The Political Economy of Tourism Development: A Critical Review

Abstract: This paper reviews the varying theoretical approaches in political economy and their application to the analysis of tourism development. It examines the shifting focus of enquiry and traces the evolution of the political economy of tourism from an earlier generation of predominantly technical, empirically-driven analyses of tourism’s contribution to economic development through to the various strands of development theory that have influenced and which continue to shape the political economy of tourism today. Particular emphasis is given to recent theoretical advances in which the application of cultural political economy and Marxian thinking herald a promising future for the political economy of tourism.

Keywords: theory, political economy, development, globalisation, capitalism, neoliberalism.

INTRODUCTION

The study of tourism development has been characterised by a troubled dialectic between applied studies of tourism’s contribution to economic development and theoretically-informed political economy analyses. While there are signs of an emerging sub-discipline in the political economy of tourism (Bianchi, 2015; Clancy, 1999; Hazbun, 2008; Mosedale, 2011; Steiner, 2006; Williams, 2004) the level of theoretical engagement remains weak. The deficit notwithstanding, recent years have witnessed the steady growth of critical political economy approaches to tourism development underpinned by increasingly diverse theoretical and empirical perspectives (Mosedale, 2011, 2016). This paper will not however endeavour to provide a comprehensive account of the theoretical foundations and diverse applications of each of these perspectives. Rather, it commences with a brief reflection on the meaning of political economy and considers the reasons for its weak and inconsistent application in the study of tourism development. The remainder of the paper will appraise the major theoretical developments in the political economy of tourism and their shifting foci as well as identifying significant areas for future intellectual enquiry and research.

POLITICAL ECONOMY

Political economy comprises the study of the socio-economic forces and power relations that are constituted by the production of commodities for the market and the divisions, conflicts and inequalities that arise from this. The roots of classical political economy are closely bound up with the tumultuous changes associated with the Industrial Revolution and the development of capitalism in Western Europe in the eighteenth and nineteenth centuries.
The founding thinkers of classical political economy such as Adam Smith (1723-1790), David Ricardo (1772-1823) and J. S. Mill (1806-1873) highlighted the profound impact of capitalism on the social organisation of industrial societies. Their works transformed our understanding of the source of value in industrialising capitalist societies and how it could be enhanced through the extension of private property and productive labour rather than the accumulation of land (Mosco, 1996: 40-42). Later, Marx (1818-1883) and Engels (1820-1895) reconfigured the focus of political economy, challenging the view that capitalism is part of the ‘natural order of things’ by exposing the class relations of power and inequality that were intrinsic to the processes of capitalist commodity production.

From the outset, political economists have endeavoured to take account of the complex and variable economic, political, social, technological and cultural forces which shape the organisation and dynamics of domestic and international economies (Gilpin, 2001: 40). Often however, political economy and economics can appear barely indistinguishable. The obfuscation of the economy’s inherently political nature is in large part the legacy of neoclassical theory and its influence in shaping the science of modern economics. Neoclassical political economy was inspired by the work of ‘marginalists’ such as Leon Walras (1834-1910) and William Stanley Jevons (1835-1882), reshaped what was then understood as classical political economy for which the source of value was to be found in productive labour, into an abstract science based on methodological individualism and rigorous mathematical principles (Dunn, 2009: 15). Alfred Marshall (1842-1924) later consolidated the science of economics into the study of individuals and firms pursuing their rational ‘self-interest’ in free functioning markets (Larrain, 1989: 7).

The allegedly ‘value-neutral’ stance of neoclassical theory obscures the political nature of markets and is a presupposition that remains integral to the ideology of neoliberalism and market fundamentalism. The idea that the market is merely a rational instrument for allocating resources through price signals is however in itself a deeply ideological approach. It is one that isolates markets and human beings from their social and political context and is thus blind to the manner in which production and distribution are constituted out of the dialectics of class struggle and inequalities of power (Mason, 2015: 161-2). And finally, to construe political economy as simply a technical question concerned with how to enhance productivity and growth ignores the rich and equally significant contribution of anthropology and sociology to our understanding of how societies come to organise their economic affairs and to what end (Wolf, 1982).
(RE)LOCATING THE POLITICAL ECONOMY OF TOURISM

In spite of the undoubted significance of tourism in the national accounts of many economies and global trade, research into tourism development has until recently remained largely disconnected from questions of political economy (Clancy, 1999; Steiner, 2006). This is in marked contrast to the economics of tourism (see Eadington and Redman, 1991) and indeed, other domains of tourism social science (see Dann and Cohen, 1991; Matthews and Richter, 1991; Nash and Smith, 1991; Richter, 1983). Part of the explanation for this may lie in the fact that the concerns of political economy have to some extent been subsumed into the anthropology and sociology of tourism, as well as tourism policy, planning and sustainability.

Although the ‘idea of sustainability in tourism’ has been referred to in terms of a ‘new paradigm’ (Saarinen, 2006: 1123), it in fact encompasses a multitude of different theoretical perspectives. This has resulted in a great deal of theoretical inconsistency and conceptual vagueness together with a lack of substantive engagement with the ‘analysis of wider structural conditions’ (Steiner 2006: 165). An over-riding pragmatism meant that sustainable tourism was often coterminous with the advocacy of small-scale locally-owned ‘alternatives’ to what was then regarded as the inherently destructive forces of ‘imperialistic’ mass tourism (see Butler, 1992: 37-40). Equally, sustainable tourism thinking has often been overshadowed by concerns with the ‘viability of the tourism industry’ rather than rigorous analysis of its developmental forms and distributional outcomes (Holden, 2008: 158).

While the advocacy of small-scale ‘community-based’ forms of tourism (see Brohman, 1996) fell short of full-blown political economy analyses, such approaches nonetheless contained echoes of Schumacher’s (1974) ‘small is beautiful’ and green critiques of ‘developmentalism’ espoused by Friberg and Hettne (1985) (cited in Adams, 1990: 70-71). Furthermore, they created a platform for the application of such concepts as the environmental limits to growth, power and social equity to the analysis of the use and organisation of natural resources for tourism, as evidenced by recent work in the political ecology of tourism (Cole, 2012; Cole and Ferguson 2015; Nepal and Saarinen 2013; Stonich, 2013).

Arguably, a significant contribution to the lack of theoretical development in the political of tourism lies can be attributed to the lack of analytical clarity and long-running disagreements regarding the precise parameters and industrial configurations of the ‘tourism industries’ themselves (see D’Hautserre, 2006; Judd, 2006; Leiper, 2006). Such conceptual
vagueness has been compounded by a the predominance of analyses that define tourism primarily in relation to consumption, in contrast to other areas of industrial analysis (Judd, 2006: 324). Coupled with a tendency to foreground issues of scale (i.e., ‘mass’ vs ‘alternative’ tourism) over the economic and political relations of power (see Rodenburg, 1980; Jenkins, 1980), this has diverted consistent analytical focus on the forces of accumulation and configurations of class and institutional power that shape the structures and distributional outcomes of tourism development.

Further occluding the precise focus of political economy analysis in tourism is the ‘kaleidoscopic character of tourism capitalism’ (Gibson, 2009: 529), and the concomitant difficulty of exerting ‘property rights over tourism experiences’ (Williams, 2004: 62). Despite considerable corporate concentration in key tourism and hospitality subindustries, notably in international tour operations, airlines and hotel chains, the political economy of tourism comprises a multitude of firms of varying size, scope and ownership. That being said, Britton (1991: 451-2) highlighted the reluctance of scholars to recognise the ‘capitalistic nature’ of tourism and to ‘conceptualise fully its role in capital accumulation’. More recently, critical tourism analysts have challenged what they argue is the predominance of applied business perspectives and scientific positivism in tourism research (Pritchard and Morgan, 2007). Finally, one could argue that tourism’s uniquely privileged position within the framework of the United Nations system through the UNWTO (see Ferguson, 2007), and its association with discourses of peace, conservation and sustainability, has arguably reinforced a benign view of tourism, to some extent hindering the emergence of critical theoretical perspectives on tourism development.

