Tourism economics: a discipline of economics
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In identifying the content of a discipline, we find, in the literature, both “de facto” definitions and definitions which meet epistemological criteria:1

“Three main paths are available for delineating the subject matter [of a discipline].

i) The historical, whereby we seek through study of the classic writing to find the central traditional concerns and interests [of a discipline] as an intellectual discipline. In brief, we ask: “What did the founding fathers say?” ii) The empirical, whereby we study current work [of a discipline] to discover those subjects to which the discipline gives most attention. In other words, we ask: “What are contemporary scholars [of a discipline] doing?” iii) The analytical, whereby we arbitrarily divide and delimit some larger subject matter and allocate it among different disciplines. We ask, in effect: “What does reason suggest?” (Inkeles, 1964, pp. 2).

Accordingly, when answering the question as to whether a complex of studies is a discipline (that is to say, an autonomous form of knowledge) or a field of study (where knowledge from different disciplines meets), both empirical and analytical answers can be found.

A de facto discipline could be considered to exist if it is recognized by a community which guarantees its communication and habits and which develops its values and research (King and Brownell, 1966).

A scientific discipline, on the other hand, might be considered to exist if it satisfies the conditions under which the philosophy of science recognizes a discipline of scientific knowledge. If the response is positive, one can conclude that one is not dealing with a field of study but with: “a distinct way in which our experience becomes structured around the use of accepted public symbols” (Hirst, 1974, p. 44).

What happens if the object of study is tourism? At the threshold of the twenty-first century, we feel confident in affirming that tourism is a de facto discipline, since there exists a community which is specialized in studying it:

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1 From an empirical perspective, for example, Economics could be defined as all that with which economists occupy themselves, whereas, from an analytical perspective, the most cited definition is by Lionel Robbins (1932): “human activity aimed at achieving a variety of ends, with scarce resources that have alternative uses, and according to the principle of the minimum sacrifice”. For other analytical definitions, see Fraser (1949).
“Tourism as a subject is showing signs of maturity with a growing academic community, increasing numbers of both journals and textbooks which are becoming specialised rather than all-embracing, and a number of international societies both internationally and within individual countries” (Cooper et al., 2008, p. 5).

There are, in fact, schools and departments which are dedicated to training and research in the field of tourism; a network for communicating the results, with international associations which stimulate research and circulate results in national and international conferences; and there exist a number of research journals which are specialized rather than popular in nature and which strictly adhere to international peer-review practices in their selection criteria. There is, however, more uncertainty when trying to answer the question as to whether tourism is a scientific discipline. Only five years ago, John Tribe posed this very question in a well-known work, and came to a negative conclusion: “Tourism is found not to be a discipline” (Tribe, 2004, p. 48).

According to Tribe, from an epistemological point of view, tourism is only a field of study, albeit an important, popular and widespread one.

We consider Tribe’s answer to be correct, but think that the question of asking whether tourism is a discipline is wrong from an epistemological point of view. The fact that, in the literature, we find supporters of every possible response can be considered the proof: while Leiper argues that tourism is a discipline of science (Leiper, 1981, 2000; but see also Ryan, 1997), and Hoerner (2000) gives it the name tourismology, Gunn, by contrast, classifies it as a field of study (Gunn, 1987). Moreover, there are also those who find it to be in an intermediate condition, awaiting developments:

“While tourism rightly constitutes a domain of study, at the moment it lacks the level of theoretical underpinning which would allow it to become a discipline” (Cooper et al., 2008, p. 5).

Where we find agreement is in the idea that tourism is a study which involves different sciences, but once again, the way in which this happens leads to divisions. Some talk of an interdisciplinary and multidisciplinary approach, arguing that tourism has a uniform terminology and methodology, one which is derived from the discipline of reference (Jantsch, 1972; Przeclawski, 1993), while others suggest an extra-disciplinary approach, saying that tourism has come to evolve its own methodology, beyond the ones of the disciplines of reference.

