1. Nature of the course

Tourism as a subject of interdisciplinary scientific thinking is based on the application of relevant theories from different mother theories in order to contribute to a better understanding and mastering of problems of the real world of tourism.

The mother discipline of the course is economics which is applied to tourism, more precisely tourism economics based on theories of international economics, new economic geography, industrial economics, environmental economics, and new political economics. The theoretical objective is to contribute to a body of knowledge which can sooner or later establish tourism economics as a sub-discipline of its self.

2. Objectives of the course

The objective of the course is to give students a theoretical economic background for a better understanding of international tourism which they can use for analyzing and solving problems of in the real world.

The focus of the course is to give answers to major challenges which tourism related industries and destination organisations face in advanced economies. They are presented in following five chapters of the course:

- the strategic role of international tourism in the globalization process;
- the economic background of successful destination management;
- the importance of competitiveness and productivity in a labour intensive industrial sector in advanced economies;
- the environmental analyses of sustainability of international tourism;
- the role of the states in the field of international tourism.

3. Duties of the students

The duties of the students are the following:

- to attend regularly and participate actively at the courses;
4. The content of the course

In the first chapter is based on international economics. It presents the determinants of worldwide tourism exchanges. It explains the export character of international tourism. The reasons for the exponential growth of international tourism are explained by the globalization and catching up processes of emerging countries. It shows that the level of development of countries explains the distribution of international tourism flows and receipts among countries. There is no homogenous development of international tourism at the worldwide level. Finally the strategic role but also the costs and benefits of international tourism for the different groups of countries and the world economy as a whole will be analysed.

In the second chapter, approaches of destination economics taken from the new economic geography are presented taking into account that tourism is a territory bound phenomenon. It is shown that the potential and the specialization of countries in the field of tourism depend on the willingness to pay of visitors for existing attractions. It is pointed out that there is first a competition between destinations and not among companies. Furthermore, destinations are not considered as quasi-enterprises but as market places.

In the third chapter, based on industrial economics explains the links between competitiveness and productivity and the needs for a new definition of competitiveness beyond pure price competitiveness. The reasons for productivity-led is the double challenge for providers of tourism goods and services competing on the international tourism and the local factor market. A new definition of tourism related productivity is given and ways for overcoming the productivity-gap of artisanal production in the core business of the tourism industry are proposed.

In the fourth chapter, the political notion of sustainable developed is defined as a consensual concept which is difficult to implement. The reason why the “spaceship earth” cannot totally absorb pollution is explained. The contribution of tourism for solving local and global problems and the sustainable use of the scarce tourism related resources is discussed. The question is put forward if waste and pollution can be reduced if the assumption is that the needs of the contemporaries are never satisfied. Effective and efficient measures against waste and pollution are presented by using environmental economics.

In the fifth chapter, the question of the best political systems for democracies and welfare states is treated. The respect of the market order is considered as prerequisite for state interventions in the market economy. Market inadequacies and governmental failures are
explained by using the principles of welfare economics and public choice. The analyses of
the real world concludes that it is difficult to promote tourism in always growing welfare states
since the promotional efforts are often over compensated by the impacts of the more
regulating policies.

5. Provisional course programme

The following course programme will be explained in five different blocks or chapters:

1. The economics of international tourism
   1.1. Determinants of international tourism flows
   1.2. Export character of tourism
   1.3. Tourism as driver of globalization
   1.4. Exponential growth of international tourism
   1.5. Level of development and tourism growth
   1.6. Strategic role of international tourism

2. The economy of the destination
   2.1. Tourism as a territory bound sector
   2.2. Attractions and tourism potential
   2.3. Specialization on tourism
   2.4. Nature of competition
   2.5. Destinations as clusters
   2.6. Destination as market place
   2.7. Promotion of the place
   2.8. The economics of tourism organizations
   2.9. The impact of digital revolution

3. Competitiveness and productivity of tourism countries
   3.1. Productivity as challenge for advanced economies
   3.2. Theoretical foundation
   3.3. Ways to increase productivity
   3.4. Digital revolution and quality
   3.5. Quality and productivity
   3.6. Business environment and framework conditions
   3.7. Problem of measuring productivity

4. Sustainable development and tourism growth
   4.1. Difficulties to implement a vague but consensual concept
   4.2. Limited capacity of the biosphere to absorb pollution
   4.3. Local and global ecological problems
   4.4. Principles of environment policies
   4.5. Sustainable use of the resources
   4.6. Satisfaction of the needs of the present generation without compromising those of the
       future generation
   4.7. Application of market instruments to solve ecological problems
5. **Tourism policy in advanced economies**

5.1. Basic principles of politics  
5.2. Freedom and limits of the state’s sovereignty  
5.3. Search for the optimal political system  
5.4. Peaceful international relations  
5.5. Market order and welfare state  
5.6. Tourism policy in the real world

6. **Course material**

The slides which the professor explains during the course are put on intranet before the beginning of the five block courses. Students should bring printed copies or use their computers to the course in order to make comments on the printed or digitalized version of slides.

A reader with articles and references to each chapter of the course will be provided on intranet.

7. **Evaluation**

Each sub chapter ends with conclusions and question to be asked for the repetition of the knowledge and for the controlling of the understanding. The professor will proceed at the last lesson of the course to the repetition of the main notions and concepts of the course.

The written exam will be based on the slides and the explanations of the professor during the course. The lecture of the reader is compulsory for attending and non attending students.
Biosketch of the teacher

Prof. Dr. Peter Keller is honorary professor of the Faculty of Business and Economics of the University of Lausanne (Switzerland). He is visiting professor at the University of Bergamo and lecturer at other academic and polytechnic institutions. He is policy adviser for intergovernmental organizations and gives advice to regional and national governments. He is member of the Board of Directors of Switzerland’s National Tourism Office “Switzerland Tourism”. He is President of a Sport and Holiday Resort in the Swiss Alps.

Prof. Keller was for more than 20 years Director of the Tourism Institute of the Faculty of Business and Economics HEC at the University of Lausanne. He was from 1994 to 2014 President of the International Association of Scientific Experts AIEST where he contributed to build a common body of scientific knowledge in the field of tourism. Prof. Keller taught in the last years at the Swiss universities of St. Gallen (2004-2014) and Lugano (2004-2016) and was visiting professor and guest lecturer at the several European universities such as Innsbruck or Angers.

Prof. Keller was for over three decades until 2008 responsible for tourism promotion and tourism policy at Switzerland’s Federal Administration. In this function, he was member of the Executive Board of Switzerland’s Tourism Industry Association. He represented his country in the intergovernmental organizations of tourism. He chaired from 1982 to 1988 and from 1999 to 2007 the Tourism Committee of OECD. From 1991 to 2005 he was President of the Commission for Europe of the UN World Tourism Organization. He was from 1997 to 2009 member of the Strategic Group of the Secretary General of UNWTO.

He was mandated by the Swiss government to conduct special studies on various topics over the years. He was on call as a scientific expert for a number of leading international organizations UNWTO, OECD, UNESCO, UNPAN, Council of Europe. Prof. Keller was organizer and scientific counselor of Conference cycles such as from 1999-2007 the Summits of Tourism, Chamonix-Mont-Blanc (France) and from 1998 to 2014 the UNWTO’s World Conferences on Mountain and Snow Tourism. He chaired and organized more than 40 international conferences on tourism subjects. He has a publication list of more than 300 titles.

He is the winner of Switzerland’s Tourism Price Milestone for his lifework (2009) and Honorary Member of the Swiss Hotel and Restaurant Industrial Organisation (Gastrosuisse) and of the International Association of Scientific Experts in Tourism (AIEST).