Tourism, Modernization and Development

Tourism entered the mainstream of development thinking in the context of debates in the 1950s and 1960s regarding the urgent need to promote economic development in the ‘Third World’ (Monten and Popovic, 1970; Wood, 1979: 277). There followed a plethora of applied, empirical studies of tourism development accompanied by the enthusiastic advocacy of tourism as a development strategy by international development agencies, banks and foreign ‘experts’ (Crick, 1989: 318). For the most part these works were preoccupied with the quantification of tourism’s economic impact on ‘Third World’ destinations using a range of multiplier and input-output analyses (Eadington and Redman, 1991: 48-49). The putative
success or failure of tourism development was then calibrated in relation to its contribution to foreign exchange, national income and employment (Ghali, 1976; Kottke, 1988).

Tourism appeared to align particularly well with the central premise of modernization theories, most notably that espoused by Rostow (1960). In the absence of endogenous capitalist industrialisation, international mass tourism emerged as a seemingly benign means of stimulating economic development in poor countries with ‘comparative advantage’ in the way of appealing climates, an abundance of natural riches and plentiful supplies of ‘cheap’ and ‘redundant’ labour (Bond and Ladman, 1980; Krapf, 1961). Henceforth, international institutions encouraged the disbursement of loans to newly-independent countries in the ‘Third World’ to develop their tourism industries as an instrument of economic development in the absence of a viable industrial sector (De Kadt, 1979; Erbes, 1973; Peters, 1969).

Although modernization theory was never widely adopted as an explicit theoretical perspective by academics working on tourism development, Harrison (2015: 61) notes that it became the ‘default setting for policy-makers throughout the world’. And while the early analyses of tourism’s economic impact on destinations offered some degree of insight into the relative cost and benefits of tourism as a development tool, they lacked explicit theoretical engagement with contemporary debates in political economy as well as ignored the local conditions of development that shaped the productive arrangements of tourism in destinations. The very idea of development itself was construed as an ideologically neutral endeavour that could be solved by technical experts. Hence, any understanding of the relationship between tourism, capitalism and the inequities of foreign trade was divorced from politics and class relations of power. Unsurprisingly then, at various times in recent history tourism has been enthusiastically embraced by a number of modernizing autocratic regimes in such states as Egypt, Greece, the Philippines, Spain, Tunisia, Turkey and more recently, China (Sofield and Li, 1998), as a rational and necessary means of driving economic growth and modernization, in the absence of democracy (see Pack, 2006; Richter, 1989).

Dieke (2000: 6) contrasts the early technical studies on the economic impacts of tourism with a ‘political economy approach to tourism development’. The latter, he argues, is concerned with how differentially-empowered interest groups seek to manipulate the institutional and regulatory framework in order to influence the allocation of productive resources and distributional outcomes linked to tourism development. Although this marked an improvement on the austere economistic focus of earlier analyses studies of tourism
development in developing countries continued to be framed by a prescriptive policy approach with little engagement with political economy (e.g., Ayres, 2000; Dieke, 1993, 1995; Jenkins, 1982; Jenkins and Henry, 1982; Poirier, 1995; Poirier and Wright, 1993; Sharpley, 2003).

By the 1970s certain analysts had begun to question the narrow economistic emphasis of tourism development studies and to develop a more precise evaluation of the extent of tourism’s contribution to economic development (e.g., Bryden, 1973; Cleverdon, 1979). Nevertheless, despite highlighting the potential of tourism to accentuate socio-economic inequalities, at this stage there was still little or no substantive engagement with development theory or political economy. For this reason also the study of tourism development has been plagued by an ahistorical and static conceptualisation of capitalism rather than as a continuously evolving set of forces shaped by the dialectics of capital and labour, technological advances, changing market structures and the territorial arrangements of state power.

Tourism, Dependency and Underdevelopment

International tourism in developing countries has often been likened to being ‘little different from colonialism’ bringing a plethora of social ills from crime to prostitution in its wake (Srisang, 1992: 3). However such moralistic opprobrium fell short of rigorous analysis of the underlying forces of poverty, inequality and uneven development within the tourism political economy. In a seminal publication, development analyst Emmanuel De Kadt was one of the first to introduce a more critical epistemology of political economy into tourism development studies, arguing that formal tourism planning can do little ‘to promote greater equality in the distribution of benefits of that industry, if the forces making for inequality are left a free rein in their society’ (1979: 33). It was at this time, during the 1970s and early 1980s, the political economy of tourism increasingly became synonymous with a number of influential works in which the organisation and structure of tourism in ‘third world’ countries replicated ‘historical patterns of colonialism and economic dependency’ (Lea, 1988: 10). Drawing extensively on neo-Marxist theories of underdevelopment and dependency (see Amin, 1976; Baran, 1957; Emmanuel, 1972; Frank, 1969), and world systems theory (Wallerstein, 1974), these studies positioned tourism in the context of an international division of labour marked by systemic inequalities between core capitalist states and

Accordingly, these ‘Third World’ states were believed to suffer ‘common structural distortions’ in the social and economic organization of their economies by virtue of the forms of production and trading patterns that had been imposed on them whilst under colonial rule (Britton, 1982: 333). Capital accumulation in the rich metropolitan states was then sustained via a process of ‘unequal exchange’ whereby the economic surpluses produced in the ‘Third World’ were disproportionately absorbed by the metropolitan ‘core’ or ‘centre’ (Larrain, 1989: 133-145). Notwithstanding the existence of other, more empirically-led challenges to the optimism of modernization theory (e.g., Bryden 1973; De Kadt 1979) dependency and underdevelopment provided tourism development scholars with a more explicit theoretical foundation for this critique. Despite variations in the precise application of dependency and underdevelopment theory, scholars concurred in their view that the expansion of international tourism had reinforced a dependent, ‘neo-colonial’ model of economic development.

Neo-colonial patterns of tourism development are seen to be particularly severe in in small island states and the former plantation economies of the Caribbean and Pacific in which tourism was routinely organised around segregated ‘enclave’ resorts (Bastin, 1984; Britton, 1980, 1982; Freitag, 1994; Kent, 1977; Mbaiwa, 2005; Pérez, 1980; Weaver, 1988). Drawing on the work of such scholars as Amin (see 1976: 199) who had argued that the development of capitalism in the periphery had been thwarted by the ‘extraversion’ (export-orientation) of their economies, Britton and others (e.g., Davis, 1978; Kent, 1977) claimed that uneven territorial distribution and unequal economic organization of tourism in former colonial territories had largely been shaped by the structure of the plantation economy in which the benefits were highly skewed towards the ‘remnants of a European planter class’ along with a small local elite and foreign tourism corporations (Britton, 1980: 272). Such patterns of socio-territorial inequality in small ‘Third World’ destinations were, according to Britton’s (1982) ‘enclave model of third world tourism’, further compounded by the monopolistic control exerted by integrated multinational tourism enterprise and their ability to extract a disproportionate share of income from tourism.
Although neo-Marxist tourism scholars took care to acknowledge the possibility for some degree of development to occur in the ‘Third World’ (see Britton, 1982) based on variable degrees of integration into the world economy, the paradigm has not stood the test of time. By the late 1980s trenchant critiques of the neo-Marxist theories of dependency and underdevelopment which had influenced these studies culminated in a general consensus that development studies had reached an ‘impasse’ (see Schuurman, 1993: 9-11). This view was reinforced by the fact that attempts by ‘Third World’ states to pursue strategies of economic self-reliance through state-led tourism development, for example in Grenada, Jamaica, Tanzania, had met with limited success (Harrison, 2015: 63-64).