In our opinion, this confusion stems from the fact that tourism is itself too wide a term, and, moreover, is one which does not have a single meaning or definition, in the same way that the human being, society or nature do not refer to single ideas. In fact, tourism, if correctly understood in a holistic sense, is a cross-section of the society. Lundberg et al. (1995) express this idea very clearly: “Tourism [is] an umbrella concept” (Lundeborg et al., 1995, p. 4).

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2 See, for example: IATE, International Association for Tourism Economics; ATE, Advances in Tourism Economics; SISTUR, Società italiana delle Scienze del turismo (Italian Society for Tourism Sciences) which has recently been founded in Italy.

3 In the economic field, the most important journals are Tourism Economics, Tourism Management, Annals of Tourism Research and International Journal of Tourism Research.
Starting from this statement, it can be immediately affirmed that tourism can not be the object of a single discipline, in the same way that there is not a single discipline which studies the human being (think of biology, psychology etc), the society (consider sociology, political science etc), or the whole of nature (physics, chemistry etc).

Therefore, we must reconsider the question. To this end, we argue that is useful to refer to the division of knowledge into genre disciplines and species disciplines, where the first constitute the great traditions of research to which the second belong. If, with Tribe, we exclude the possibility that tourism is a genre discipline, there remains the possibility that it might be a collection of species disciplines belonging to different genre disciplines.\(^4\)

Returning to the same categories which Tribe refers to (those indicated by Hirst, 1965, 1974; see also Toulmin, 1972; and Donald, 1986), we must therefore ask what characteristics a genre discipline or a species discipline must possess.

According to Hirst, a primary form of knowledge, a discipline, must have the following characteristics:

i) it must possess an interrelated set of concepts upon which the knowledge is developed (the object);

ii) the concepts must assume a distinctive form of logical structure (the method);

iii) the results must be proved, in accordance with an own criterion, in the face of real experience (verifiability and falsification);

iv) the content cannot be further reduced, but must constitute a fundamental “building-block” of knowledge (indivisibility).

These characteristics define a genre discipline, but within one genre, many species discipline can coexist. Therefore, Hirst's same criteria can also be used to define a species discipline, although with a different approach:

a) criteria ii) and iv) are, so to speak, “inherited” from the genre discipline, and therefore do not have to be demonstrated for the species discipline;

b) criteria i) and iii) must, on the contrary, be proved at the species level, showing their own specificity in the object of study, to which corresponds a specific interpretation of the reality.

\(^4\) The proposed subdivision reminds the taxonomic classification of living organisms into various categories, as part of the whole, according to which a dolphin (*Tursiops truncatus*) is a species which belongs to the class of *Mammalia*, genre *Tursiops*, while a tiger shark (*Galeocerbo cuvier*) is a species which belongs to the class of *Chondrichthyes* genre *Galeocerdo*. However, it is possible, because of certain characteristics, to consider together species which may be very distant from a taxonomic point of view and which belong to different classes and genera: if, for example, we consider the fact of living in sea water, the dolphin and the tiger shark can be grouped according to this characteristic, despite belonging to classes and genera which are very distinct from an evolutionary point of view. In this case, biologists talk of the *evolutionary convergence* of the species. In the same way, continuing with the analogy, in addition to the species disciplines we can speak of disciplines of convergence, if defined as unions of different species and genre disciplines.
Having excluded, with Tribe, the possibility that tourism is a genre discipline, yet, we must understand, with regard to condition (b), whether there is room for one or more species disciplines: for example, what is the geography of tourism within geography, the history of tourism within history, the sociology of tourism within sociology, and so on.

Letting each discipline to find its own answer, what can we say about the economics of tourism in relation to economics as a whole? Is it a species discipline or just a field of study?

First of all, we have to consider the type of relationship between economics and tourism economics. To this end, we draw inspiration from the important work of Vilfredo Pareto on mathematical economics (Pareto, 1911). Among the many methodological problems which he faced in this work, Pareto introduced, within the discussion about economic models and the assumptions of the economic equilibrium, an important distinction between pure economics and applied economics.

