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# **CHAPTER - 1**

## **INTRODUCTION**

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## 1.1 SIGNIFICANCE OF TOURISM

Tourism, today, is one of the world's fastest growing economic activities. It has become a major economic force in many countries and regions throughout the world. Its impacts on socio-economic mosaic of a country or region are far reaching. Its significance in national economies and world trade is beyond question. The growth of tourism as a social phenomenon, and the tourism industry as an economic enterprise, has been remarkable during the latter half of the twentieth century. The UN conference on world tourism held at Manila in 1980 noted that its potential goes beyond first economic considerations. The declaration of that conference read:<sup>1</sup>

*"Tourism is considered as an activity essential to the life of nations because of its direct effects on the social, cultural, educational and economic sectors of national societies and their international relations."*

Tourism, no doubt, plays vital role in advancing wider international integration within areas. It is now regarded as an important force in many societies and economies in various parts of the world. Nearly every country in the world is trying hard to attract tourist because it brings foreign exchange which acts catalyst for modernization, economic development, prosperity, as well as stimulates the local economy.

It involves critical interplay among economic, political, environmental and social elements. It is increasingly being recognized as a part of a global process of change and developments. After the World War II leisure society has witnessed the continued growth where people value the significance of holidays, travel and an experience of going to see new societies and their culture. Though not usually consider as a cohesive industry, the growth of tourism since World War II has nonetheless dramatic. It is no longer confined to the developed countries that traditionally provided the demand for world travel. The present day exodus especially in relation to international tourists is essentially a post-world

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1. Murphy, Peter, E., *Tourism: A community Approach*, (London, 1991), p.4.

war II phenomenon. Modern mass tourism only came into existence in the 1950's and has its origins in the affluence of the industrialized nations of Western Europe, North America and, more recently, Japan. Tourism has also expanded significantly in Eastern Europe and is becoming an important sector in many developing countries in Asia, Africa, Latin America, the Pacific and the Caribbean. Tourism, thus, has developed in a wide variety of physical environments – on low islands of the Pacific in the heart of Alpine Europe, in the countryside of the English Lakes district and along the Mediterranean coastline.

Today, tourism is seen as a major contributor to global economic development creating employment and generating wealth on a truly international scale. An increasing number of countries rely heavily on receipts from tourism for their economic and social well-being. The receipts from international tourism can provide valuable source of earnings for both developed as well as developing countries. Tourist spending generates income for both public and private sectors, besides effecting wages and employment opportunities. The income from tourism has tended to increase at a higher rate than merchandise export in a number of countries especially in countries having a low industrial base. Income from foreign earnings adds to the national income and hence forms critical importance in the overall financial reckoning- particularly assume a great significance in the balance of payment calculation.

Global organizations viz., The World Travel Tourism Council (WTTC) and the World Tourism Organization (WTO) consider tourism as a vast industry whose multifaceted nature makes it extremely difficult to assess its market size. According to the WTO receipts from international tourism are rising and its contribution in Gross Domestic Product (GDP) of the country is the indicator of its growing significance in the economy of every country. Studies show that tourism grew at almost twice as fast as World Gross National Product (GNP). In terms of sheer size International Tourism accounts for about 6 per cent of world trade and more than 696 million tourist visits annually. Worldwide tourism is a \$ 2.70 trillions industry. The number of International tourist arrivals rose from 25 millions

in 1950 to 425 m in 1990, an average growth rate of more than 10 per cent. There is no doubt that the events of 9/11/2001 caused a major interruption to the growth of world tourism during 2003. International tourist arrivals during 2002 amounted to 702.6 millions which dropped by 1.2 per cent to reach 694 millions in 2003 (Table: 1.00). The WTO Tourism 2020 vision forecasts show that international tourist arrivals are expected to reach over 1 billion by the year 2010 and 1.56 billions by the year 2020. This demonstrates an annual growth rate of 4 per cent over the period 1995-2020.

**Table: 1.00**  
**International Tourist Arrivals**  
**1950 – 2003**

<b>Year</b>	<b>Arrivals (million)</b>	<b>Average Annual Growth Rate (%)</b>
1950	25.30	-
1960	69.30	10.4
1970	159.70	8.7
1980	285.00	4.8
1990	425.00	5.3
2000	687.00	4.8
2001	684.00	-0.80
2002	702.60	3.7
2003	694.00	-1.2

**Source:** World Tourism Organization, *Various Issues*.

Calculations based on data published by the World Tourism Organization, show that international tourism receipt increased at an average rate of 11.7% during the period from 1982-1992. Receipt per tourist nearly double during this period from approximately US \$ 340 to US \$ 618. In 2002 WTTC estimated that travel and tourism as economic activities generated \$ 4421.1 billions, which is expected to grow to \$ 8614 billions by 2012. This is a 4.5% increased in the demand for travel and

tourism per annum, which is for in excess of the scale and pace of growth in the economies of most countries.

According to WTTC tourism is now the World's largest industry generating 6 per cent of the global gross national product and employing one in fifteen workers worldwide. Globally, tourism is expected to grow at round 4 per cent per year. At a global scale, the economics effects of travel and tourism are estimated by WTTC to be responsible for 198 m jobs, which is equivalent 7.8 per cent of world employment. This number is expected to grow to 250 m jobs by 2012.

The above brief survey explains the growing international significance of tourism in the lines of people. One way mentions that it is becoming a powerful process that affects all parts of the globe.

## **1.2 TOURISM CONCEPT**

At the very outset it is necessary to understand the concept of tourism. In fact concept of tourism is very complex and hence difficult to explain. The word "tourism", although accepted and recognized in common parlance, is nevertheless a term that is subject to a diversity of meanings and interpretations. "Tourism" itself is a broad term and it typically used as a single term to designate a variety of concepts. Tourism may best be conceived as an interrelated system. Several different types of systems models have been utilized in tourism studies. At a geographical level, three basic elements may be identified.<sup>2</sup>

- ≡ Generating regions: This is the source region of the tourist and the place where the journey begins and ends.
- ≡ Transit region: This is the region which the tourist must travel through to reach his or her destination.
- ≡ Destination region: This is the region which the tourist chooses to visit and where the most obvious consequences of the system occur.

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2. Michael, Colin, H. *Introduction to Tourism: Development Dimensions and Issues*, (Australia, 1998), pp.1-2.

Tourism may therefore be interpreted as but one of a range of choices or styles of recreation expressed either through travel or a temporary short-term change of residence. All tourism includes travel but not all travel is tourism, while the temporary and short term nature of most tourist trips distinguishes it from migration.

Tourism embraces the temporary movement of people to destinations outside their place of permanent residence, involving transport, accommodation, activities at the destination visited and a vast range of services making the visit possible. Thus tourism is a movement of people covers all the aspects of the “mobile” as apposed to the residential population. It is paramount to treat the “mobile” community as a separate concept since there are many substantial differences. In many ways “travel” is a better word to describe the concept since although the most common reason for trips outside the area of permanent residence is holiday taking, business journeys and visits for specific purposes e.g. health, religion (pilgrimages), education and study, sport and cultural activity are all important elements in the total movement. The idea of travel for pleasure as apposed to travel for necessity is therefore within in the context of human activity a relatively recent phenomenon.

Despite spurt in international traveling the concept of tourism is still not very well clear. This reflects complexity of tourism as well as diverse aspirations of groups with an interest in tourism and different perspective--diverse aspirations and different perspective of governments, the tourism industry, local communities and tourists.

One of the major problems that many scholars have in approaching tourism is the confusion between the concept of the terms “tourist” and travelers.

The term tourist in the sense of a pleasure tour is, however, of recent origin the term tourist has come from the word “tour”, a derivation of the Latin word *tornus*, meaning a tool for describing a circle or a turnness wheel. According to Webster’s Dictionary, the term “tourist” is derived from the word “tour” meaning a journey at which one returns to the starting point, a circular trip for business pleasure or education during

which various places are visited and for which an itinerary is usually planned. At the end of which one returns to the starting point, normally the home.