While some contemporary critiques of large-scale mass tourism continue to be framed in the language of the north/south divide and ‘dependency’ (e.g. Pfafflin, 1987; Khan, 1997; Lepp, 2008), advocates of dependency theory have been rightly challenged for postulating a deterministic model of tourism development premised upon the invariant developmental logic of large-scale externally-controlled mass tourism (see Oppermann, 1993). Often, ‘Third World’ destinations were reduced to ‘passive and dependent’ peripheries rendered ‘functional to the commercial interests of metropolitan tourism capital (Britton, 1987: 259-261).

Nevertheless, neo-Marxist inspired studies of tourism and underdevelopment nevertheless did provide a valuable corrective to the optimistic view that tourism represented an unproblematic enterprise that would enable ‘Third World’ countries to emulate and catch up the more industrialised and ‘developed’ countries of the global North. Moreover, they conspired to highlight both core-periphery inequalities between nations as well as the tendency towards unequal distributional outcomes within tourism destinations themselves (see Lacher and Nepal, 2010; Weaver, 1998).

TOURISM, GLOBALISATION AND ‘NEW’ POLITICAL ECONOMY

By the mid-1980s international development agencies and financial institutions had begun to forcefully prescribe a set of free market economic policies as a corrective to what were commonly regarded as the failings of state-led development in the ‘Third World’ (Kiely, 1995: 122-124). Not so much a paradigm as opposed to an ideologically-determined set of principles, ‘neoliberalism’ suggested a revival of 19th century neo-classical economics in order to free markets from ‘unwarranted’ and ‘irrational’ intervention by states. The efficient allocation of resources was hence seen as best served through the (state-led!) application of
policies of privatisation, deregulation and liberalization (Mason, 2015: 87-94). At the same time, the sudden collapse of the Soviet Union in 1991 brought to an end the geopolitical polarities of the Cold War and further highlighted the diversity of development experiences in what was hitherto known as the ‘Third World’ (Gardner and Lewis, 1996:20).

In the wake of the 1980s debt crisis and the disastrous legacy of IMF-World Bank structural adjustment programmes (see George, 1992; Hawkins and Mann, 2007), development policies shifted away from the harsh market reforms associated with structural adjustment towards targeted micro-level interventions aimed at poverty alleviation and sustainable development (World Bank, 1989, 1992). At the same time, studies of tourism development turned away from generalised abstractions towards the advocacy of small-scale ‘alternatives’ to the allegedly destructive force of industrial scale mass tourism (Poon, 1993).

It was in this context that explicitly ‘pro-poor tourism’ (PPT) schemes were devised, as a means of channelling tourism revenues to impoverished, rural communities in Sub-Saharan Africa that had seen little benefits from four decades of tourism development (Ashley et al., 2001). PPT exemplified the kind of pragmatic market-led development thinking that emerged in the 1990s in which development is construed as ‘catch up’ economic growth brought about through fostering ‘partnerships’ between local communities and private enterprise (Giampiccoli, 2007; Schilcher, 2007). Thus, although tourism-led poverty reduction programmes have had some success in improving the lives of impoverished communities the lack of any political economy underpinning means that they ignore questions of distributive justice and the role of the state in shaping the wider economic framework within which such benefits can be sustained and accrue more widely.

Notwithstanding such shifts towards targeted interventions at the micro-level, a persistent concern remained amongst scholars and activists alike relates to the ‘circumstances in which transnationals came to dominate sectors of the tourism industry’ (Harrison, 2001: 33). This focus only increased in its intensity in the wake of the neoliberal economic policies pursued in leading Western industrialized democracies in the 1980s, and the resultant corporate globalisation of tourism which by 1992 was growing at a pace twenty three times faster than the world economy as a whole (Badger et al., 1996: 9).

The range of theoretical and empirical perspectives that have influenced the study of multinational and transnational corporations¹ (TNCs) and their global reach in relation to tourism is fairly eclectic (Azarya 2004; Giampiccoli, 2007; Hjalager, 2007; Munar, 2007;
Reid, 2003; Sugiyarto et al., 2003). With the exception of Britton’s studies of tourism development in the South Pacific, in the early eighties there were few studies of multinationals in the tourism sector that adopted an explicitly political economy perspective (Wu, 1982). Indeed, one of the first tourism scholars to embrace the idea of globalisation in tourism was the French sociologist Marie-Francoise Lanfant (1980) who, although she did not use the term explicitly, nevertheless identified international tourism as a means through which societies became increasingly integrated into the international system, in large measure as a result of the growing influence of multinational corporations.

A large body of applied empirical work has sought to map the distinctive market penetration strategies of transnational tourism corporations and the effects of foreign direct investment in tourism on economic development in developing countries (Ajami, 1988; Ascher, 1985; Buades, 2009; Dwyer and Forsyth, 1994; Endo, 2006; Kusluvan and Karamustafa, 2001; McNulty and Wafer, 1990; Ramón Rodríguez, 2002). However, while these studies provide rich empirical contributions to the understanding of the interactions between foreign-based tourism transnationals and destinations, they tend to adopt a case-by-case perspective that draws upon international business perspectives and statistical evaluations of foreign direct investment (FDI) flows, rather than engage explicitly with political economy.

In a marked shift from the over-arching theoretical approaches, the ‘eclectic theory’ devised by Dunning and McQueen (1982) provided a mid-range theoretical framework to analyse and explain the variable degree of market penetration and diverse ownership structure of multinational tourism and hospitality enterprise in developing countries. While the eclectic theory was a useful corrective to reductionist accounts of Western tourism transnationals (see Williams, 1995), it nevertheless steers clear of engaging with political economy or any attempt explain the forces driving the internationalisation of tourism capital.

A number of studies have nevertheless been critical of neoliberal globalisation and its effects on the corporate concentration and market power of tourism TNCs thereby limiting tourism’s potential to contribute to development in developing countries (Brohman, 1996; Mowforth and Munt, 2009). For example, Reid (2003: 27-28) views tourism as overwhelmingly organised and controlled by a ‘few large transnational companies’ that ‘usually pay poverty wages’ and encourage a ‘race-to-the bottom’ in working conditions and environmental protections, a view shared by Madeley (1996) and others (Badger et al., 1996).
The power of foreign tourism TNCs to ‘determine the nature and direction of developments in the industry’ is of course undeniable, as illustrated by the ‘Neckerman case’ in Tunisia 1973 (Ascher, 1985: 62), and the exposure of small island states to foreign capital influence (see Lee et al., 2015; Sheller, 2009). However, it could be argued that there has been a tendency a priori, to fetishize globalisation as an exogenous force coupled to the exploitative logics of globally-integrated TNCs at the expense of examining regional variances of corporate capitalism and the class relations of power that shape the insertion of destinations into wider circuits of capital accumulation.

Others are more sanguine. For example, Harrison (2010: 46) argues that the ‘case against TNCs is far from proven’ and that in fact wages in TNC-controlled hotels and resorts are often higher and working conditions more secure, than in locally-run, independent hotels. Similarly, Meethan (2001: 53) while not disputing the increased significance of mobile transnational capital argues that they do not operate in a ‘totally unfettered marketplace’ and also points to the regional as opposed to global concentration of TNCs coupled with persistence of interventionist states, not least in East Asia. This concurs with the evidence suggesting that the degree of transnationality and associate volumes of FDI in tourism are in fact significantly lower than in other industries (Endo, 2006; UNCTAD, 2007).

