

Lecture 13:

COVID-19 and the future of tourism



Outline of the lecture

- Time-space compression and tourism development after WWII
- COVID-19 and its impacts on tourism
- Wither the tourism industry post-COVID-19?



Major changes after WWII (1)

Two major forces shaped the economic relations across the world after WWII:

1. The development of advanced communication and transportation technologies (so-called space-shrinking technologies)

➔ *Intensified the exchange of knowledge and information and fostered the cross-border movement of goods and people to unprecedented levels.*

2. The neoliberal agenda

➔ *Fostered a gradual withdrawal of the state from economic activity, sparked an elimination of barriers to foreign direct investment and stimulated increased liberalisation of international trade.*

(Agnew 2001, Dicken 2011, Dodgshon 1999, Harvey 1990, Warf 2011)

Major changes after WWII (2)

➔ Slide 7 from the Economic Geography lecture 4:

The broader context after WWII

- After WWII the global economic and political context significantly changed
- The growing worldwide economic integration (e.g. the gradual relaxation of national policies towards foreign firms, fewer barriers to trade, etc.) encouraged firms from capitalist industrialised countries to expand abroad
- The further advances in mass communication and transport fostered these processes even more
- Many large companies started relocating production abroad
- The relocation of some parts of the production process elsewhere led to the emergence of large multi-divisional firms
- This fostered increased business consolidation when smaller firms were acquired by or voluntarily merged to create larger companies

(Bryson and Henry 2005, MacKinnon and Cumbers 2011, Wright 2002)

The concept of time-space compression

- Relative distances between places have markedly shrunk
- Societies have been stretched across space and time
- The pace of life has increased
- The significance of spatial barriers to economic, social, cultural and political relations has largely diminished
- The world has become more interconnected than even before

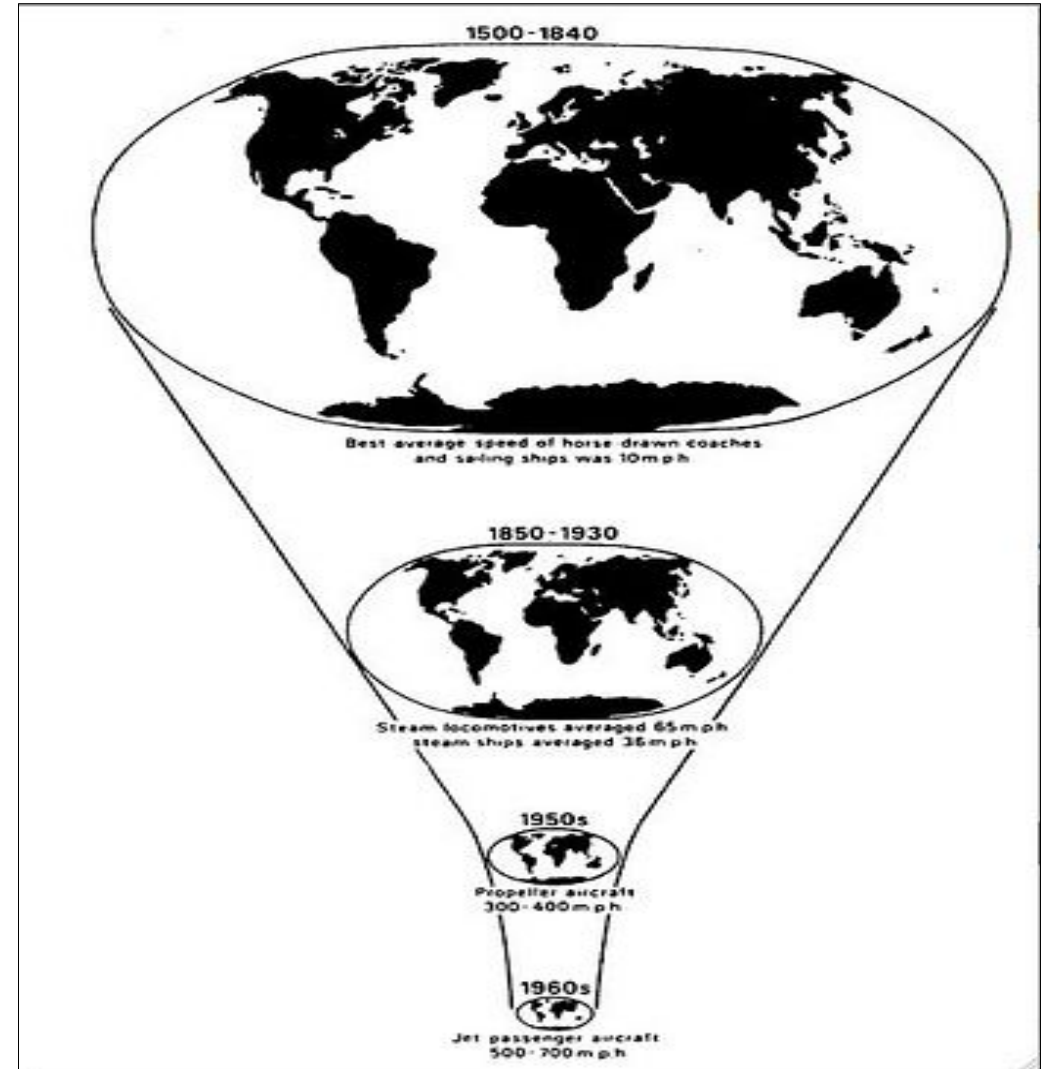
(Agnew 2001, Dicken 2011, Dodgshon 1999, Harvey 1990, Warf 2011)