In the first half of the 17<sup>th</sup> century the term tourist was used for traveling from place to place, a journey, an excursion, a circuitous journey touching the principal parts of a country or region. In the early nineteenth century, the term "tourist" assumed a meaning of one who make a tour or tours, especially, one who does this for recreation or who travels for pleasure object of interest, scenery or the like.

Tourism is viewed as a composite concept involving not just the temporary movement of the people to destinations that are removed from their normal place of residence but, in addition, the organization and conduct of their activities and of the facilities and services that are necessary for meeting there needs.

In recent decades, the concept of tourism has broadened into holistic interpretations that have given rise to the modeling of tourism as a system. Many authors such a (*Cuervo 1967, Gunn 1972, Leiper 1979, Mill and Marrison 1985, and Jafari 1989*), have proposed models of the tourism system. Key elements of this holistic and interrelated model include.<sup>3</sup>

- (i) Tourism is not a discipline instead it is a multidisciplinary field.
- (ii) Tourism is generated by two major powers demand and supply.
- (iii) Within demand is a diversity of traveler interests and abilities.
- (iv) Within supply are all the physical and program developments required to serve tourists.
- (v) Tourism includes many geographic, economic, environmental, social and political dimensions.
- (vi) Tourism is not an industry, it is made up of a great many entities as well as business.

A similar meaning was provided by *Chadwick (1994)*, who identified three main concepts.

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3. Gunn, A, Clare, *Tourism Planning*, (London, 2002), pp. 8-9.

- (i) the movement of people
- (ii) A sector of the economy
- (iii) A broad system of interacting relationship of people, their needs, and services that respond to these needs.

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### 1.3 TOURISM DEFINITION

Tourism is now an integral part of modern societies, hence its study and analysis becomes paramount. It is a phenomenon that increasingly demands attention. An understanding of the various definitions of tourism is very important at both a practical and a theoretical level. Tourism has immense dimensions other than economic, among them the complex of interactions and three consequences that occur before, during, and after a tourist trip. In the first major writing about tourism, the *Travel and Tourism Encyclopedia*, J.G. Bridges (1959) cites several historic dimension of tourism. As travel modes and quality increased dramatically and as research expanded, new interpretations of tourism emerged. Agreement on a comprehensive easily understood and universally accepted definition of tourism is difficult to accomplish because it is a highly complicated amalgam of various parts. These parts are a diverse range of factors such as: human feelings, emotions and desires, attractions built upon natural and developed resources; suppliers of transport, accommodation, and other services; and government policy and regulatory frame works. Subsequently it is difficult to arrive at a consensual definition of what tourism actually is. Many scholars of tourism acknowledge that the measurement of tourism is both an impressive science and is increasingly susceptible definition problem.

Tourism, recreation and leisure are closely related and, therefore, there is a need to set out their definitions. This is, however, a difficult task as there are a number of definitions of these concepts. However, precise definition is necessary for statistical comparisons, market analysis and product differentiations.

Leisure is often seen as a measure of time and is usually used to mean the time left over after work, sleep, and personal and household



chores have been completed. It is time which can be used in ways determined by the individual's own discretion. Most recent research has viewed leisure as an attitude of mind. It is the perception of activities by individuals which is important, for leisure is rooted in enjoyment, well-being and personal satisfaction.

Recreation covers, broadly, any prurient taken up during leisure time other than those to which people have a high commitment. Basically, recreation refreshes a person strength and spirit and can include activities as diverse as watching television or holidaying abroad.

Tourism is a distinctive form of recreation and demands separate consideration. The definition most widely recognized and used is that produced by the 1963 United Nations Conference on Travel and Tourism in Rome, which was adopted by the International Union of Official Travel Organization (IUOTO) in 1968.

"For statistical purposes the term "visitor" describes any person visiting a country other than that in which he has his normal place of residence for any reason other than following an occupation remunerated from within the country visited."<sup>4</sup>

The IUOTO later to become the World Tourist Organization (WTO) supported this description but sub-divided the term visitors into two categories:

(i) Tourist is temporary visitor staying at least twenty four hours in the country visited, the purpose of whose journey can be classified under one of the following headings:

(a) Leisure (recreation, holiday, health, study, religion and sport).

(b) Business, family, mission, meeting.

(ii) Excursionists: Are visitors who do not make an overnight stop, but pass through the country or region. An excursionist stays for less than 24 hours, and includes day trippers and people on cruises.

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4. Bodlender, J., et.al, *Developing Tourism Destinations: Policies and Perspectives* (UK, 1991) p.4.

Many different definitions of tourism exist, and the international debate as to the definition of tourism still continues. Following are different definitions of tourism from a number of the leading text.

- ≡ Tourism as “the totality of relationships and phenomena linked with the stay of foreigners in a locality provided they do not exercise a major, permanent or temporary remunerated activity.” *Walter Hunziker and Kurt Krapf (1942)*.
- ≡ Tourism denotes the temporary short-term movement of peoples to destinations outside the places where they normally live and work and their activities during the stay at these destinations. Much of this movement is international in character and much of it is a leisure activity *Burkart and Medlik (1974)*.
- ≡ Tourism is a study of man away from his usual habitat, of the industry which responds to his needs and of the impacts that both he and the industry have on the host socio-cultural, economic, and physical environments *Jafari (1977)*.
- ≡ Tourism is a phenomenon variably distributed in space (and time), and it can thus be approached from a variety of geographical branches. The locations of markets and destinations, and the flow of people, capital goods, and ideas are at the core of tourism. It influences the form, use and protection of the landscape *Briton (1979)*.
- ≡ Tourism is the temporary movement of people to destinations outside their normal places of work and residence, the activities undertaken during their stay in those destinations, and the facilities created to cater to their needs *Mathieson and Wall (1982)*.
- ≡ Tourism ... recreation on the move, ongoing in activity away from home in which the travel is at least part of the satisfaction sought *Kelly (1985)*.
- ≡ Tourism as “a voluntary, temporary traveler, traveling in the expectation of pleasure from the novelty and change experienced on a relatively long and non-recurrent round trip (*Erik Cohen*).

- ≡ Tourism is an open system of five elements interacting with broader environments, the elements being a dynamic human element, tourist; three geographical elements: generating region, transit route and destination region; and an economic element, the tourist industry. The five are arranged in functional and spatial connection, interacting with physical, technological, social, cultural, economic and physical factors. The dynamic element comprises persons undertaking travel which is to some extent leisure-based and which involves a temporary stay away from home of at least one night. *Leiper (1981).*
- ≡ .... The sum of ... the travel of non-residents (tourists, including excursionists) to destination areas, as long as their sojourn does not become a permanent residence. It is a combination of recreation and business. *Murphy (1985).*
- ≡ Tourism is essentially about people and places, the places one group of people leave, visit and pass through, the other groups who make the trip possible and those they encounter along the way. In a more technical sense, tourism may be thought of as the relationship and phenomena arising out of the journeys and temporary stays of people traveling primarily for leisure or recreational purposes. *D.G. Pearce (1987)*
- ≡ The phenomenon arising from temporary visits (or away from home) outside the normal place of residence for any reason other than following an occupation remunerated from within the place visited *Medlik (1988).*
- ≡ It (tourism) is a human activity which compasses human behaviour, use of resources and interaction with other people, economies and environments. *Bull (1991).*
- ≡ The broad range of tourism definitions available in the literature explains that tourism has both physical and social (psychological) component. The definition complexities of tourism and the uncertain linkages with the allied fields of recreation and leisure are basic problems that confront the student of tourism. This is due, in

most part, on two principal factors namely the broad nature of the subject and the fact that the tourism industry comprises a multitude of diverse, yet interrelated, industry sectors. The study of tourism impinges on such disciplines as geography, economics, psychology, sociology, anthropology, planning, business studies, politics etc. It is easy to understand the difficult in agreeing a workable definition.