Tourism Transnationals and Global Commodity Chains

Through a combination of critical theoretical work and empirically-grounded research, a more nuanced picture has emerged of the dialectical interaction between global capital, tourism FDI and local economic development in destinations and across different components of the global tourism and hospitality industries (e.g., Meyer, 2011). In his well-known study of the global cruise industry Wood (2000) demonstrates how the de-territorialized nature of capital intersects with global and regional patterns of ethnic stratification and labour migration. A number of scholars have moved beyond reductionist accounts of TNC power towards a more theoretically robust appreciation of the relationship between tourism TNCs and destinations using the global commodity chains (GCC) approach pioneered by Gereffi and Korzeniewicz (1994). The GCC approach draws upon the conception of an integrated world economy pioneered by dependency and world-systems perspectives, but also differs in two important respects. First, the primary unit of analysis is the industry rather than on the exchange relations between states that constitute the world
economy. Second, it allows for the fact that firms within different regions of the world (divided into higher and lower-value added productive activities) are able to ‘upgrade’, that is, to move upwards along the commodity chain towards higher value-added activities, thus providing greater scope for development in the global south (Clancy, 2011:78).

The GCC approach has been applied by a number of tourism development analysts including Clancy (1998, 2008, 2011), Dörry (2008), Lapeyre (2011) and Mosedale (2006) as a means of examining the transnational organizational and spatial configurations of production (i.e., the firms subsidiaries and subcontractors that come together within single GCC) necessary for the production of a tourism ‘commodity’ – understood principally in relation to the major subindustries that comprise tourism (hotels, airlines, tour operators and cruise industry) and the implications of such commodity chains for the extraction of economic surpluses.

The benefit of a GCC approach is that it enables the ‘positionality’ of tourism destinations and subsidiaries to be explored in relation to the ‘lead firm’ within multi-scalar geographies of globally-dispersed yet functionally integrated corporate power, as demonstrated for example by Mosedale (2006) in his work on the Caribbean. These studies have provided a theoretically-coherent and empirically-grounded picture of the complex articulations between different subindustries together with the governance structure of particularly tourism GCC frameworks. Accordingly they have played an important role in ‘bringing tourism back into the larger fold of political economy’ (Clancy, 2011: 88). Moreover, as Clancy notes, there is scope for further application of the GCC approach to other areas of tourism activity, notably, ecotourism and pro-poor tourism, that are often (incorrectly, in many cases) considered to be governed by a distinctive logics of accumulation and ownership.

Nevertheless, Hazbun (2008: xxii) argues that GCC analyses fall short of accounting for ‘the diverse spatial and cultural dynamics that shape markets for demand and the preconditions of the production and commodification of tourism’. More specifically their weakness is attributable to the fact that GCC analyses present only a partial view of the complex assemblage of the ‘social relations and institutional contexts that shape global production and mediate its developmental impacts’ (Taylor, 2007: 534). Moreover, while ‘global production networks’ (GPN) improved upon GCCs by incorporating workers and their capacity for ‘social upgrading’ into their analysis (see Christian, 2016), they nevertheless remain somewhat constrained by their treatment of labour as a static, technical
input into the process of production, ignoring the manner in which ‘class struggle’ and agency of workers both emerges out of and constitutes the very organizational and spatial forms of capitalist development (Selwyn, 2012).

Tourism Development and Regulation Theory

The accelerated global expansion of capital and transnationalization of production in the 1990s challenged scholars to advance the theoretical tools with which to better conceptualise and understand the globalising political economy of tourism. A number of economic geographers took up this challenge and sought to examine the transformations in the structure of tourism production and consumption through the prism of ‘regulation theory’, drawing on the pioneering work of Aglietta (2015 [1979]) and Lipietz (1986). Regulation theory takes as its point of departure the Marxist belief in the dynamic, unstable and contradictory nature of capitalism that ‘does not contain self-limiting mechanisms of its own’ while seeking to address its theoretical blind spot regarding the role of the state in the regulation of capitalist development (Aglietta, 1998: 49). The changing industrial organization of capitalism is conceptualised in relation to the shifting alignment between a prevailing regime of accumulation, understood as an organized system of production and consumption premised upon relative harmonisation between the conditions of production and the reproduction of the workforce, and the mediating function played by the mode of regulation, that is, the institutional arrangements and governing frameworks that help to stabilize the former (Kiely, 1995: 91).

Although the application of regulation theory to tourism has been ‘generally eclectic and partial in nature’ (Cornelissen, 2011: 40) for the most part tourism scholars have focused on the analysis of the variable arrangements of tourism production and consumption in the light of the transition from standardised ‘Fordist’ regimes of accumulation that prevailed during the Keynesian period of state-managed capitalism from 1945 until the early 1970s, to the emergence of more ‘flexible’ and globalized ‘Post-Fordist’ regimes of accumulation that later emerged during the context of neoliberal globalization (see Britton, 1991; Poon, 1993; Torres, 2002; Urry, 1990). In their discussion of the organizational structure of the travel industry Ioannides and Debbage (1997) blend elements of regulation theory and the work of ‘flexible specialization’ theorists such as Piore and Sabel (1984), to conclude that tourism is
made up of a ‘polyglot of coexisting incarnations’ best characterised as ‘neo-Fordist’ (Ioannides and Debbage, 1997: 108).

In spite of elements of reductionism and linearity in theorizations of the transition from ‘Fordist’ to ‘post-Fordist’ modes of tourism and the concomitant weakness in its ability to fully encompass the complexity of the tourism political economy, particularly with regard to the relationship between modes of regulation and regimes of accumulation at different scales of analysis (see Milne and Atelejvic, 2001: 378-9), regulation approaches have provided a more theoretically-coherent account of the changing dynamics and organization of tourism production than was previously the case. Equally, the regulation approach, in contrast to dependency and underdevelopment theories, underlines the importance of the state in the production and reproduction of capitalist development and emphasises the importance of the political in political economy (Williams, 2004: 67). Nevertheless, as Clancy (1998), Williams (2004), Cornelissen (2011) and Mosedale (2014) have each all argued, tourism development studies have generally neglected to subject the role of the state, or rather governance, and the role it lays in shaping the production and reproduction of specific regimes of accumulation in tourism, to greater in-depth analysis.

Tourism and the Developmental State

The customary approach to the analysis of state involvement in tourism has been either to neglect the inherently political nature of tourism policy and development altogether (Hall, 1994: 2), or indeed to attribute many of the failures of early tourism development initiatives in developing countries, to intrinsic shortcomings associated with state-led development (Curry, 1990; Jenkins, 2000; Poirier and Wright, 1993). Both approaches represent precisely many of the weaknesses inherent in mainstream tourism development thinking reflecting an amalgam of market economics, pluralist political science and realist international relations. For the most part, states and markets are treated as mutually-exclusive domains wherein the latter is construed as a technical arena in which the state intervenes in order to correct market failures (see Burnham, 1994: 227).

Clancy (1998) and Steiner (2006) have sought to address such weaknesses by drawing upon different variants of ‘statist’ political economy to consider the influence of the state and its particular institutional arrangements on the geographical scope and organizational
structure of the tourism industries. Clancy’s (1998) study of the political economy of large-scale tourism development in Mexico adopts an explicitly statist approach to explain not only the economic circumstances leading to the adoption of tourism as an export-orientated development strategy but also the manner in which the state actively intervened to overcome resistance amongst sections of the national capitalist classes to invest in the new tourism growth poles on the Mexican littoral, supplemented by public outlays on infrastructure. Furthermore, he suggests that despite the 1980s debt crisis, which forced the sale of state owned assets and led to inward foreign investment in mega-resort enclaves around the country, a pattern of hotel and resort ownership emerged in which the ‘possibility of Mexican private sector participation’ was neither hindered nor foreclosed by the arrival of foreign chains (Clancy, 1998: 16).