He began with two statements: i) that in the economic fact there are a great number of constraints which derive from the observation of reality (such as, for example, customs and habits, laws, institutions, the specific nature of the product, tax regimes, unions, associations of producers, and so on); and ii) that economic models differ for the degree of approximation with which these constraints are taken into consideration.

On the basis of these premises, and concentrating on the constraints which are explicitly considered by the economic-mathematical model, Pareto proposed the following distinction:

“Applied economics must study everything; pure economics extracts from this study only the notions of a type which it is useful to analyse” (Pareto, 1911. Own translation).

In this statement, Pareto identifies with great simplicity a fundamentum divisionis which explains the scientific specialization of the various economic disciplines. Before doing anything else, economics, like any other form of scientific knowledge, abstracts and ignores all of the details which are irrelevant for the object of the study. In the real world, however, it has to deal with problems which consider more specific constraints. Economics is concerned with general and primary constraints of the economic fact; the study of the economic fact with more specific assumptions is the content of the various disciplines that are known as applied economics.

So, both because of the major interest in “real world” economic phenomena and because of the more specific object of study, tourism economics undoubtedly belongs to applied economics. We can therefore affirm that tourism economics is to economics what applied economics is to pure economics:

“Matching therefore Pareto’s proposals […], the tourism economics which is proposed in this book is applied economics” (Candela and Fجني, 2003, p. XVI. Own translation). “Tourism is an established area of study in applied economics” (Papatheodorou, 2003, p. 407).
Compared to economics, tourism economics is located with a greater degree of realism nearer to a particular object of study, placing itself within a precise process of specification of assumptions, but still within the realm of economic theory. Therefore, the research carried out in the field of tourism economics is conducted through theories and stating hypotheses in models which have a different degree of abstraction compared to those in economics; moreover, research is carried out with other disciplines, such as statistics and econometrics, for the analysis of empirical observations and in the processing of data.

With reference to the traditional distinction in economics, the contents of tourism economics take in both microeconomics and macroeconomics. The microeconomics of tourism study demand, supply, and the equilibrium of the "tourism market"; the macroeconomics of tourism focus on the analysis of the relationships between economic aggregates. Particularly, they try to define how the whole of the interrelations between production and consumption of tourism goods and services affects the formation of the main macroeconomic measures, such as domestic production, value added, national income, economic growth, employment and the balance of payments.

Furthermore, in tourism economics we replicate the distinction between the positive aspect and the normative aspect of economics: tourism economics tout court deals with the economic phenomena of tourism in their positive content, aiming to study "what is" in tourism destinations, while the economic policy of tourism deals with the economic aspects of tourism in their normative content, aiming to study "what ought to be" in tourism destinations.

However, recognizing that tourism economics is the specific study of particular assumptions rather than of general models does not provide an answer to the question we started from, since specific studies can give rise to either a species discipline or to a field of study of applied economics. Moreover, the applied nature of tourism economics, as compared to economics, still does not confer on it the properties of a species discipline. In so far, as part of economics, it possesses characteristics ii) and iv), that is to say a "method" applied to a "fundamental building-block of knowledge".

However, we have still to consider whether tourism economics possesses characteristic i), that is to say, a specific object of study, and characteristic iii), meaning that its theorems correspond to stylized facts which are specifically observable for tourism. If this would not be the case, tourism economics should be seen as a field of study of applied economics, but if it is possible to demonstrate the autonomous characteristics with respect to the object of study, and to verifiability and falsification, then we must speak of species discipline in the area of applied economics.5

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5 To better specify what this means for the area of economics, let us give an example: the consumer theory, which is concerned with the consumer's choice according to specific constraints is applied economics when compared to general demand theory, which is economics as a whole, but it is a field of study rather than a species discipline. On the other hand, public economics falls within applied economics (D'Albergo, 1952), but, having a precise object of study, the public sector, to which important interpretive and normative theorems of public behaviour are applied, it is also a species discipline.
Let us consider, first, the object of study of tourism economics, by searching for
differences from the object of study of economics itself. There are two issues to be
considered, the tourism product and the tourism destination.