However the UN Statistical Commission has accepted a convenient definition of tourism in 1993 on the recommendation of the World Tourism Organization (1991).

“Tourism comprises the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business or other purposes.”<sup>5</sup>

Although there is no definition of tourism this brief introduction to tourism demonstrates its complexity, and that it is about much more than going on holiday. The definition of tourism will continue to be imprecise because so many business, governments, and researchers are involved, and because of the rapid changes taking place in the travel world. Its development in destinations involves the use of physical and natural resources and will subsequently impact upon the economies, culture and ecology of the destinations it develops in.

#### **1.4 PROBLEM STATEMENT**

Jordan, a young nation, occupies an ancient land associated with the civilizations of antiquity. It has meager natural resources and hence the size of the national economy measured by the Gross Domestic Product (GDP) is small. It depends upon outside aid. The 1967 six day war with Israel disputed the ongoing economic development programme and created new social and economic problems. The contribution of West Bank to domestic income, which was around one third of the total, was immediately disrupted and halted. Defense expenditure increased dramatically and resources were diverted to purchase of armament and

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5. William, Williams, Stephen, *Tourism Geography*, (London, 1998), pp.3-4.

modern weapons. Consequently economic growth showed down-ward trend and period of economic recession started. This overstrained the economy increased Jordan's dependence on outside aid. The Gulf crisis of 1990 further worsened the Jordanian economy. Hence Jordan dedicated most of its efforts to revitalize its economy and to develop its human resources to become the main source of economic development. Therefore, tourism activity has emerged as a most vital source in the growing services sector that provides new opportunities in the service sector employment, revenue and impacts. Tourism has the potential to enhance the national economy in terms of the exportation of services income from tourism has become a major factor in Jordan's efforts to reduce its balance of payment deficit. The tourism industry is the largest productive sector and most important contributor to the Jordanian economy. According to the WTTC, tourism's economic impact for 2004 in Jordan represents:

- (i) 94,083 jobs – 6.5% of total employment with real growth of 12.0%
- (ii) Jordanian Dinar (JD) 508.6 m – 6.9% of total GDP with real growth of 11.7%.

Jordan has a limited number of options that are “ready to go” as strong economic drivers. Tourism is one of these. It is now high time to launch proper planning and strategy in promoting sustainable tourism economy in Jordan.

Marketing is the core of tourism growth and development. Jordan needs a branded approach to its tourism marketing. What it requires most is a boost to its marketing capacity and capabilities to bring it into line with its competitors in terms of resources and skills. Jordan needs a branded approach to its tourism marketing. The general market for tourism to Jordan is regarded as having plateau and declined in its appeal growth is now driven largely by customization and aggressive marketing strategies.

Therefore, the proposed research study seeks to analyse the significance and effectiveness of tourism in human resource development in addition to creating a wide range of outstanding jobs in the labour market. The study will investigate the contribution of geographical

components in developing sustainable tourism economy. It will also analyse the tourism as a main source of export in generating foreign reserves to support the balance of payment. The proposed study will also focus on the development of hotel industry and its contribution to the development of tourist economy. In addition, the study will assess the impact of tourism on the sector of economy.

### **1.5 LITERATURE REVIEW**

**Munir Abu-Ghazaleh (1985)**<sup>6</sup> evaluates the important role of international Tourism in Jordan's economy. He found the Tourism sector in comparison with industry and agriculture a viable industry due to its relatively higher average product of labour and marginal product of capital. In addition it was found to be highly capital intensive. His analysis shows that tourism viability as well as its capital intensity are expected to improve once major capital intensive infrastructure are established, and the promotion of local products and services, to meet the visitors demand, is intensified.

**Walid Mohd. Ahmad Al-Mufleh (1998)**<sup>7</sup> deals with basic of cost management accounting system in the hotel Industry. He also discussed organizational structure of the hotel industry with special reference to large hotels in Jordan. He highlighted the need of cost management in controlling all aspects of functional operational system for hotel and catering industry and, its importance in tourism development.

**Ahmad A.E. Al Makhadmeh (2000)**<sup>8</sup> discusses the important steps of the government of Jordan in regard to the development of

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6. Abu-Ghazaleh Munir, "*Economics of Tourism in Jordan*", Unpublished Ph.D. Thesis, Faculty of the graduate school of Vanderbilt University, Nashville, Tennessee, (USA,1985)
  7. Al-Mufleh Walid Mohd. Ahmad, "*Cost Management Practices and Control Systems. In the Hotel Industry in the Jordan: A Case Study of Five Star Hotels in Jordan*", Unpublished Ph.D. Thesis, Department of Accounting, Faculty of Commerce and Management Studies, Jodhpur, Rajasthan, (India,1998)
  8. Al Makhadmeh Ahmad A.E., "*Tourism Administration in Jordan: With Special Reference to Hotel Industry*", Unpublished Ph.D. Thesis, Department of Public Administration, University of Rajasthan, Jaipur, (India,2000)

Tourism and hotel industry. He emphasized the formulation of a national tourist and hotel development policy along with the role to be played by the private sector and the government for marketing and promotion of Tourism industry.

**Raed Ahmad Momani (2001)**<sup>9</sup> analyses the significance of marketing in the overall growth and development of tourism in Jordan. He further suggested that the Jordanian authorities should carry out a long-term perspective for a balanced pursuit to develop Jordan as a tourist attraction centre.

**Osama Al-Fadel (2002)**<sup>10</sup> investigates tourism management in Jordan since 1990s. He reached to conclusion that tourism industry in Jordan is comparatively young and hence growth and development rather slow. Other problems such as lack of human resource development within the tourism industry, quiescent legal frame work of tourism reactor, absence of coordination among different organizations of tourism reactors insufficient development of classified hotels, and inadequate infrastructure are some of the constraints come in the way of managing the tourism industry in Jordan.

**Ahmad I. Tamimi (2003)**<sup>11</sup> examines the spatial organization of the international Tourism flows in Jordan. He attempted to investigate the dynamics of spatial network between the international Tourism flow and the main tourism sites in Jordan. He applied three theories viz. Dependency, Diffusion and Evolutionary to explain the network and its dynamics. He found that maximum benefits of tourism could be achieved by increasing the average length of stay and the bed occupancy.

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9. Momani Raed Ahmad, "*Marketing of Tourism: With Special Reference to Jordan*" Unpublished Ph.D. Thesis, Department of Business Administration, University of Rajasthan, Jaipur, (India, 2001)
  10. Al-Fadel Osama, "*Tourism Management in Jordan Since 1991*" Unpublished Ph.D. Thesis, Department of Commerce, Aligarh Muslim University, Aligarh, (India, 2002)
  11. Tamimi Ahmad I, "*Spatial Organizational Tourism Flows in Jordan*", Unpublished Ph.D. Thesis, Department of Geography, Jordan University, (Jordan, 2003)

**Marina Mustafa (2004)<sup>12</sup>** investigates the negative effect of tourists' irresponsible behaviour on the damage of archeological and heritage sites in Jordan. The main objective of *Marina Mustafa* is to reveal visitors' careless behaviour by applying models of cognitive hierarchy more specifically the Norm Activation Model. The study investigates the effect of irresponsible and careless behaviour on the gradual decline and damage of four archeological sites which differ significantly with regards to their location, size, the availability of tourist facilities and the kind of damage tourists cause there. The study has shown that there is a relationship between norms and behaviour and there is a need for instilling tourism awareness among tourists.

**Mahmoud Mohammad Quweitin Al-Ajlouni (2005)<sup>13</sup>** assesses the Tourism development in Jordan and India as well as its role in the economy. He also pointed out the importance of infrastructure and services as a source of tourism growth. He studied the organization and Management of Tourism of both Jordan and India.