A similar conclusion is found in Steiner (2006) and Richter and Steiner (2008) whose work seeks to transcend the disarticulation between macro and micro-perspectives to demonstrate how the state-managed liberalization of Egypt’s tourism economy was uniquely shaped by the ‘neo-patrimonial’ characteristics of the Egyptian state and the associated structures of the domestic patronage system. Contrary to the central tenets of dependency and underdevelopment theories as well as pessimistic claims that globalization would undermine national economic development goals, Steiner (2006: 174) discusses how liberalization (infitah) of the Egyptian economy and opening up of certain areas to foreign tourism investment, although opposed by sections of the state bureaucracy (see Gray, 1998), enabled the Egyptian ruling class to stabilize the country’s economy and shore up the regime’s power base.

Hazbun’s (2008) work on Tunisia and the wider Middle-East also demonstrates how state policies of privatization and economic liberalization have provided a much needed boost in tourism revenues throughout the region, enabling autocratic Arab states to simultaneously embrace globalization and stabilize their economies through tourism while bolstering the power of their regimes (until the ‘Arab uprisings’ of 2011- ). Moreover, such analyses also highlight the tendencies of ‘rentier’ capitalist systems in societies in which land, rather than innovation and productive investment in enterprise, takes on increased significance as a productive asset (Steiner, 2006). In the absence of a diversified industrial base tourism often stimulates flows of speculative investments into strategically-situated land assets by landowners, developers and constructors in alliance with amenable public authorities. This reinforces a tendency towards speculative as opposed to productive investments and
innovation in local tourism economies, a process that has been instrumental in shaping the
economic and spatial dynamics of mass tourism development, notably in Spain (see Pack,
2006: 120-121).

Where previous studies have neglected the influence of the state on the ‘path dependency’
of tourism development in different countries, institutional analyses have brought the political
back into focus to consider how different state formations and its regulatory environment
shapes the context for tourism production. In their study of the transition from a centrally
planned state socialist to a market economy in the Czech Republic, Williams and Baláz
(2002) document how the failure of the post-Communist regulatory environment to keep pace
with the sudden collapse of the planned economy and imposition of rapid market reforms
enabled both managers of former state enterprises and private entrepreneurs who had
previously worked in the ‘grey’ economy, to secure privileged access to shares in newly
privatised firms in the tourism industry (see also Bramwell and Meyer, 2007: 775). In
addition, their analysis demonstrates how variable pathways of tourism development are not
only shaped by the evolving institutional arrangements of the state and its interaction with
wider economic forces (in this case, the transition to capitalism and integration into wider
markets), but also, the tensions and conflicts that are played out between different interest
groups, regions and parts of the state bureaucracy in the course of such economic
transformation.

CRITICAL PERSPECTIVES IN TOURISM POLITICAL ECONOMY

In his seminal publication Britton (1991: 451) urged scholars to recognise tourism as an
‘important avenue of capital accumulation’. He also drew attention to the significance of
culture and the symbolic properties of capital in the commodification of space in the
emergence of post-industrial forms of leisure and tourism. Britton’s work marked an
important point of departure for a new wave of critical thinking that began to influence the
political economy of tourism that drew on thinking in ‘new’ institutional political economy
(e.g., Jessop, 1990; 2008), and the ‘cultural turn’ in economic geography (Milne and
Ateljevic, 2001). However, while Britton (1991: 455) did in fact acknowledge the fact that
tourism is ‘not exclusively capitalistic,’ critics argued that his analysis was constrained by its
‘structuralist methods of inquiry’ in which a single, invariant logic of capital accumulation is
dominant (e.g., Atlejevic, 2000: 375).
In a direct challenge to the economistic epistemology of dependency theory in which peripheral economies are entrapped within an irrefutable logic of domination imposed by global capitalism, a new generation of ‘critical’ tourism scholars contend that the globalisation of tourism is constituted by a complex transactional processes shaped by evolving networks of relations amongst a variety of actors and institutions that unfold at different scales (e.g., Church et al., 2000; Hazbun, 2008; Mosedale and Albrecht, 2011; Shaw and Williams, 2004). This work has forcefully embraced post-structural critical theories in order to challenge the alleged shortcomings of ‘structuralist’ Marxist theorizing that, it is claimed, foregrounds production and work at the expense of the cultural and symbolic processes at work within the realms of tourism production and consumption (Ateljevic, 2000). Accordingly the political economy of tourism is construed as a ‘transaction process’ in which diverse and interacting institutions compete and/or collaborate to harness the strategic economic gains from tourism (Milne and Ateljevic, 2001; Teo, 2002).

Tourism, Governance and Networks

In an early case study illustrating the role of networks in shaping regionally-distinct configurations of power and agency tourism development, Mackun’s (1998) study of tourism entrepreneurship in central Italy emphasizes how a combination of private enterprise by predominantly local, family-firms, the existence of close social networks between competing firms and the active role of the state in nurturing skills and curbing excesses of competition have contributed to the economic success and balanced distributional outcomes of tourism development in the region. Such approaches go beyond mere statements regarding the importance of the macro-economic management of the economy by states, to demonstrate how a socially-embedded capitalism can restrain self-interest and contribute to wider collective benefits (cf. Crouch and Streeck, 1997: 4).

Scholars of tourism development have since continued to embrace an increasingly diverse repertoire of post-structuralist critical thinking and ‘new’ institutional political economy (e.g., Jessop, 2008). A number of studies have since begun to develop more nuanced theorizations of power, embracing the concept of ‘governance’ in order to analyse and explain the increasingly diverse, multi-level institutional apparatuses of power brought to bear on tourism policy-making and development (Bramwell, 2011; Güymen, 2000; Hall, 2004; Yüksel et al., 2005). Although the focus of these studies shifted onto tourism policy-making rather than the
usual ambit of economic development, they nevertheless demonstrate the limitations of realist and applied perspectives in tourism development in which distinctions between the state and market are fetishized, by emphasising the complexity and pluralization of actors engaged in tourism.

Central to the pluralization of the institutional arrangements of power in late capitalist societies are the processes of globalization and the concomitant ascendance of neoliberalism (Peck and Tickell, 2002). The material and indeed discursive transformations through which power is exercised has given rise to new multi-scalar landscapes of governance which cannot be neatly encapsulated in a simple ‘state-market’ binary nor indeed hierarchical scalar distinctions between the local and global (Mosedale 2014). The notion of governance underscores the fact that neoliberalism implies not merely the withdrawal of the state from a more interventionist economic role but rather the rescaling of state power as it has become enmeshed in a more diffuse regulatory landscape constituted by a multitude of state and non-state actors. This approach sees the state as not merely a passive victim of globalization and the intensification of market forces, but rather as an active participant in the reconfiguration of the legal, regulatory and institutional landscape through which the conditions for capital accumulation are optimized, or indeed challenged.

In his work on the politics of tourism development in North Africa and the Middle East, Hazbun (2008) builds on GCC analyses as well as critical geopolitics to refute the idea of a global economic system driven by a singular determining logic in which destinations are subordinated to the interests of global capital, as well as the methodological nationalism of certain statist analyses. His analysis seeks to demonstrate how changing political-economic and spatial configurations of tourism are conditioned by ‘struggles between various local, state and transnational actors’ to control and influence the ‘territorial resources’ and ‘symbolic representations’ through which destination economies are constituted (2008: xxxvi). Rather, he argues, it is through the dialectical interplay of the forces of ‘deterриториализation’ and ‘reterritorialизация’ played out at different scales through networked constellations of states, firms and other actors, that the structure of specific regional tourism political economies are shaped.