***No major force has effectively challenged or reversed these processes...
(...until now)***

Time-space compression

A shrinking world according to David Harvey...

Source: Harvey (1990, p. 241)



Mass tourism as an outcome of time-space compression

The same two forces gave rise to mass tourism and the global tourism production system:

1. The revolutionary advancements in transport (mainly the jet aircraft)

➔ *Fostered the increase in international tourist traffic.*

2. The cross-border expansion of capitalist relations and the dominant logic of capitalist accumulation

➔ *Allowed tourism-related corporations to expand internationally and many places to be drawn into the tourism nexus, thus letting the tourism production system gain a global extent.*

(Mowforth and Munt 2009, Williams 2009)

International tourist trips (pre-COVID-19)



Source: Own elaboration on the basis of UNWTO (2010, 2014, 2018, 2019)

COVID-19 and its impacts on tourism (1)

- Various extra-ordinary measures undertaken by ***national*** governments to stop the plague have freezed (or reversed) time-space compression:
 - National borders were closed (some still are)
 - Cross-border movement of people was stopped and is still limited
 - International transportation was suspended and is still limited

As a result:

- ➔ Geographical barriers have re-emerged
- ➔ Relative distances have increased
- ➔ Remote places have again become remote



Coronavirus: US to suspend all UK and Ireland travel

Vice-President Mike Pence confirms the US will suspend travel from the US to the UK after 00:00 Eastern time on Tuesday (04:00 GMT).

He said US citizens and US legal residents would still be able to return to the US from those countries after the ban came into effect.

They would be "funnelled through specific airports" and told to self-quarantine, he said.