**Akram Atif Abd-Alraheem (2006)<sup>14</sup>** highlights the governance forms in value chain of international tourism in Jordan. He studied the application of value chain theory in tourism sector in Jordan. He found that the travel agents are the effective items in the Tourism Net work which links the tour operators of abroad with the local tourism activities. He reached to the conclusion that the Jordanian value chain is suffering from the weakness in the mechanism of measurement.

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12. Mustafa Mairna, "*Applying Norm Activation Model to the Behaviour of Tourists in Archeological Sites*". Ph.D. Dissertation, Queen Rania's Institute of Tourism and Heritage, The Hashemite University, (Jordan,2004)
  13. Al-Ajlouni M.M. Quwatin, "*Organization and Management of Tourism in Jordan and India: A Comparative Study*", Unpublished Ph.D. Thesis, Faculty of Commerce and Management Studies, Jai Narain Vyas University, Jodhpur, Rajasthan, (India,2005)
  14. Abd-Alraheem Akram Atif, "*Governance Forms in value chains of the International Tourism in Jordan*", Unpublished Ph.D. Thesis, Department of Geography, University of Jordan, (Jordan,2006)



**Habis Samawi (1981)**<sup>15</sup> investigates the geography of tourism in Jordan in terms of the natural factors that influence tourism in the country such as its strategic location as a tourist destination with its richness of cultural heritage and archeological sites and the physiographic phenomena. The study sheds light on the historical and economic factors that influence tourism in Jordan. The study traces the improvement of the tourist facilities and the role of the government of Jordan in promoting and enhancing tourism in Jordan. The study gives a clear picture of the distribution of the archeological and tourist sites throughout the country. Moreover, the researcher states the main objectives of tourism in Jordan and the government's tourism planning strategies to promote Jordan as a major tourist destination in the whole region. The study mentions some of the problems facing tourism in Jordan. *Samawi* investigates the factors influencing the tourism movement in Jordan mainly those related to the average age of tourists, their income or economic and social class and their educational level. *Samawi* concluded that European tourists stay for longer periods in Jordan than tourists of other nationalities.

**Mustafa Mousa (1985)**<sup>16</sup> sheds light on the significance of the Gulf of *Aqaba*, Jordan's only sea outlet, as a major tourist attraction. The study shows the importance of the coastal city as a tourist site and puts forward recommendations to develop it and improve the services and facilities there. *Mousa* gives a clear picture of the distribution of the historical, archeological and religious sites in the city.

**Zuhdi Al-Zummar (1985)**<sup>17</sup> investigates the effect of the socio-economic development on domestic tourism and picnicking in

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15. Samawi Habis, "*The Geography of Tourism in Jordan*", Unpublished Masters, Thesis, Alexandria University, (Egypt, 1981)
  16. Mustafa Mousa, "*The Geography of Tourism of the Gulf of Aqaba*". Unpublished Masters Thesis, University of Jordan, (Jordan, 1985).
  17. Al-Zummar Zuhdi, "*Domestic Tourism in Jordan*". Unpublished Masters Thesis, University of Jordan, (Jordan, 1985).

Jordan. The study shows the effect of domestic tourism on the flourishing of the Jordan economy.

**Faisal M. Dheeb (1990)**<sup>18</sup> points out that a great percentage of foreign tourists have the impression that Jordan is a major tourist destination in the region. The researcher also states that some tourists complain of the lack of services in some tourist sites mainly when it comes to tourism guidance, the difficulty in using public means of transport, the insufficient services offered to tourists by travel agencies. *Dheeb* argues that staff working in travel agencies needs more professional development to enhance their knowledge of tourist sites in Jordan and acquaint them with effective tourism marketing and promotional strategies.

**Khalid Al- Yousef (1994)**<sup>19</sup> calls for the integration of tourism projects in all countries of the whole region. Co-operation between ministries of tourism in different countries enhances the tourism movement in the whole region.

**Khawla A. Mahdi Al-Ma'aya (1995)**<sup>20</sup> conducts a study of the geography of medical tourism in Jordan and reveals its various locations. The study shows the nationalities of the tourists who come to Jordan for medical treatment by visiting medical tourist attractions mainly the *Dead Sea*, and the hot (thermal) springs in different areas such as *Hammam Ibin Hammad*, *Hammam Al-Der'a*, *Hammam Al-Burbetta*, *Hammam Abu Dhabila*, *Hammam Dayr Alla*, *Hamammat Zara*, *Hamammat Ma'in*, *Hammam Jerash*, *Hamammat Ifra*, and *Hammam Al-Azraq Al-Janoubi* and *Hamammat Al-Himma*. The study investigates the social, demographic, economic and health conditions of the tourists who normally visit such health resorts for medical treatment. Most

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18. Dheeb Faisal M, "*Tourism Marketing and Promotion in Jordan: Foreign Tourism: Status and Development*". Unpublished Masters Thesis, University of Jordan, (Jordan, 1990).

19. Al-Yousef Khalid, "*Tourism in Jordan*", Unpublished Mater Thesis, University of Jordan, (Jordan, 1994).

20. Al-Ma'aya Khawla A. Mahdi, "*The Geography of Medical Tourism in Jordan*" Unpublished Masters, Thesis, University of Jordan, (Jordan, 1995).

tourists who seek medical treatment in Jordanian health resorts come from West Europe, Northern America and other Arab countries. *Ma'aya* states that medical tourism in Jordan continues throughout the year as health resorts are open for tourists throughout the year. The health resort of the *Dead Sea* attracts more tourists than other health resorts due to the richness of the *Dead Sea* salty waters with minerals which have medicinal powers to heal several diseases and the availability of medicinal mud, oil and ointments. The *Ma'in* health resort stands second and attracts a large number of foreign and Arab tourists seeking natural medical treatment. Moreover, *Al-Ma'aya* points out that the average residency duration in the health resorts is significantly higher than other resorts. Foreign tourists normally spend 11 nights in such medical resorts. The researcher maintains that tourists visit health resorts not only for medical treatment from illnesses such as rheumatism, backache and skin diseases, but also for other reasons mainly relaxation.

**Nadia Eid Mousa Al-Sha'er (1995)**<sup>21</sup> investigates entrepreneurship in the tourism sector in Jordan through adopting the development of tourist investment strategy throughout the period from 1950 to 1994. The study analyses the features of those entrepreneurs who undertake tourist enterprises in Jordan and reveals the factors that influence the investment behaviour. The study investigates the reactions of tourism entrepreneurs towards the political stability and instability in the region and the adverse effects political events in the area have on the effectiveness of their projects in terms of demand and income. *Al-Sha'r* traces the development of the tourism sector in Jordan with regard to the drastic and constant increase in the number of hotels, travel agencies and car rental offices, oriental antiquities and souvenirs shops in the country. *Al-Sha'er* classifies tourism investment enterprises in Jordan into four major Jordanian

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21. Al-Sha'er Nadia E.M., "*Entrepreneurship in Tourism Sector in Jordan*". Unpublished Masters, Thesis, University of Jordan, (Jordan, 1995)

cities mainly *Amman*, the capital city, *Irbid* in the North of the country, *Petra* and the Gulf of *Aqaba* in the South. The researcher points out that among the four tourism investment locations, *Amman* comes out on top in respect to the concentration of tourism investment enterprises, the *Aqaba* comes next.

**Barakat K. Al-Mheirat (1995)**<sup>22</sup> investigates the development of tourism on the Eastern beach of the *Dead Sea*. *Mheirat* points out that tourism services and facilities on the Eastern beach of the *Dead Sea* are still far below the standard level which gives tourists a feeling of dissatisfaction with the services offered to them on the beach.