The emphasis on governance has thus highlighted the role of the diverse ‘relational networks’ that underpin power and infuses decision-making apparatuses in tourism development (Dredge, 2006). Relational approaches takes as their principal focus the
heterogeneous collection of actors and structures through which power is exercised (Bramwell and Meyer, 2007: 767). Accordingly, relational perspectives adopt an ‘actor-oriented’ approach to the study of interactions between individuals and institutions engaged in tourism-related policy-making, thus challenging the structural essentialism of dependency theory (Chaperon and Bramwell, 2015), as well as the tendency to posit structure and agency in a simple binary (Bramwell, 2006; Bramwell and Meyer, 2007). Rather than reject the importance of structural analyses altogether, both Bramwell and Meyer’s (2007) study of tourism-related policy networks in Rügen, and Bramwell’s (2006) study of interventions in the public debate over limits to the growth of tourism in Malta, posit the mutual determination of the interactions and unequal power relations amongst relevant actors within the wider dynamics of capital accumulation.

Tourism, Capitalism and ‘Cultural’ Political Economy

Drawing heavily upon the ‘cultural turn’ in the social sciences a new generation of ‘critical’ tourism theorists have challenged scholars to address the cultural and discursive dimensions of power and economic relations in tourism (Ateljevic et al., 2005; Milne and Ateljevic, 2001; Pritchard et al., 2011). Specifically, given the immaterial and experiential nature of tourism, cultural theorists contend that the economic dynamics and organization of tourism are shaped as much by the forces of production as they are a multitude of often random factors that govern and influence tourist consumption (d’Hauteserre, 2006: 340). By rejecting the ‘traditional polarization of economy and culture’ tourists are seen not as ‘passive’ consumers but rather as active agents who help to shape the production of tourism via a continuous, dialectical process of ‘negotiated (re)production’ (Atlejevic, 2000: 377).

There can be little doubt that markets and economic relations are embedded in and constituted by cultural values (see Best and Patterson, 2010). Yet, while the symbolic elements of consumption together with the increasing marketization of the cultural realm have become more salient in post-industrial service economies, as anthropologists have extensively sought to document, the myriad ways in which human produce, exchange and consume commodities has always been mediated by historically-changing cultural and indeed moral settings (see Graeber 2011: 89-126). Nor does this negate the fact that the consumption of tourism is structured by material inequalities of class, ethnicity and gender.
not to mention of course that the distribution of surpluses accruing from the production of
tourism experiences is shaped by diverse and variable configurations of capital and labour.

Nevertheless, cultural political economy challenges political economists to further
interrogate the social and cultural embedding of markets and production (c.f., Best and
Patterson, 2010; Sayer, 2001). For example, Scherle’s (2004) work on cross-border business
relations between German and Moroccan tour operators elucidates how cultural differences
may not only influence the divergent meanings that are ascribed to business practices (e.g.,
instances where status and maintenance of local social cohesion may outweigh considerations
of profit) but also where religious and gender-defined constraints may delimit the scope and
pervasiveness of capitalist social relations.

Cultural political economic approaches claim that we cannot fully comprehend the
complexity of the political-economic-cultural changes that have accompanied the rise of
neoliberalism and its profound influence on the restructuring of state-market relations
without an understanding of the role played by language and the ‘discursive strategies used to
reproduce political projects’ (Mosedale, 2014: 61). Following Peck and Lepie’s (2002) call
to consider the contingent and variegated forms of neoliberalism, Mosedale (2016: Paragraph
19.10) claims that neoliberalism ‘has no fixed definition’ but rather is ‘discursively
(re)constructed in the policy arena, the media and through political, economic and social
practices’. A recent study that foregrounds the role of discourse in the analysis of this
transition is given in the case of the Iceland where in the wake of the 2008 financial crash
tourism has been discursively reframed and institutionally embedded as an economically vital
industry (Jóhanneson and Huijbens, 2010).

That is not to say that dominant discursive frameworks are neatly aligned with the
interests of hegemonic classes and ruling elites. Cultural and actor-oriented political
economy perspectives emphasize both the contingency of discourses as well as the capacity
of actors to challenge dominant discourses and indeed to transform structural conditions to
their own advantage (Bramwell 2006; Chaperon and Bramwell 2013). Nevertheless, while
such discursive frameworks provide a valuable corrective to the tendency to ‘reify’
neoliberalism and its effects on the marketization of tourism (see Duffy 2013: 612), there is
danger that neoliberalism is regarded merely as a ‘project’ consciously engineered by elites
decoupled from capitalist social relations and class forces.
Further to the cultural and discursive logics of the economic realm, Mosedale (2011; 2012), has challenged what he terms ‘capitalocentric’ understandings of the tourism political economy that in his view underplay or ignore altogether, the importance of ‘non-market’ actors or the role of culture in the structuring economic practices. To do so he urges that we jettison the ‘myth of a single and pervasive capitalist market economy’ (Mosedale, 2012: 195). However, many of the putative ‘alternative economies’ of tourism identified by Mosedale (e.g., worldwide organic farm tourism) are marginal to or all but beyond the principal circuits of capital accumulation altogether. Neither do they necessarily constitute a direct challenge to corporate-led, market-driven mass tourism nor indicate a determined shift towards post-capitalist tourism economies.

Equally, contrary to the much-trumpeted emergence of the ‘sharing’ or rather, ‘gig’ economy, the rapid growth of new peer-to-peer providers and digital intermediaries in the global travel industries (e.g., Airbnb; Booking.com) signals the opening up of new frontiers of accumulation, and in some cases, the emergence of a new and more aggressive of capitalist expansion marked by even more pronounced concentrations of corporate wealth and market power. While there exists a broad spectrum of property relations across different firms and destinations in tourism given the ‘kaleidoscopic character of tourism capitalism’ (Gibson, 2009: 529), that is not tantamount to the existence of autonomous, self-sustaining tourism economies independent of the wider logics of globalising capitalism.

In its emphasis on the cultural embeddedness of tourism economies together with the power of agency alongside structural determinations, cultural political economy approaches have helped to advance the theoretical breadth of work in tourism political economy with particular emphasis on the variability and instability of power relationships in different tourism contexts. However, such insights are often undermined by a tendency to make sweeping accusations regarding political economy’s inherent reductionist Marxist theorizing and Eurocentric bias (e.g., Ateljevic, 2000; Cohen and Cohen, 2015; Pritchard and Morgan, 2007). To claim that an intrinsic epistemological and theoretical link between research on capitalist mass tourism and Eurocentric, patriarchal thinking, Pritchard and Morgan (2007: 21) confuse the shortcomings associated with meta-theoretical ‘grand theories’ of development with the actually existing modes and variations of capitalist tourism development.
Foregrounding culture, discourse and representation together with the emphasis on localised, micro-strategies of resistance without linking these insights with wider structures of power and forces of capital accumulation, runs the risk of undermining our capacity to analyse and critique the common experiences of exploitation, inequality and the universal struggle of labouring classes to defend their well-being. At worst, it runs the risk of reproducing utopian ‘post-development’ thinking premised upon little more than ‘hope’ and limited moral engagements with the systemic inequalities and injustices associated with contemporary tourism development, with little to say about the transformation of the working lives of those with nothing but their labour (or indeed, culture) to sell in the myriad labour market niches in the corporate tourism and hospitality industries.