A) The tourism product is a “complex product”, in the sense that is composed by a
set of different goods and services which are demanded by visitors during their
holiday in the destination; in a technical sense, the tourism product is a bundle of
goods and services which are grouped according to the purpose of the purchase,
the holiday. Transport, accommodation, catering, leisure activities, shopping,
natural and artificial resources all belong to this basket, in the many different
combinations which different types of tourists may ask for (Candela and Figini,
2003).

The object of study of economics is, on the other hand, generally identified as a
single good or service, defined according to technological or market criteria.
“There are two criteria suggested in economics for identifying a market, an
industry, or a sector: the technological criterion, which defines the industry or
sector as the set of firms which are similar in terms of the technique of production.
This is a criterion which focuses on the characteristics of the production and of the
good, while ignores the final destination and the use of the output. The market
criterion, in contrast, is based on the type of output; more precisely, it defines the
market according to the degree of similarity, in terms of the possibility of
substituting the good in the eyes of the consumer. From this point of view, very
similar goods identify the same sector or market, while goods which are apparently
similar, but not substitutable in terms of needs, belong to different markets”.
(Candela and Figini, 2003, p. 64. Own translation).

The concept of the bundle of goods is not new in economics, but it is used as a
composite good, with reference to the principle of aggregation, which is useful
both in microeconomic theory (for example, in the consumption theory and in
index numbers) and in macroeconomic theory (for example, in the determination
of the aggregate value of production, income and price indices). In economics,
therefore, the bundle of goods is a functional tool, one of the many in the
economist’s toolbox, but rarely (and never systematically) an object of study in
itself. In tourism economics, on the contrary, the bundle of goods is the object of
study, since the tourism product is a composition of different goods and services
from which particular effects on demand and supply are derived.

B) In economics, production takes place in firms and in sectors that produce goods
and services which are always identified by technological concepts and analysed in
markets in which the only reference to the other firms operating in the same
market is about strategic interaction. Only exceptionally they are considered as
part of economic districts. In tourism economics, on the contrary, production,
measured in terms of the number of overnight stays and arrivals of tourists, is
always attached to a "tourism destination" which is neither a firm nor an industry,
but which represents a mix of companies (producing either goods or services), of
marketing and of public and private support structures. The latter include
shopping, hospitality, entertainment, and infrastructures. The object of study of
tourism economics is hence the destination, not the firm.
“The tourism destination can be considered the centre of a tourism system, in the sense that it is the location and the point of reference for the structures and services necessary to satisfy the needs of tourists. The tourism destination, therefore, always has a geographic dimension, even if its extent may be blurred or evolving. The destination embodies all the elements of tourism in a single concept [...] The destination is the meeting point for all the most important components of the tourism product: it is the place where the companies offer hospitality to tourists, the location of the attractions and other structures that the visitors need, as well as the point where most of the tourism demand is revealed” (Candela and Figini, 2003, p. 79. Own translation).

Given the plurality of tourism products, every single destination can take on a different form through different cultural, economic and environmental alternatives, therefore creating a range of possible destinations: coastal and mountain resorts, historic cities, cities of art, locations of festivals and events, artificial destinations (like Disneyland), places to host conventions and congresses, and so on. While ordering and classifying this variety is an almost hopeless task, it is however possible to recognize that destinations have certain common characteristics which make them suitable as an object of study (Cooper et al., 2008): i) they have an economic value; ii) they pass through different stages of the life-cycle; iii) they are not used only for tourism purposes; and iv) to be successful, all of the various components of the destination must have a coherent quality, coordination, and an organizational structure.

