Irkutsk State University

Tourism Economics

Academic Year 2016

Pre-experience Undergraduate Program

Instructor: Vladimir Otrachshenko

Profile

Vladimir Otrachshenko holds a PhD in Economics from NOVA School of Business and Economics, Lisbon, Portugal. Currently he is a research fellow at NOVA School of Business and Economics in Lisbon, Portugal. Previously he was working at the Fondazione Eni Enrico Mattei in Venice, Italy. Research interests include Environmental Economics, Economic Valuation of Public Goods, Health Economics, Environmental Economics, Tourism Economics, quality of life, applied microeconomics, and microeconometric analysis. He was also teaching in Venice International University, Italy, and University of Regensburg, Germany, at undergraduate, master, and PhD levels. He has published in peer-reviewed journals such as Environmental and Resource Economics, Land Economics, Journal of Socio-Economics, European Journal of Political Economy, and Tourism Economics.

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Course Aims and Objectives

This course introduces some key topics in Tourism Economics. It is designed to help students understand the importance of tourism and the travel industry. This course examines economic applications to tourism and its different segments such as transportation, accommodations, food, attractions from both international and domestic perspectives. Benefits and costs of the tourism industry to host communities will be discussed and examined. To apply key economic concepts, students will also be introduced to the statistical software STATA.

This course starts in October 24, 2016 and ends in November 19 from Monday to Friday. This course contains mix of lectures and practical exercises. The practical exercises will be solved in groups. The expected number of students is up to 50.

Learning Outcomes

Upon completion of the course unit, students will be able to demonstrate an understanding of a fundamental knowledge of economic concepts and analytical techniques applied to tourism.

in terms of knowledge and understanding

- demostrate a knoweledge of tourism, defenitions, concepts and models
- demostrate a knoweledge of tourism development and trends
- understand the cental issues in tourism to which economic analysis can be applied
- analyze the economic impact of tourism

in terms of subject-specific skills

- relate economic theories and concepts to study travel and tourism
- understand the effects of economic conditions and change on tourism
- analyze and interpret the economic impact of tourism activities

in terms of general skills

- formulate and demonstrate how economic concepts and principles can applied to tourism.

Course Content

The proposed programme consists of several separate lectures and practical sessions:

1) Introduction to Tourism Economics
   - What is tourism?
   - What is tourism economics?
   - Tourism demand and supply
   - Forecasting tourism demand

2) The economic contribution and economic impacts of tourism
   - The economic contribution of tourism
   - The economic impacts of tourism
     o Direct effects
     o Indirect effects
     o Induced effects
   - The cost and benefit of tourism

3) Cost-Benefit Analysis (CBA)
   - When to use CBA
   - The main steps of CBA
   - Cost-Effectiveness Analysis
   - Application of CBA

4) Tourism Investment
   - Investments by firms
   - Investing in tourism infrastructure

5) Tourism and the Environment
   - Market failure
   - Environmental preservation vs. development
   - Impacts of tourism on the environment (Use/non-use value)
   - Estimating the non-use value of environmental amenities

6) Destination Competivness
   - Factors of destination competivness
   - Event tourism and its impact on local communities
   - Savety and security

Lectures

▪ *One 90 minute lectures*

While lectures cover the core material, it is important that students supplement classroom time with pre-class preparation, through independent study. Background reading is expected.

Assessment

Students will be assessed on attendance (45%) , and final exam (55%). The final grade for this course is "Passed/Failed". To pass this course at least 50% is required.

Office hours are by an appointment in Bulvar Gagarina, 20, room #322.

Requirements
It is expected that students are familiar with the basic level of Statistics and Microeconomics.

Bibliography

D. Buhalis and C. Costa (2006), Tourism Management Dynamics: Trends, Management, and Tools, Published by Elsevier Ltd.

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S.J. Page (2011), Tourism Management: An Introduction, 4th edition, Published by Elsevier Ltd.

C.R. Goeldner and J.R.B. Ritchie (2012), *Tourism*, 12th edition, Published by John Wiley & Sons, Inc.,

Hoboken, New Jersey.

Getz, D., (2008). Event tourism: Definition, evolution, and research. Tourism Management 29, 403-428.

Getz, D. and Page, S.J. (2016). Progress and prospects for event tourism research. Tourism Management 52, 593-631.

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coastal tourism demand. Tourism Economics, forthcoming.

M.A. Cunha-e-Sá, R. Freitas, L. C. Nunes, and V. Otrachshenko (2016), Recognizing Natural Uniqueness: The Case of the "Big Waves" in Nazaré, mimeo.

ᵃ This book is a mandatory book.

Resources

Lecture presentation slides will be available.