**Zhour Rabadi (1996)**<sup>23</sup> conducted a study about tourism and recreation in *Madaba* Governorate. *Rabadi* sheds light on *Madaba* as a major Jordanian tourist attraction with unique characteristics that attract the attention of tourists from many parts of the world. The study investigates the demographic and socio-economic status of visitors and tourists who visit the archeological and religious sites in *Madaba*. *Rabadi* illustrates the services offered to tourists in *Madaba* historical and archeological sites and tourists' satisfaction and dissatisfaction with these services. *Rabadi* concluded that Jordanian citizens comprise the largest number of tourists who visit these sites and European tourists come next.

**Asa'd H.M. Abu-Rumman (1997)**<sup>24</sup> investigates the effect of general marketing services on the development of the Jordanian economy. *Abu-Rumman* points out that the promotion of marketing services throughout the world is due to the increase of holiday makers and tourists seeking relaxation and relief. Moreover, more and more people around the world are demanding general services

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22. Al-Mheirat Barakat K., "*Developing Tourism on the Eastern Beach of the Dead Sea*". Unpublished Masters, Thesis, University of Jordan, (Jordan, 1995).

23. Rabadi Zhour, "*Tourism Movement and Recreation in Madaba Governorate and its Development*", Unpublished Masters, Thesis, University of Jordan, (Jordan, 1996).

24. Abu-Rumman Asa'd H.M. "*Marketing of Services and the Possibility to Develop it: A Viewpoint of Service User- A Case Study of Ma'en Bath Centre in Jordan*", Unpublished Masters, Thesis, University of Mosul, (Iraq, 1997).

such as education, health and recreation. *Abu-Rumman* attributes the problems facing *Ma'in* Hot Springs to the decrease in the number of tourists visiting the site in addition to the lack of fund allocated for expenditures on the health resort. The study evaluates the marketing services in *Ma'in* Hot Springs from the viewpoint of visitors and tourists. *Abu-Rumman* states that tourists visit the hot springs merely to be cured from certain illness. The health resort has medicinal power to cure many diseases such as backache, rheumatism and skin diseases. *Abu-Rumman* classifies the problems facing the marketing services offered at the *Ma'in* Hot Springs into several categories mainly those related to the dissatisfaction of the tourists with the medical treatment and the high therapy prices the tourists are charged. Tourists have complained of the high costs of the therapy treatment at the hot springs and the lack of facilities in the health resort. Though, these problems have been overcome by the Jordanian Ministry of Tourism which has exerted tremendous efforts to improve the facilities at the hot springs and reduce the costs of the therapy treatment there. Nowadays, the *Ma'in* Hot Springs are considered as one of the most important health resorts in the region.

**Salem Ahmad Al-Rahimie (1997)<sup>25</sup>** investigates the role of travel agencies in tourism service promotion in Jordan and the variables that affect the role of these agencies. *Al-Rahimie* classifies these variables into two categories: the demographic variable which is related to the manager's level of education, age and experience in tourism section and office management. The second category is related to the variable of the travel agency such as ownership, number of employees and expenditures. The researcher sheds light on the significance of promotional campaigns in tourism activities. The study shows that there is weakness in the role of agencies in

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25. Al-Rahimie Salem Ahmad "The Role of Tourism and Travel Agencies in Tourism Service Promotion in Jordan". Unpublished Masters, Thesis, Al-Bayt University, (Jordan, 1997)

tourism service promotion. According to *Al-Rahimie*, the major problem that faces tourism agencies is the high level of competition between them besides other problems such as shortage in complementary services supporting tourism services and the lack of co-ordination between travel agents.

**Rasha Hassan Al-Ustah (1997)** conducted a study about the *Dana* National Reserve and the city of *Petra*. While the former is considered as an environmental tourist attraction catering for the preservation of the wildlife in the country, the latter is an archeological site of worldwide significance. In 2007, *Petra*, the red rose city which was carved in the rock by the Arab *Nabateens*, has been voted for to be listed as one of the new Seven Wonders of the World. The study investigates the effect of tourism on the eco-systems in the two tourist sites and the extent to which the infrastructure facilitates the promotion of tourism in the two regions mentioned above. Furthermore, the study investigates the impact of tourism in these two regions on creating new job opportunities for the local people residing in these areas. The study has shown that *Petra* is negatively affected ecologically by tourism whereas the *Dana* National Reserve was positively affected by tourism and tourists' awareness of the importance of the preservation of wildlife in Jordan.<sup>26</sup>

**Faris H. Zreiqat (1999)**<sup>27</sup> classifies the tourism places in Jordan in accordance with the climatic variables including the dry weather, the wet temperature and relative humidity. To study the effect of climate on tourism in Jordan, the researcher used many climatic indexes mainly the *Singer* Diagram, *Taylor* Diagram, *Turjung* Classification and the Temperature Humidity Index. The indexes were calculated for 32 climate stations distributed over different

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26. Al-Ustah Rasha Hassan "Eco-Tourism in Jordan: A Case Study – Petra and Dhana Regions" Unpublished Masters, Thesis, University of Jordan,(Jordan 1997).

27. Zreiqat Faris H. "The Use of Some Climate Elements in Classifying Tourism Places in Jordan". Unpublished Masters, Thesis, University of Jordan, (Jordan, 1999).

geographical locations in Jordan. The study gives a clear picture of the regional classification and distribution of tourist regions in the country based on categories ranging from the comfortable to the uncomfortable climates for the development and promotion of tourism in Jordan. The study showed that outdoor climatic conditions are important for tourists who seek comfortable weather conditions and avoid uncomfortable ones. The availability of weather information in different periods throughout the year is quite essential for tourists. Knowledge of weather conditions of the various tourist locations encourages visitors to visit a certain tourist site in the right time when the weather conditions are comfortable.

**Mutie Sh. Ta'amneh (2001)**<sup>28</sup> tackles the role of tourism in the economic development in Jordan to pinpoint the features of tourism as a major sector in the Jordanian economy. The study traces the development of tourism in Jordan throughout the period from 1980 to 1999 and the obstacles this major economic sector faced throughout its development phases. The study investigates the effect of tourism revenues on the improvement of the Jordanian economy during the said period. The study sheds light on the role of tourism in the accumulation of hard currency in the country and its effect on the improvement of the Gross Domestic Product (GDP) which was estimated at 10% during the target period.

**Mohammad Al-Khawaldeh (2001)**<sup>29</sup> conducted a study of the tourist in the Northern region of Jordan mainly *Jerash, Ajloun, Irbid* and *Mafraq*. The study investigates the archeological and historical of the aforementioned sites and their effect on the development of the Jordanian economy. The study sheds light on the demographic, economic and social features of the tourists who visit these tourist

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28. Ta'amneh Mutie Sh., "The Role of Tourism in the Economic Development in Jordan between 1980-1999". Unpublished Masters, Thesis, University of Jordan, ( Jordan, 2001)

29. Al-Khawaldeh Mohammad A., "Tourism Movement in the Northern Region of Jordan" Unpublished Master Thesis, University of Jordan, (Jordan, 2001).

attractions and the problems they face when visiting them. The study proposes an effective strategy to develop tourism in the Northern region of the country. The sample of the study comprised 500 tourists and 400 local residents who reside nearby these sites. The study concluded with the assumption that the dominant nationalities of tourists who visit the said sites were European mainly French, Italian, and Swiss who comprise nearly 35% of the total number of tourists and 28.4% Jordanians primarily from the two major cities *Amman* and *Zarqa*, then in the third place come Arab tourists who comprise 17.6% of the total number visitors. American visitors came next comprising 14.2% and other nationalities 4.8%. In terms of gender, *Al-Khawaldeh* states that most tourists who visit these sites are mainly men between the ages 26 to 45 years old comprising 62% of the total number of tourists. The economic revenues from European tourists were significantly higher than those of their Arab counterparts. The study also concluded that the local residents encourage the tourism development enterprises and they do not hesitate to encourage their sons and daughters to work in the tourism sector. The study reached the conclusion that *Mafrq* witnesses the least affected area by tourism due to the fewer number of visitors to the tourist sites in the area.