14 Mar 2020



(BBC 2020a, BBC 2020b)

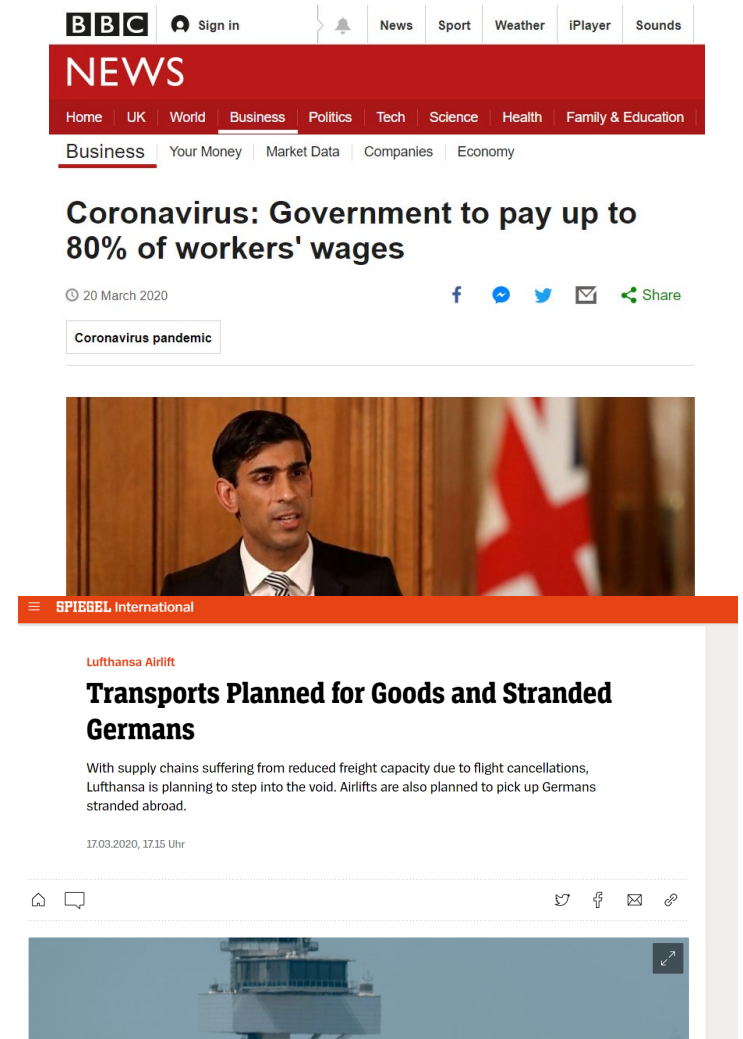
COVID-19 and its impacts on tourism (2)

- The market is proving incapable of resolving the crisis
- COVID-19 has undermined the neoliberal agenda and exposed the limits of the neoliberal orthodoxy

As a result, we see a stronger revival of the nation state than during the financial crisis of 2009 (*Dicken 2011*):

- Brave and far-reaching anti-crisis packages for workers and businesses proposed by ***national*** governments
- Higher levels of reliance on various strategic (often ***state-controlled***) industries (not to mention the unquestionable importance of public health services...)
- Border controls

(*BBC 2020c, Lent 2020, Spiegel International 2020*)



Economic impacts of COVID-19 on the tourism industry

- In May 2020 UNWTO predicted three different scenarios for 2020 depending on when international travel restrictions are relaxed:
 - If July 2020 → expected decrease by 58% → (X)
 - If September 2020 → expected decrease by 70% → (X)
 - If December 2020 → expected decrease by 78% → (V ?)
- This translates into:
 - A decrease in tourist trips by 850-1100 milion
 - A loss of US\$ 0.91-1.20 trillion in export revenues
 - 100-120 milion tourism-related jobs at risk
- This is the worst crisis the tourism industry has ever experienced
- A (full) recovery expected in 2021... (really... !?!?!)

(www.unwto.org, 2020)



(Neate 2020)

International tourist trips (COVID-19)



Source: Own elaboration on the basis of UNWTO (2010, 2014, 2018, 2019, www.unwto.org)

Tourism reset... ?

