**TAL021-1 Understanding Tourism and Hospitality**

**Assessment Two: Impacts of Tourism Case Study**

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# 1.0 Introduction

This report discusses the impact of tourism across different macro-environmental dimensions of a destination site, such as a country. For this discussion, the impact of tourism will be determined through the instance of Dubai. The impact will be quantified across the macro-environmental dimensions of social, cultural, environmental and economic domains. These are defined accordingly by the UN WTO's principles on sustainable tourism (UNWTO, 2023), thereby presenting an accurate context for performing a macro-environmental analysis of the impact of tourism.

# 2.0 Impact of Rise in Tourism on Dubai

## 2.1 Social Impact

Firstly, the participation of foreign tourists, visitors and expatriate workers increased the cultural exchange participation of local community members in Dubai. This is expressed through instances such as new experiences in enjoying food, entertainment and fashion. The exposure to the sentiments of expatriates and international visitors also increases the self-perception of local community members, who develop a keener sense of pride and awareness of sharing their culture and experiencing their religion and language with visitors. This is evidenced by the participation of NGOs like SMCCU in Dubai (The National, 2023).

Secondly, a negative social impact is perceived as the ill-behaviour of tourists who are visiting Dubai. This is expressed through their habits such as swearing in public, smoking, and engaging in alcohol consumption which is against the local cultural beliefs (Turak, 2023). This was also expressed as a materialistic transformation of Dubai that erodes the Emirati customs and identity that was preserved before global tourism exposure and engagement, such as removing the 30% alcohol tax to promote tourism participation (Turak, 2023).

## 2.2 Cultural impact

Firstly, the generational gap among residents in Dubai has been impacted by the influence of Westernisation and its cultural practices that are disseminated through the interaction of foreign visitors. This in turn creates a greater cultural gap between different generations of family members, resulting in a degradation of the local family unit (Swan, 2013).

Secondly, while tourism has created the aforementioned negative cultural impact, it has also increased the quality of life of local community members by increasing their awareness of different hobbies and practices. Through global tourism engagement, the cultural practices allowed for more recreational and leisurely activities to be shown to local community members, thereby resulting in their increased satisfaction through interactions with tourists.

Thirdly, a positive cultural impact is identified in the greater public consciousness and awareness of Dubai through its unique architecture such as the Burj Khalifa skyscraper. This building is featured prominently in Hollywood movie productions such as Mission Impossible - Ghost Protocol, which featured an extended stunt sequence on the upper floors of the building (Zeitchik, 2011). This increased the cultural capital value of the building beyond its utilitarian functioning, thereby creating positive cultural exposure of Dubai to global entertainment consumers (Zeitchik, 2011).

## 2.3 Environmental impact

Firstly, the environmental sustainability of Dubai has been negatively impacted by the development of tourism activities in the country. This is evidenced through instances such as the development of the palm islands, which has eroded the quality of marine life in the adjacent ocean (Butler, 2005). The economic growth of Dubai combined with the competitive performance of infrastructural development has seen environmental sustainability be sidelined in favour of big projects of growth that establish Dubai in the global consciousness, thereby illustrating how environmental degradation can happen through competitive globalisation-driven development (Hazbun, 2008). Other environmental consequences include a reduction in the fish population and the erosion of local coral reefs in the environment (Ben-Romdhane et al., 2020).

## 2.4 Economic impact

Firstly, the economic impact of tourism on Dubai is among the largest positive macro-environmental impacts noted in this analysis. This is because tourism accounts for a strong portion of the net GDP of Dubai, which was revised from 6.5% to 7.6% in 2022 based on a resurgence in tourism participation alone (Bhutia, 2022). Tourism generates revenue for local community members which secures their participation as consumers in the economy, allowing them to experience a higher quality of life through material purchases. It results in the creation of new jobs across the economy, as tourism itself involves diverse sub-groups and niche categories of tourism activity. For instance, adventure tourism is conducted in Dubai through activities such as quad biking across desert areas (Tabrez, 2022). This takes advantage of local unique qualities and develops tourism engagement through the participation of local community members, thereby creating new jobs in the economy.

Secondly, tourism participation results in the creation of new infrastructure that is sustained by the spending of tourists (Peter and Anandkumar, 2016). This sees stakeholders including the government and private contractors come together to create new infrastructure projects that benefit tourists and local community members alike. For instance, the Al Maktoum international airport and the Dubai Metro increase travelling and public commuting opportunities for local and foreign people (TradeArabia, 2023). Other developments such as new hotels, shopping malls and places of interest contribute to the economic growth of Dubai (Peter and Anandkumar, 2016).

Thirdly, a negative economic impact is noted in the increase of local land or real estate prices due to inflation caused by tourism participation. This results in increased prices for essentials such as renting and owning property for local community members, thereby increasing their economic burden and increasing their expenses in such a manner (www.dubaihousing-ae.com, 2023).

# 3.0 Conclusion

This report analysed the rise in tourism and hospitality through the macro-environmental dimensions of Dubai. The findings determined that tourism has ultimately created a net positive impact in Dubai, by stimulating its economic development and increasing the quality of life of local community members. Moreover, the cultural awareness of Dubai results in creating a more attractive image of the destination site in the global tourism consciousness, which increases the local community’s cultural pride in seeing Dubai’s landmarks such as Burj Khalifa being recognised for its uniqueness and ubiquitous association with a modern image of Dubai.

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