**Salam Ayed Swaiss (2001)**<sup>30</sup> traces the development of religious tourism in Jordan. The study investigates the status and goals of religious tourism in Jordan. The study puts forward some suggestions to improve, sustain and promote religious sites in the kingdom and provide religious sites planner and tourism official with effective planning strategies. *Swaiss* sheds light on the type of tourists who visit such religious sites and the problems facing them during their visits to such rare sites. The study concluded that the number of Jordanian tourists who visited the sites outnumbered the

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30. Swaiss Salam Ayed "The Tourism Movement in Religious Sites in Jordan". Unpublished Masters' Thesis, University of Jordan, (Jordan, 2001).



number of foreign tourists who visited the same sites. According to *Swaiss*, the number of Asian Muslims who visit the sites annually is much higher than the number of Christian tourists who visit the same sites annually.

**John Shop (1985)**<sup>31</sup> conducted a study about the impact of tourism on the *Bedouins of Petra*. Shop states that *Petra* is a major tourist attraction in Jordan mainly with respect to the size of foreign investment in this archeological site.

**Nasim Barham and Abu Subheyeh Kayed (1988)**<sup>32</sup> investigate the factors that influence domestic tourism and picnicking in Jordan. The researchers use statistical tools to reveal the differences between picnicking and non-picnicking families in terms of the educational qualifications of the parents and their socio-economic status.

**Nasim Barham (1989)**<sup>33</sup> conducted a study about winter recreation in the *Jordan Rift Valley* to investigate tourists' attitudes towards and impressions of tourism services and facilities in the tourist sites of the *Jordan Valley*. The researcher describes the natural and geographical features that have made the *Jordan Valley* a tourist destination for tourists from many parts of the world. *Barham* mentions the number of tourist chalets in the *Jordan Valley* and describes the socio-economic status of their owners. The study concluded that tourism revenues in the *Jordan Valley* mainly from winter recreation resorts contributed to the flourishing, social and economic development of the area. *Barham* points out that the *Jordan Valley* lacks tourist facilities such as hotels and parks which

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31. Shop John, "*The Impact of Tourism on the Bedouins of Petra*" .The Middle East Journal .Vol.39 Spring, (Jordan, 1985).
  32. Barham Nasim and Abu Subheyeh Kayed, "*Some Factors that Influence Domestic Tourism and Picnicking in Jordan*". Dirasat Journal, Vol.15, University of Jordan, (Jordan, 1988).
  33. Barham Nasim, "*Winter Recreation in the Jordan Rift Valley*" .Tourism in the Islamic World, Centre for Tourism Research and Development, A-965 / Indira Nagar, Lucknow, UP, (India,1989).

lead to the decrease of the number of tourists in the area and making their stay in the area quite short.

**Tayseer Abed Al-Jaber (1994)**<sup>34</sup> states that Jordan is a prominent tourist attraction in the region though it lacks the effective utilization of the tourism resources available. The study recommends that more tourism promotional campaigns should be organized worldwide to promote Jordan as an attractive tourist destination.

**Mohammad Ibeidat (1995)**<sup>35</sup> stresses the significance of the concept of tourism services marketing and promotion. *Ibeidat* states that some tourist sites in Jordan lack some facilities and services which negatively affect the development of the tourism sector in the country. Though the Ministry of Tourism has drastically improved the facilities and services in all tourist sites in the country, more improvements are to be made to attract more and more tourists mainly to the less visited sites. *Ibeidat* states that tourists who visit Jordan come from different countries and have different tastes and demands. Thus, a variety of marketing and promotional strategies should be used to meet the needs of such tourists.

**Basheer A. AL-Alak and Hameed A. Al-Tae'e (2002)**<sup>36</sup> faculty of economics and Administration Sciences, Marketing Department and Hospitality and Tourism Department, *Al-Zaytoonah* Private University of Jordan, Jordan, published an article entitled "Perceived Quality of Services Provided by Hotels in Jordan Among foreign Guests: A field Study" in *Dirasat*, Administrative Sciences, Vol. 29, No. 2, 2002. The articles analyses the characteristic of service Quality and their attributes in the hotel industry. Under the auspices of Ministry of Planning a draft was

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34. Abed Al-jaber Tayseer, "*The Tourism Sector in Jordan*". Markets (Aswaq), vol. No.370, (Amman, Sep.1994)

35. Ibeidat Mohammad, "*Analysis of Attitudes and Demands of Five Star Dwellers in Jordan*" *Dirasat* (Human Sciences Journal), Vol. 22 A, No.4, (Jordan, 1995).

36. Al-Tae'e Hameed A. and AL-Alak Basheer A. "*Perceived Quality of Services Provided by Hotels in Jordan Among foreign Guests: A field Study*", Al-Zaytoonah University, (Jordan, 2002)

prepared by Jordanian National Competitiveness Team (1999) on “Hashemite Kingdom of Jordan, The tourism cluster.” It contains many important issues related with tourism of Jordan. The Draft discussed the Diamond Hypothesis, current and future strategy and cluster map of Jordanian tourism.

**Mohanna Haddad: Associate Professor of Anthropology, in Yarmouk University** edited a book on “**Jordan and Tourism: Worries and Problems**” (1997), in this book many articles were contributed by different authors on tourism development in Jordan. This book was published after a symposium held on 23 March 1997 at Yarmouk University organized by the Department of Anthropology on “Anthropology and Tourism Development in Jordan.”

**Fawzi S. Al-Ardah, Mohammad Khasawaneh, Obaid Alrodan and Talat Bdour (1997)**, Prepared a summary report on tourism sector in Jordan: Status and Prospects “Analysis & field Study”. They covered the regional role of Jordanian Tourism and the facilities of tourism supply. They also assessed to prospects of Jordanian Tourism.

**Obaid El-Roudan, Fawzi S. Al-Ardah and Talat Bedour (May 2000)**, Prepared a monograph on “*Tourism Economics in Jordan; Essential Facilities and marketing*” under the auspices of Royal Scientific Society, computer technology training and industrial studies centre. These authors explained the Role of tourism in Jordan’s economy, tourism infrastructure facilities, places of historic and archeological significance, other areas of attractions and tourism marketing in Jordan.

**Dr. Khalid Maqablah and Prof. Faisal Al-Haj Theep (2000)** published a book entitled “*Tourism Industry in Jordan.*” The book focused on component of Jordan’s Tourism, religious Tourism, spa and health tourism in Jordan. Besides, other aspects of tourism in Jordan were also dealt upon.

**Dr. Alai Boran (2002)**, Secretary General, Ministry of Tourism and Antiquities in a brief report assessed the *Domestic Tourism in Jordan and its impact on the economy*. He studied the Tourism prospects in Jordan and also highlighted the areas of attractions from tourism point of view.

**World Tourism Organization (2003)** provided technical support at the request of the Secretary General of the Ministry of Tourism and Antiquities to *Dr. Harold Goodvin* for preparation of a Mission Report on *Sustainable Tourism Development and Poverty Alleviation at Ifra and As-Sila'a in Jordan*. The report addresses the ways' in which the Ifra hot springs and *As-Sila'a* can be developed in order to benefit the poor in accordance with ecotourism principles.

**Booz, Allen and Hamilton (2004)**, prepared a detailed draft on "*Jordan Tourism Sector Overview*," it covers the various aspects of the tourism of Jordan in the form of diagrams, charts and figures. The draft contains the recent statistical data and corresponding diagram and figures.