- All key forces stimulating the development of tourism have been suppressed
- The ease of international travel – one of the comforts of modern life – has had to be restricted as the main factor facilitating the pandemic
- International restrictions have been followed by domestic restrictions:
 - Mass events have been banned
 - Hotels, restaurants and tourist attractions were closed and their operations are still limited
 - Lockdowns and other measures still restrict domestic travel
- As a result, tourism as we knew it last year has ceased to exist
- The tourism system is now experiencing a re-boot (*Lew et al. 2020*)
- **How and when will tourism recover after the crisis remains one of the most important questions... → Two general scenarios**

Whither the tourism industry? (1)

Scenario 1: Full (or almost full) resilience – back to ‘business as usual’

- ➔ Nothing will change and we will go back to normal as soon as possible to achieve a full recovery in 2021
- ➔ A commonly adopted strategy by various destinations (Nicolas 2020) and, indirectly, by many governments who offer subsidies and financial help without any conditions attached (with exceptions)
- ➔ Justified with the urgent, immediate need to save businesses, jobs and livelihoods
- ➔ Just like after the terrorist attacks of 2001 and after the financial crisis of 2009, the take-up of sustainable actions, policies and solutions is likely to be very slow
- ➔ Will the dominant capitalist logic be maintained and pre-crisis capitalist relations restored?

(Benjamin et al. 2020, Brouder, 2020; Ioannides and Gyimothy, 2020, Niewiadomski 2020, Prideaux et al. 2020)

Whither the tourism industry? (2)

Scenario 2: A comprehensive re-boot of the global tourism system towards more sustainable forms of tourism

- ➔ A unique, unrepeatable opportunity!
- ➔ “The world had to stop in order not to fall” (*author unknown, 2020*)
- ➔ Wishful thinking (???)
- ➔ Many calls and ambitious plans but no concrete action (!)
- ➔ Will tourism embark on a path of climate-change-driven transformation or will a shift to a low-carbon tourism economy again be deferred?
- ➔ Will ‘sustainable tourism’ be again pushed down the list of priorities given that the need to address climate change is deemed less immediate than the need to restore the economy?

(Benjamin et al. 2020, Brouder, 2020; Ioannides and Gyimothy, 2020, Niewiadomski 2020, Prideaux et al. 2020)

Towards more sustainable forms of tourism...?

- “[...] there is an opportunity to take advantage of the current crisis to reinvent the tourism of tomorrow - towards a more sustainable, resilient and innovative sector” (*Thierry Breton, EU Commissioner, in: Nicolas 2020*)
- UN SDGs are a good starting point
- How to do away with the ‘dark sides’ of tourism (i.e. environmental degradation, overcrowding, economic exploitation, etc.?)
- “We should question the logic of handing out bailouts to companies (e.g., airlines and cruise lines) that are notorious for their dubious and, sometimes outright unethical, business practices when it comes to complying with guidelines on issues such as the environment or workers’ rights.” (*Ioannides & Gyimothy 2020, p. 6*)



(*Monbiot 2020*)

The Tbilisi Declaration

➔ Signed in September 2020 by representatives of the national tourism administrations of the Members of the Executive Council of the World Tourism Organization (WTO) who agreed that:

“[t]he crisis is an opportunity to rethink how tourism interacts with our societies, other economic sectors and our natural and cultural resources and ecosystems, to measure and manage it better, ensuring a fair distribution of its benefits, to advance the transition towards a carbon-neutral, more resilient and inclusive tourism economy.”

(unwto.org, 2020)



A philosophical reset?

***“We can't return to normal,
because the normal we had
was exactly the problem”***

(Street graffiti, Hong Kong, 2020)



Summary and conclusions

- The same forces that drove time-space compression after WWII fostered the development of mass tourism and the global tourism production system
- These forces remained unchallenged until now – the COVID-19 pandemic in 2020
- As a result, tourism as we knew it last year has ceased to exist and its future is now widely debated
- Two scenarios are being considered – will we go back to the old unsustainable normal or will we build a new sustainable normal
- While there are reasons to be pessimistic, it is a unique opportunity to do away with the various 'dark sides' of tourism

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