Consequently, we feel able to assert that the concepts of the tourism product as a bundle of goods and services, and of the tourism destination as a systemic mix of firms, constitute the specific object of study of tourism economics, and differ from the main objects of economics: the production process of a firm and the decision process of a consumer. Therefore: Hirst’s first criterion, necessary to define a species discipline, has been satisfied.

There still remains Hirst’s third criterion to consider. We must, therefore, see whether the tourism product as a bundle of services, and the destination as a mix of firms, possess interpretive power which reveals itself through specific theorems, supported by economic models, to demonstrate some the stylized facts of tourism.

C) With regard to the bundle of tourism goods and services, in tourism economics we can demonstrate the Variety Theorem (Andergassen and Candela, 2009). If we define the tourism product as a basket which contains accommodation and a wide variety of local goods, supplied by several firms located in the destination, and if we assume that the tourist has a utility function defined over the length of staying in the destination, consumption of local products, and consumption of non-tourism goods, then the Andergassen-Candela model shows that a tourist’s utility increases with the variety of the local production. This change, moreover, shifts the consumer’s preferences from non-tourism goods to tourism goods, implying a redistribution of the expenditure in the consumer’s budget: it is easy to demonstrate that this change increases the demand for accommodation in the destination, since it offers a tourism product which is now “richer” in local variety.
The variety theorem, therefore, asserts that a destination aimed to increase the variety of local goods and services which are accessible to the tourist (for example, by promoting the development of local companies or by uniting in local tourism districts) increases the tourist’s utility and therefore his/her willingness to pay for the holiday, causing a shift in the tourist’s budget from non-tourism expenses to the tourism product. Naturally, the variety of the tourism product has the effect of supporting the development of the destination, unless there appear problems of externality or environmental sustainability.

Also natural and artificial resources, often offered as public goods, are arguments of the tourist’s utility function, without modifying the tourist’s budget constraint since their use as public goods does not imply any particular expense (Papatheodorou, 2003). We can therefore state that the development of a tourism destination depends both on the variety of the local product offered (due to the effect of the variety theorem) and on the natural resources available in the destination. To conclude, the variety theorem, extended to tourism resources, explains some other stylized facts of tourism: the existence of destinations which mainly develop on the basis of their natural resources, and which have limited local variety (or even on the basis of natural resources alone) as well as destinations which do not have natural resources but which develop their entrepreneurial organization to produce a great variety of local products.

D) In the tourism destination, mix of many activities, a problem of coordination between the different economic agents involved, particularly among the private firms supplying the variety of goods and services which make up the tourism product, might arise. A holiday in the destination is not possible unless both accommodation and complementary goods and services are available to the tourist: think of the tourist with a need for accommodation, catering, transport to and within the destination, and so on. Tourism in the destination may, therefore, be seen as a "permit" to stay, issued by each one of the various companies which offer the several goods and services. The hypothesis of an economic good over which many have property rights is know as a condition of anticommon, a case of ownership fragmentation which is opposite to the common situation. A simple example will help us to understand the reasoning.

Let us assume that in the destination there are only two types of firms: hospitality firms offering accommodation but do not offering meals, and catering firms offering meals but do not offering accommodation. In such situation, a tourist who wishes to stay in the destination should buy services from both firms, while they both individually have the ability to prevent the tourist from staying, by refusing either accommodation or meals. In tourism, where the product is the combined

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6 The common good is a good which property rights are not precisley defined, and is therefore freely available to all (Hardin, 1968). The anticommon, on the other hand, has been introduced by Michelman (1982) and developed by Heller (1998 and 1999). For a clear introduction to the anticommon, see Franzoni (2004).
output of many different firms, this situation can occur very easily (Candela et al., 2008; Candela and Figini, 2009). An external authority, which we can define the destination management, must therefore: i) coordinate the firms whose services are included in the tourism product; ii) fix the overall price of the holiday; and iii) attribute the price for each element of the overall product offered, in such a way as to propose a coordination of the posted price. This coordination is necessary, given the anticommon property (that is to say, having an excess of property rights from an economic point of view) of the goods included in the holiday. Through this coordination, both the maximum overall profit for the tourism firms, and the greatest number of tourists' overnight stays can be reached.