After going through various existing literature on the present research area, it was found that yet no researchers have given attention to study the impact of geographical components in tourism planning and hotel development in Jordan so the present study is going to cover and emphasis the Role of Geographical Components in Tourism Planning and Hotel Development in Jordan. Most of previous study tended to be limited in scope as they tackled a limited numbers of tourist sites from a certain perspective, whereas the present study covers almost all the tourist sites in Jordan from different perspectives.

## 1.6 HYPOTHESIS

In the present research work Hypothesis is based on the following presumptions

- ✓ (1) Geographical components are critical to the success of tourism planning and Hotel development in Jordan.
- (2) Tourism is an essential and vibrant growth sector that will sustainably contribute to improving the economic and social well-being of Jordanians.
- (3) Tourism constituents in Jordan lack an effective promotion plan to present their importance at the international level.
- (4) Development of Hotel industry is an essential ingredient in strengthening the tourism economy in Jordan.

The hypothesis has been tested by examining the impact of geographical components on tourism planning and Hotel development of Jordan at the dilemmas confront in formulating development strategies.

### 1.7 AIMS AND OBJECTIVES

Tourism is an emerging force in the economy of Jordan. The signing of peace treaty between Jordan and Israel in 1994 created conducive environment for the growth and development of tourism industry in Jordan. It reduced the fear of uncertainty and political instability causing unprecedented surge of tourism activities. The present study through discussing and analyzing the current situation and the status of the tourism sector in Jordan, and examining the Jordan's core competencies and uniqueness regarding tourism development and growth, aims at:

- 1. Analyzing the pattern and trend of tourism demand and supply in Jordan.
- 2. Assessing the level of tourism facilities and infrastructure and the prospect of Jordanian tourism.
- 3. Elucidating the geographical components and natural resources, and their role in planning and development of tourism in Jordan.
- 4. Identifying the operation and activation of marketing programme at national, regional and global levels to raise the status of Jordan as a tourist attraction Centre.

5. Understanding the various ways in which tourism can impact on the environment.
6. Recognizing the need for adequate planning and for cooperation between the private and public sectors, as means of overcoming problems.
7. Studying the prospects of improvement of archeological sites and tourist resource.
8. Discussing the significance of tourism in services sector of the economy in generating employment and state revenue.
9. Studying the role of the private sector in the field of investment, and developing laws and regulation to attract capital.
10. Recognizing the economic and social impact of tourism and socio-cultural effects of tourism on indigenous population and on tourists.
11. Analyzing the regional role of Jordanian tourism and the status of the tourism sector in Jordan and its future.
12. Identifying potential natural landscape, resources and motivators for growth and development of various tourism segments.
13. Studying the problems of development of tourism.
14. Presenting some practical recommendations to improve this sector and to attract the tourist.

## **1.8 SIGNIFICANCE OF THE STUDY**

After reviewing the related literature on the present research area, it was found out that no researcher has given attention to Study the impact of the geographical components on tourism planning and hotel development in Jordan. Therefore, the present study covers and sheds light on the effect of the geographical features on tourism planning and hotel development in Jordan. Moreover, the significance of the study stems from the fact that most previous studies tended to be limited in scope as they tackled a limited number of tourist sites from a certain perspective, whereas the present study covers almost all the tourist sites in Jordan from different perspectives.

## 1.9 INFORMATION SOURCES

The present study is based on official documents, existing literature on the subject including current periods and research papers and report issued by specialized institutions.

Data and statistics issued by governmental and non-governmental institutions have been used.

Publications of international agencies at relevant UN publications, and publications of Jordanian government's tourism department have been taken into use.

Information available on the internet has been utilized. Both primary and secondary sources have been used in the study.

In addition various research works and published report have also been consulted in completion of the present research work.

## 1.10 METHODOLOGY

The methodology is a descriptive analysis with a combination of empirical data. The emphasis of the study is on the geographical components of the tourism and their role in tourism planning and hotel development. The data and other material obtained has been thoroughly checked and crosschecked to eliminate discrepancies wherever existed before embarking on building up the thesis. With regard to adopting analytical approach, simple mathematical techniques have been used. Computer has also been used to analyze the data and materials.

Interviews were conducted Face-to-Face with respondents at restaurant, tourist guide, hotels, and furnished apartment, Coffee shops in *Amman* Plus touristic sites including *Petra, Jerash, Dead Sea, Wadi Rum, Aqaba, Mount Nebo, Ma'in Hot Springs, Ifra Hot Springs, Al-Himma Hot Springs* and some *Desert Castle*. Discussions and detailed talk were held with the concerned officials of Ministry of Tourism and Antiquity, Jordan Tourism Board and many non-governmental organizations regarding the sustainable development of tourism economy and also impact of tourism on social milieu of the society.

### 1.11 LIMITATION OF THE STUDY

Jordan has an abundance of archeological, historical, religious and tourist sites of great importance: As a traditional crossroads of ancient trade routes, most of the great historical civilizations have left their mark, from the Moabites to the Romans and Crusaders. The country is well blessed with unique geographical, geological and environmental assets and unspoiled scenic sites. It enjoys a temperate and varied climate as well as a central geographic location which enables it to attract tourists of different interests and backgrounds from various parts of the world. Recognizing the importance of tourism, the government of Jordan has been making effort to achieve maximum benefit from tourism activities. The impact of tourism sector in the national economy is very wide. It influences not only balance of trade, but stimulates the growth and development of other sector of economy. It is interesting to asses the impact of tourism activity for the future course of action and preparation of appropriate planning. However, impact of tourism includes direct and indirect tourist's expenditure. The direct effects relate to the actual expenditure on the transport, accommodation, food and drink, shopping services etc. The income received by the tourist providing such goods and services from tourist form the direct impact on the economy. The indirect results of this expenditure on tourism arise from the fact that the trades directly involved in tourism, in order to meet the demands of tourists, must purchase from other trades and industries those goods and services needed to produce the things demanded by tourists. It will now be clear that the full impact of tourism on the economy is not just through expenditure on the front-line tourist trades. It embraces all those other industries which have been called upon the various stages of the process to supply goods and services. While direct impact is easy to evaluate, indirect impact involve many complex issues and problems. It is important to mention that real impact of tourism on the national economy involves many stages and hence becomes difficult to measure. It is true to note that without appraising of direct and indirect effect of tourism real picture is difficult to achieve.



There is fairly detailed information on tourist's arrivals, nationalities, their estimated expenditures and so forth, however, there is limited information on the contribution of tourism sector to output, employment, and income. These shortcomings characterize tourism information and statistics in both developed and developing countries alike. Except for a few developed countries statistical information on the whole remains scanty incomplete and for the most part focused simple calculation of international arrivals without any subsequent analysis of the impact of tourism activity on its respective economy. This situation derived both the tourism authorities and companies of information essential to making public policy and developing business strategies.

National accounts focus only on the "hotels and restaurant's sector despite that foreign tourist's contribution to GDP. Because tourism is not properly reflected in the existing national expenditures on these services represent only a fraction of their total expenditure in the whole economy. National accounts, therefore, inevitably underestimate tourism's accounting framework, it is not adequately taken into account in government policy development.

Jordan coverage of tourism data is not different from that of many other countries National Accounts data focus on the contribution of hotels and restaurants to GDP. These figures grossly underestimate the effect of foreign tourist's expenditure on Jordanian goods and services. Foreign tourists spend an average of 30-40 percent of their total spending on hotels and restaurants. The rest amount percolate into other sector of the economy such as transportation, recreational services, retail, and others. The effect of tourist spending on the demand for other sector's output, employment, and so forth can not be directly attributed to tourism unless we trace these expenditures in each of the affected sectors.

The impact of tourist's expenditure on food and beverages outside hotels and restaurants real estate services, and retail, which effect sectors such as food production retail, and housing, is not easily identifiable, even then though these effects may be significant at the local level in tourist dependent areas. Second, even services that are closely linked to tourism

such as travel services, market (*bazaar*), and recreation services are allowed to aggregate categories such as transformation and trade, finance and insurance where the contribution of foreign tourist expanders to these sectors is not easily separated.