**Marxist Perspectives in the Political Economy of Tourism**

Despite the undoubtedly capitalistic nature of tourism together with the profound and continued influence of Marxian approaches on the discipline of political economy and related areas of enquiry, Marxist political economy has had surprisingly little influence in the political economy of tourism. A significant question that arises from the cultural critiques of Marxist thinking is the extent to which the so-called ‘critical’ turn in tourism constitutes a fundamental break with existing epistemological frameworks in political economy (see Perrons, 1999)? Notwithstanding the contribution made by many of the authors cited above to the critique of the shortcomings of structuralist tourism political economy, not least those which drew their inspiration from dependency and underdevelopment theories, often such critiques are premised upon reductionist readings of Marxist political economy (see Ateljevic, 2000: 372, 376; Harrison 2001: 29). In fact, there is little in Marx’s materialist epistemology that in fact precludes sensitivity to agency and both the contingent and variable relations of capitalist production (see Eagleton, 2011; Rupert and Smith, 2002).

Capitalism’s inherent dynamism and the constant pressure to expand and diversify into new markets is determined by the competitive struggle between capitals and the search for profits, in turn, sustaining the self-expansion of capital as Marx famously outlined in the *Grundrisse* (1973: 408-410). This in turn results in a competitive struggle between capitals for the appropriation, use and commodification of resources (including labour) fuelling technological advance, the opening of new markets and avenues of accumulation. However, contrary to the central tenets of neoclassical economics a fundamental premise of Marx’s
historical materialist epistemology is, that in capitalist societies, the market is not an arena of ‘free’ and ‘equal exchange’. Rather it is characterised by an ‘illusory reciprocity’ between differentially empowered actors structured around antagonistic class relations (Aglietta, 1998: 48). Capitalism is thus marked by a distinctive logics of exploitation in which the material benefits (surplus value) of productive labour disproportionately accrues to capitalist classes at the expense of the direct producers or workers (Sweezy, 1970: 59-62). It is the consciousness of the inequalities expressed in the unfolding of capitalist social relations and the associated imperative to earn a wage that shapes the emergence of class consciousness and the struggle of labouring classes to defend their wellbeing and to ‘resist the terms of their incorporation’ (Chibber, 2014: 13).

Accordingly, a Marxist approach to the analysis of tourism and development would ask not merely whether or not wages are rising in line with tourism investment but rather, how class struggle and associated wage-bargaining strategies are both a symptom and constitutive of processes of tourism capitalism in a particular locale. Significantly, this is what differentiates the much discredited neo-Marxist dependency/underdevelopment school whose focus was principally on the exchange relations between states, from classical Marxist political economy in which the focus concerns the conditions under which surpluses are produced and the uses to which these are put. The study of class and labour relations in tourism nevertheless remains scarce although there is not insignificant body of ethnographic and empirical work on working conditions in tourism and hospitality industries (e.g., Adler and Adler, 2004; Beddoe, 2004; Chin, 2008; Crick, 1994; Janta et al., 2011; Madsen Camacho, 1996; OnsØyen et al., 2009).

There can little argument that tourism labour markets are increasingly globalized, cosmopolitan and intersected by class, ethnicity, nationality and gender, whether at global or local levels (Cole and Ferguson 2015; ILO, 2010: 36). Nor can there be any doubt that widespread occupational pluralism and informal employment continues to reproduce complex and variable configurations of class within and across different households in local destination economies (Bianchi and Santana Talavera, 2004; Crick, 1994; Kousis, 1989). Yet, such varied demarcations and subjectivities have always been significant determinants of capital’s relationship with labour and of course, unpaid labour (see Ferguson 2010). For example, the nature of exploitation of often poorly paid, ethnic, often female labourers, in the global cruise ship industry is nothing if not a question of class (Wood, 2000; Chin, 2008). As evinced by numerous labour disputes in capital-intensive resort enclaves, airlines, hotels and
their out-sourced subsidiaries, it is clear that corporate penetration of the tourism and hospitality industries has been accompanied by the intensification of the labour processes across different sub-sectors worldwide (Arrowsmith, 2005; Liquor, Hospitality & Miscellaneous Union, 2003; Schaefer, 2006; Whitelegg, 2003).

Marxian thinking is nevertheless increasingly apparent in a small number of radically-inspired critiques of nature-based tourism.  Eschewing conventional explanations that associate increased demand and supply of ‘eco-tourism’ with a paradigmatic shift towards sustainable tourism, political ecologist, Duffy (2008; 2013; 2014; 2015), and radical geographers Fletcher (2011) and Fletcher and Neves (2012) contend that ecotourism and other associated forms of nature-based tourism (e.g., elephant tourism) are intrinsic to the accumulation process itself. Thus rather than constituting an innovative means of overcoming the resource degradation brought about by conventional mass tourism, ecotourism extends market logics deeper into nature as a means of resolving (or rather, providing a ‘fix’ for) the very crises (of ‘over-production’ and environmental degradation) inherent in the accumulation process driving the tourism industries (see Fletcher, 2011: 448-452; Fletcher and Neves, 2012: 62-66!)

This work bears the hallmark of Harvey’s contribution to Marxian thinking on the inter-relationship between space and changing patterns of capital accumulation and in particular the theory of ‘accumulation by dispossession’ and the concept of the ‘spatio-temporal fix’ (Harvey, 2005: 115-124; ch. 4). The former idea updates Marx’s original concept of primitive accumulation to explain the coercive mechanisms of dispossession and expulsion (privatization; financialization; orchestration of crises and devaluations; state redistribution from labour to capital) that are deployed by states to resolve the contradictions and periodic crises inherent to processes of capital accumulation.  The latter, seeks to illuminates the manner in which capitalism seeks to alleviate crises of profitability via the geographic expansion of capital to new locations (spatial fix) as well as the temporal deferral of new investments (temporal fix) in the expectation of future returns (see Fletcher 2011: 449).

The influence of such Marxian perspectives on the political economy of tourism can be seen in the work of a ‘new’ generation of radical tourism geographers in Spain.  For example, Hof and Blázquez (2011) challenge the conventional wisdom that sees the Balearic tourism model as one that has been progressively restructured towards sustainability through better planning and quality (see Bardolet, 2001), Rather, they argue, the strategic diversification
into ‘higher quality’ tourism constitutes a ‘sustainability fix’ masking the absorption of capital by ‘residential tourism and thereby the intensified use and exploitation of scarce ecological resources, in particular water. Such has been the scale and intensity of speculative capital inflows that that foreign investment into the Spanish real estate and construction industries increased by 350 per cent during the period 1993-2011 at precisely the moment in time the Balearics were being praised as a model of sustainable tourism (Hof and Blázquez, 2011: 6)

Elsewhere, a combination of neoliberal reforms in indebted states in Latin America and the declining profitability of mass beach tourism in the Balearics intensified the role of tourism as a ‘spatio-temporal fix’ through which surplus capital has been increasingly absorbed by hotel and mega-resort development in Central America and the Caribbean, spearheaded by large Spanish transnationals such as Balearic-based hotel and resort TNC Barceló (Blázquez et al., 2011: 6). Moreover, these corporate hotel groups have at times exploited the indebtedness of poor Central American states in order to shape domestic regulatory environments in their favour, secure privileged access to public space, and purchased commodifiable assets at knock-down prices, as Barceló’s acquisition of the formerly state-run Montelimar Hotel in Nicaragua illustrates (Buades, 2009: 69-72).

These Marxian-inspired analyses of tourism, sustainability and corporate power demonstrate the centrality of tourism to the global political economy of capitalism. The global expansion of mass tourism increasingly functions as a lever of trade liberalization (cf. Schilcher, 2007) and as a sluice through which capital is able to flow in search of profitable avenues of accumulation. Moreover, following the 1990s deregulation of financial systems in the advanced capitalist economies, speculative finance and the expansion of consumer credit have assumed greater significance as ways of sustaining corporate profitability and economic growth (Lapavitsas, 2009). These profound changes in neoliberal capitalism have precipitated a shift towards complex models of investment in the hotel and resort sectors, driven by a range of new corporate and financial actors (ILO, 2010: 29-32; Yrigoy, 2016).