It must, however, be highlighted that the coordination need not necessarily be the exclusive role of a public authority, external to the market. Even when the local government should show lack of ability or of interest in assuming responsibility for coordination, the anticommon problem of the tourism product could find a market solution through the creation of a "centralized" tourism firm. This company might sign contracts with the tourism firms involved in hospitality and catering, paying them a certain (but discounted) price for buying in advance their services, and shifting their market risk. The hospitality and catering firms would accept the company's offer if, despite of the discount, they would get better, or at least equal, profits. The centralized firm would then organize the management and the marketing of the services it had purchased, in order to sell them to the tourists.

This firm, in tourism economics, is known as tour operator. Consequently, the tour operator has a particular role in the tourism destination's system, finding a market solution – automatic and without the intervention of the external authority – for the failure of the anticommon. Therefore, the Coordination Theorem also explains two stylized facts which are important to understanding tourism: the need for a coordinating body in tourism destinations, and/or the creation of a specific firm for production and sale of the "package holiday" in the tourism market.

From the issues of considering the tourism product as a bundle of goods and services, and the tourism destination as a mix of firms, two theorems can hence be derived: the Variety Theorem and the Coordination Theorem, the explanatory power of which demonstrates that the economics of tourism also satisfies Hirst's third criterion.

Since it is now true that Hirst's first and third criteria are satisfied, then it can be argued that tourism economics is a species discipline: applied economics in the area of economics, which is its genre discipline. We can therefore put aside the hypothesis of tourism economics as simply a field of study of applied economics. A further confirmation of this statement can be found by turning to property a) of the species disciplines. In fact, since there must be a common method for genre and species disciplines, it is necessary to verify that the two theorems of points C)

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7 The possibility of prevention is understood not so much as the unwillingness to physically offer the good, rather as the offering of a service which does not meet the needs of the tourist who requires the complementary good. For example, a five-star hotel located in a destination which offers only a fast food restaurant or, on the contrary, a deluxe restaurant in a destination in which the only accommodation offered is a one-star boarding-house.
and D) can also be applied to economics in general. This can easily be verified, since the variety theorem is an application of the love of variety economic model (Dixit and Stiglitz, 1977), and the coordination theorem is an application of the economic model of the anticommon (Michelman 1982, Heller 1998 and 1999). Therefore, in terms of method, economics is to tourism economics as the love of variety hypothesis is to the variety theorem, and as the anticommon hypothesis is to the coordination theorem.

To finish, by paraphrasing the previous quote from Papatheodorou (2003), we feel able to affirm that tourism economics is an established economic discipline in applied economics.

This conclusion obviously regards the economics of tourism. However, the same question should be posed for the other genre disciplines which are interested in tourism. Since certain answers might be positive and others negative, this diversity may itself contain a selection criterion: those which are inherent to species disciplines are core tourism studies, while those which belong to fields of study are ancillary studies of tourism. In this way, research into tourism must be interpreted as the logical union of different species disciplines. This conclusion allow us to invert Tribe's affirmation which we started from: tourism studies are a discipline, not of the species nor of the genre type, but as a convergence discipline of species disciplines belonging to different genre disciplines.

Bibliography


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8 This sharing of belonging and of disciplinary autonomy confers a reciprocal enrichment between economics and tourism economics, since the “richness” of the tourism phenomenon introduces into applied economics many non-traditional research themes, alongside the traditional topics of microeconomics and macroeconomics. Therefore, if economics supplies tourism economics with the method and the analytical toolbox, the latter gives back a stimulus to research inferred from observation, so contributing to the innovation and richness of its themes: this relationship between abstraction and reality has often proved to be prolific for economics.
E. Jantsch, 1972. Technological Planning and Social Figure, Cassel, London.