - Virgin Group</p> <p><u>Week 3.</u></p> <p>Lecture - 1 hr</p> <p><i>The market for recreation, leisure and tourism products</i></p> <p>This chapter investigates how price is formed in the tourism service market, what are the factors which determine the demand for and the supply of a good or service and how the forces of demand and supply interact to determine price.</p> <p>Seminar - 1 hr., case study:</p> <p>German demand for tourism in Spain</p> <p><u>Week 4.</u></p> <p>Lecture - 1 hr.</p> <p><i>Demand: time-preference, elasticity and forecasting</i></p> <p>The chapter looks in more detail at demand, considers the choice between leisure and work and explores whether we are becoming a Leisure Society.</p> <p>Various concepts of demand elasticity are explained, and the importance of these concepts to the recreation, leisure and tourism sector examined. Also some techniques of demand forecasting, their uses and shortcomings are analyzed.</p>	<p>Article for case study</p> <p><i>Major reading:</i></p> <p>The Economics of Recreation, Leisure and Tourism, John Tribe, pp. 50-71.</p> <p>Article for case study: German demand for tourism in Spain</p> <p><i>Major reading:</i></p> <p>The Economics of Recreation, Leisure and Tourism, John Tribe, pp. 80 - 98.</p>
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Seminar - 1hr., discussion - Teleworking.

Week 5.

Lecture - 1 hr.

Supply and costs

The chapter investigates how easily the supply of leisure and tourism products is able to respond to changes in demand, using the concept of elasticity. It also seeks how an organization's costs respond to changes in output and distinguishes between private costs and social or external costs.

Seminar - 1 hr. discussion

- Distinguish between private costs and social costs in the provision of air travel.
- How elastic is the supply of a hotel rooms, theatre seats, package holidays?
- Distinguish between vertical and horizontal integration.

Week 6.

Lecture - 1 hr.

Market structure and pricing

This chapter investigates how prices are determined in the real world, how and why firms come to be price takers, price makers or price shapers. It also analyses the pricing strategies that result from different market situations.

Seminar - 1 hr. discussion

Major reading:

The Economics of Recreation, Leisure and Tourism, John Tribe,
pp. 122 - 143.

Major reading:

The Economics of Recreation, Leisure and Tourism, John Tribe,
pp. 126 - 143.

<p>Ups and downs of cross-Channel prices</p> <p><u>Week 7.</u></p> <p><i>Midterm Assessment (Test)</i></p> <p><u>Week 8.</u></p> <p>Lecture - 1 hr.</p> <p>The competitive, technological, political and socio-cultural environment.</p> <p>The environment is constantly changing. It is this constant change that makes environment scanning important for recreation, leisure, tourism and other organizations. Organizations that remain static in a dynamic environment experience strategic drift and are likely to fail. The chapter interprets the competitive, technological, political and socio-cultural environments.</p> <p>Seminar - 1 hr. discussion</p> <p>Strategic impact of internet on tourism industry</p> <p><u>Week 9.</u></p> <p>Lecture - 1 hr.</p> <p>The economic environment</p> <p>National economies are characterized by upswings and downswings. The chapter exhibits the variables in the economy that affect leisure and tourism organizations and the causes of changes in these variables.</p> <p>Seminar - 1hr., case study</p> <p>Impacts of the world recession and</p>	<p><i>Major reading:</i></p> <p>The Economics of Recreation, Leisure and Tourism, John Tribe, pp. 174 - 203.</p> <p>Article for discussion: Strategic impact of internet on tourism industry</p> <p><i>Major reading:</i></p> <p>The Economics of Recreation, Leisure and Tourism, John Tribe, pp. 206 - 229.</p> <p>Article for discussion: Impacts of the world recession and</p>
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<p>economic crisis on tourism: North America</p> <p><u>Week 10.</u></p> <p>Lecture - 1 hr.</p> <p>Investments in the private sector</p> <p>This chapter seeks to define the meaning of investment and considers how potential investment projects are appraised and stress the shortcomings of quantitative techniques.</p> <p>Seminar- 1hr., discussion</p> <p>Lifestyle Entrepreneurs: Insights into Blackpool's Small Hotel Sector</p> <p><u>Week 11.</u></p> <p>Economic development and regeneration</p> <p>Lecture 1 hr.</p> <p>Recreation, leisure and tourism can contribute to the long-term growth of economies and to the regeneration of areas affected by structural change.</p> <p>case studies demonstrate how leisure and tourism have contributed to economic growth in developed countries such as France, Japan and Spain.</p> <p>The special problems of growth and development in less-developed countries are examined. Case studies of China and Vietnam are used to illustrate the role of leisure and tourism in such development</p> <p>Seminar - 1hr., discussion</p>	<p>economic crisis on tourism: North America</p> <p><i>Major reading:</i></p> <p>The Economics of Recreation, Leisure and Tourism, John Tribe, pp. 238 - 253.</p> <p>Article for discussion: Lifestyle Entrepreneurs - Insights into Blackpool's Small Hotel Sector</p> <p><i>Major reading:</i></p> <p>The Economics of Recreation, Leisure and Tourism, John Tribe, pp. 306 - 330.</p>
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<p>Leisure and tourism development in France</p> <p><u>Week 12.</u></p> <p>The Balance of Payments and Exchange Rate</p> <p>Lecture - 1hr.</p> <p>In addition to contributing of the recreation, leisure and tourism sector to the level of national income, it also contributes at the international level to a country's balance of payments.</p> <p>The balance of payments records export earnings and import expenditure. The exchange rate of a country's currency is inextricably linked with the balance of payments.</p> <p>Seminar - 1hr., discussion</p> <p>The arguments for free trade, the role of the WTO and General Agreement on Trade in Services (GATS); The significance of exchange rates to recreation, leisure and tourism organizations;</p> <p><u>Week 13.</u></p> <p>Globalization</p> <p>Lecture - 1 hr.</p> <p>The globalization of the economic environment promoted goods and services to being increasingly produced and sold across national economic boundaries.</p>	<p><i>Major reading:</i></p> <p>The Economics of Recreation, Leisure and Tourism, John Tribe, pp. 336 - 358.</p> <p><i>Major reading:</i></p> <p>The Economics of Recreation, Leisure and Tourism, John Tribe,</p>
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<p>This chapter examines the rise of globalization and the multinational enterprises (MNE) and analyses the motives for multinational operations as well as the effects of MNEs on consumers, parent countries and host countries.</p> <p>Seminar - 1 hr., discussion</p> <p>Stages in economic globalization of tourism.</p> <p><u>Week 14</u></p> <p>Environmental impacts</p> <p>The chapter examines the issues raised by environmental economics, involving a wider view of the impact of economic development and growth, taking into account well-being rather than just measuring how much richer people become in monetary terms. It also develops theoretical ground for understanding environmental economics as applied to leisure and tourism.</p> <p>Seminar - 1hr., discussion</p> <p>Fasten your seat belts and prepare for unsustainable take-off</p> <p><u>Week 15.</u></p> <p><i>Midterm Assessment (Test)</i></p> <p><u>Week 16.</u></p> <p><i>Final Presentation</i></p>	<p><i>pp. 362 - 383.</i></p> <p>Article for discussion: Stages in economic globalization of tourism.</p> <p><i>Major reading:</i></p> <p>The Economics of Recreation, Leisure and Tourism, John Tribe, <i>pp. 397 - 383.</i></p>
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Competency Mapping

Knowledge and Awareness	Application of knowledge and Practical Skills	Inference Skills	Communication Skills	Learning Skill	Values
X	X	X	X	X	X