Marxian approaches can thus also shed light on the underlying causes and unfolding logics of financial crises, and their implications for tourism, in a way that is often ignored or underplayed in econometric studies or liberal political economy analyses (e.g., Papatheodorou et al. 2010). As the recent history of tourism amply illustrates, global capitalism expands and diversifies in an uneven and contradictory manner, generating
distinctive concentrations and the centralization of capital across industries and in different parts of the world, much in the manner identified in Marxist political economy (see Selwyn, 2014: 61-62). Although there is no inevitability regarding the progressive concentration of capital in tourism, it is no doubt the case that while tourism firms in less advanced countries tend to predominate in areas of low profitability and/or as subordinates in destination supply-chains, lead tourism firms based in the advanced capitalist countries, as a glance at the index of the world’s major hotel, airline and travel industry corporations clearly illustrates, exercise considerable market power and thus appropriate a greater share of revenues (Christian, 2016; Clancy, 2011).

CONCLUSION

This review has considered the evolution and shifting focus of various theoretical and thematic contributions to the political economy of tourism. From what was once a largely pragmatic enterprise dominated by applied studies of tourism’s economic impact on ‘developing’ countries in which development was calibrated measured according to the metrics of economic growth/GDP, the political economy of tourism has evolved into an increasingly varied terrain of thought shaped by diverse theoretical viewpoints and informed by empirical insights.

Modernization theory provided early intellectual cover to the ideological enterprise of opening up of newly independent states in the ‘Third World’ to overseas tourism and capital investment as a means of promoting economic development. No sooner had a consensus begun to take shape regarding tourism’s capacity to benefit developing countries than it was countered by the challenge put forward by dependency and underdevelopment theorists which became the catalyst for a series of neo-Marxist-inspired critiques of tourism and its ostensive contribution to economic development. In spite of their well-documented shortcomings, neo-Marxist theories of tourism and dependency/underdevelopment nevertheless served to highlight the manner in which the development of tourism in these nascent ‘Third World’ economies was implicated in the production and reproduction of systemic inequalities between ‘core’ and ‘peripheral’ states, and to an extent, within the former.
As identified in the works of Clancy, Hazbun and Steiner studies of tourism development have been marked by the under-theorisation of the state. Indeed, if it was mentioned at all it was all but assumed that state-led tourism development had more or less failed throughout less developed economies. However, as institutionalist political economy subsequently demonstrated, the developmental state played an integral part in the state-managed integration of developing economies into the world economy through tourism. The particular strength of these analyses was to go beyond mere description of the state’s role in tourism development to elucidate how distinctive state formations and their institutional character have exerted a critical influence on the economic structure and spatial organization of tourism economies.

Notwithstanding such contributions to the understanding of the variable institutional landscape and distinctive patterns of state power in tourism there remains a tendency to conceive of the state as an autonomous actor capable of effective intervention in the market in order to avert market failure and/or arbitrate between competing interest groups. However, notwithstanding the neo-patrimonial bureaucratic state in a country like Egypt has managed to ensure modest gains for labour through the liberalization of tourism investments (Steiner, 2006), statist political economies nonetheless continue to treat labour as a technical input rather than as a social relation in which labour is able to ‘purposefully shape its relation with capital’ (Selywn, 2011: 2), in its continuous struggle to resist and challenge the imposition of exploitative labour regimes. In doing so, labour constitutes the very forces and structures that together, shape regional and national tourism political economies.

More recently, a range of critical theorists have provided a valuable corrective to the totalizing generalisations and abstract tourism development models. Its leading exponents have drawn on the post-structural perspectives in cultural political economy to challenge the alleged ‘capitalocentric’ and ‘productivist’ bias of tourism political economy and to acknowledge the influence of consumption and discursive strategies in framing the commodification and economic organization of tourism. There is little question that tourism is deeply embedded in cultural practices and encompasses an enormous diversity of economic practices and types of firms. There is a danger however that cultural political economies of tourism underplay the systemic nature of capitalism as well as the manner in which particular sets of ideas and discourses gain material force and shape the durability of institutions. That said, these contributions have opened up a fertile terrain of debate and discussion regarding
existing and potential alternatives to tourism capitalism and the nature of power and agency that operate throughout different scales across different tourism political economies.

A small number of Marxian influenced studies, drawing upon a diverse repertoire of contemporary radical political economy, have begun to address the deficit of analyses on the forces and structures of capitalist development in tourism and shifted the focus of analysis onto the forces of capital accumulation and class power that shape and determine the economic organization and industrial structure of tourism. Although there is much to do with regard to theoretically-informed studies of tourism and labour relations, a number of authors have addressed the contradictions and tensions inherent in the accumulation process across various geographical and tourism contexts worldwide.

Despite over half a century of debate and analysis, the question of tourism’s contribution to economic development remains unresolved. However, this question cannot be resolved through recourse to the ‘facts’ alone. Harrison (2015: 66) is adamant that ‘virtually all tourism is going to be promoted through some form or another of capitalism’ although its precise characteristics will vary. Pace some of the claims made of cultural political economists there is little evidence at this juncture to suggest the emergence of substantive alternatives to capitalist tourism development is on the horizon.

One thing however is certain. If the political economy of tourism is to make a significant and lasting contribution to our understanding of the complex forces shaping the industrial organization of tourism and its consequences for societies, it must move beyond the analytically limited and theoretically-barren debates over tourism’s contribution to development in order to make sense of the expanding relationship of tourism within the variable emerging configurations of market capitalist, state capitalist and indeed post-capitalist political economies. As new online intermediaries and peer-to-peer digital companies continue to make deep inroads into traditional tourist markets, eroding capitalistic property relations as we know them (c.f. Mason, 2015; Rifkin, 2014), a 21st century political economy of tourism must address the systemic forces of accumulation, constellations of class power and models of innovation that will continue to radically restructure complex, multi-scalar modes of industrial organisation and profit extraction in contemporary tourism.
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Although often used interchangeably it is more precise to use the term transnational, as opposed to multinational, corporation, in referring to ‘a firm which has the power to coordinate and control operations in more than one country, even if it does not own them’ (Dicken, 2003: 198). Whereas a multinational may operate predominantly from within the domain of a specific national economy and may be owned by shareholders residing mainly in that particular state despite trading on an international scale, transnational corporations have a ‘global profit orientation’, being owned and operating across borders to such an extent that their interests do not align with those of any state (Hoogvelt, 1997: 58-9).
Statement of Contribution:

The Political Economy of Tourism Development: A Critical Review

1. What is the contribution to knowledge, theory, policy or practice offered by the paper?

This paper offers a critical review and reflection on the evolution and transformation of the political economy of tourism since the emergence of tourism development as an area of practical policy intervention and subsequently, a valid topic of social scientific enquiry. Specifically it identifies reasons for the weak and inconsistent application of political economy to the study of tourism development before then offering a critical reflection on the various contributions made by recent theoretical developments in political economy of tourism and their shifting foci, as well as identifying significant areas for future intellectual enquiry and research.

2. How does the paper offer a social science perspective / approach?

Political economy is a major area of the social sciences whose trajectory as an intellectual area of enquiry is closely interconnected to the evolution of economics, sociology, anthropology and politics. It comprises the study of the socio-economic forces and power relations that shape the production of commodities and the divisions, conflicts and inequalities that arise from this. Accordingly this review of the political economy of tourism – here defined as the analysis of the relationship between different modes and scales of tourism industrial activity and varieties of capitalist (and non-capitalist) development as they unfold throughout different historical geographic contexts - encompasses a range of critical social scientific concepts and concerns governing the social and economic organisation of tourism economies and the distributional outcomes and conflicts that arise for this.
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