Other sources of information on tourism in Jordan, while not providing direct assessment of its contribution to the economy, supply valuable sector information, as well as information necessary for estimating the impact of tourism on the economy. Two critical sources of information on foreign tourism come from the Ministry of Tourism. Based on information from the Passport and Immigration Authority, the Ministry regularly documents tourist arrival trends, their nationalities, and their length of stay. In addition, in collaboration with the Department of Statistics, the Ministry conducts bi-annual survey of foreign tourists following guidelines established by the World Tourism Organization (WTO). Among other things, the survey gathers information on tourist's average expenditures by nationality and the distribution of these expenditures across different expenditure items such as accommodation, transportation, and so forth.

The Central Bank of Jordan (CBJ) uses foreign tourist's arrivals and estimated tourist's expenditures from these two sources to calculate tourism receipts for the Balance of Payments figures. Because tourist's expenditures estimates are not available on an annual basis, estimates of tourist's expenditure from the most recent tourists, expenditure survey are adjusted for inflation corresponding to each expenditure category and other secondary sources. Thus, data highlighting trends in receipts, the importance of tourism receipts to other foreign currency sources are available on the annual and quarterly basis.

Tourism's economic contribution is not clearly recognized, mainly because tourism is not a clearly identifiable industry. Tourism involves many different products and is defined more by who purchases the goods or services than what is purchased. Restaurants sell meals to both tourists and local residents. The proportion of sales to tourists by any given industry varies extensively across industries and regions. Not all sales,

even of hotels, are necessarily to tourists. This makes careful accounting of tourism's economic contribution difficult. One can not simply adds up sales, income and employment reported in government statistics for a set of well-defined economic to estimate tourism's economic contribution. Further Travel and Tourism is not properly organized as a single category of productive activity (industry) in the UN System of National Accounts (SNA) framework. Because, it is not the SNA, Travel and Tourism statistics are underdeveloped, and subject to widespread guesswork, biased evaluations, and approximations.

Social impact of tourism too lacks real information. There is no standard scale to measure the impact of tourism on society. It is very difficult to measure the impact of tourism on society. Society comprises human beings, and their attitudes, responses, perceptions and behavior are in abstract form. They can not measure in numerical form, only can be guessed and assessed through observations. The magnitude of change naturally presents problem in measuring the impact. Thus, evaluation of tourism impact on society contain variations and depends on assesses.

In view of these facts, the present study has limitation to carry out a comprehensive analysis of the economic and social impact of the tourism in Jordan. The role of geographical components in growth and development of tourism and hotel industry in Jordan face same proposition. Generally, national account is dominated by the foreign tourist's expenditure data and figures. In some countries, domestic tourism play vital role in the growth and development of tourism. The present study is a modest attempt to assess the role of geographical components in the growth and the development of tourism and hotel industry. The Study would naturally, be based on data and materials available in various publications of different tourist agencies and concern ministries. A comprehensive analysis of these data and material may have minor or some discrepancy.

## **1.12 TOURISM IN JORDANIAN ECONOMY**

Tourism is one of the most significant economic sectors in Jordan. It has potential to enhance the national economy in terms of the exportation of services and increasing the reserves of foreign currencies. Tourism is a valuable economic activity for Jordan because it creates jobs and supports a wide range of goods and services through indirect and induced circulation of wages. Jordan's unique national and historic patrimony represents tremendous potential for its tourism industry. Jordanian tourism industry seems to be picking up after signing of peace treaty between Jordan and Israel in 1994.

### **TOURIST ARRIVALS**

Tourism has been a relatively growing sector during the last five years in Jordan. It witnessed an unprecedented surge in tourist arrivals during 1999-2003 period and they currently make up 40 per cent of all arrivals in Jordan. Despite heavy odds tourism in Jordan is on a relatively high growth trajectory registering upswing in almost all segments of tourism.

In West Asia, Jordan is one of the few countries where tourist arrivals have been growing since 1994. Tourist arrivals in Jordan registered remarkable progress during the period 1994-2002. Table: 1.01 demonstrates the growth in tourist arrival in Jordan since 1994, which grew to reach 1.62 million visitors by the end of 2002. Tourist arrivals between 1994 and 2002 showed upward trend due to rise in intra-regional travel.

**Table: 1.01**  
**Tourist Arrival (in million)**  
**1994-2003**

<b>Year</b>	<b>Arrivals</b>
1994	0.86
1995	0.07
1996	1.10
1997	1.13
1998	1.26
1999	1.36
2000	1.43
2001	1.48
2002	1.62
2003	1.57

**Source:** Ministry of Tourism and Antiquities. (Amman, 2003)

During 2003 tourist arrivals fell by 3.04% due to regional instability and the number of visitors went down to 1.57 m compared to a year earlier. Between 2000 and 2003 tourism sector in Jordan was adversely affected because of political turmoil such as *Al-Aqsa Intifada* (Uprising) and, the war on Iraq, and was a major cause in the slow-down of this sector. The decline of tourist arrivals in 2003 is believed to be mainly, as result of a decrease of 7.49% in Arab visitors to Jordan and the number of non-Arab tourists coming from African countries fell by 9.5%. However, Jordanian tourism sector managed to recuperate during 2003 despite political uncertainty in West Asia. The number of USA and European tourists has increased by 23.8% and 9% during the same period. Of the total tourist arrivals to Jordan in 2003, Arab countries particularly the Gulf area, constituted biggest share of 67%, Europe accounted for 11.6%, USA represented 5.7% and tourist from Asia accounted for 4.9%. Following the peace treaty in 1994 Israel; tourist has been reaching Jordan in quite substantial number. Approximately 10% of tourists coming to Jordan in 2003 were from Israel alone. According to WTO the average annual growth rate in tourist arrival for West Asian region was 12.27% between

the periods 1995-2002. The world average for the same period was 7%. However, Jordan achieved average annual growth for the same period of only 5.8%.

## **RECEIPTS**

Tourist receipts depend on a number of factors such as numbers of tourists the length of their stay in the country, their nationalities, the reason for their tour, disposal income etc.

According to Ministry of Tourism and antiquities tourist receipts grew steadily during the period 1995-1996, at an average rate of 5.2% per annum. In 1995 and 1996, the growth registered the highest rates is it reached 13.8% and 14% respectively. The obvious reason indeed was the signing of the peace treaty in 1994 between Jordan and Israel and subsequent opening of crossing points between the two countries. However, income from tourism suddenly declined in 2000 and 2001 when tourist receipts fell by 9% and 3% respectively. Between 2001 and 2002 tourism income again shot up by an impressive 12.3% from 2002 to 2003 tourist receipts increased by 3.7%. In fact, during 2001–2003 periods Jordan witnessed considerable in tourist receipts due to increase in intra-regional tourist arrivals. Total tourism receipts in Jordan are low compared to other selected touristic destination in the region. In terms of tourism receipts, Jordan's average annual growth rate between 1995 and 2000 was just 2.1% - well below the West Asia average of 6.5%.

The contribution of tourism in the GDP is the most paramount indicator, which slows the growing significance of tourism in Jordanian economy. It is the second country in west Asia in term of share of DGP directly attributable to tourism demand. The share of tourism industry in country's GDP in 2003 stood as 8.2%. Following Table: 1.02 indicates the pattern and trend of tourism income and its share in GDP.

**Table: 1.02**  
**Tourism Income and Its Share in GDP**  
**1995-2003**

<b>Year</b>	<b>Tourism Income ( million JD)</b>	<b>% of GDP</b>
1995	462.5	10.1
1996	527.2	11.2
1997	548.8	11.1
1998	548.5	10.6
1999	564.0	10.7
2000	512.4	8.5
2001	496.2	8.1
2002	557.3	8.5
2003	577.7	8.2

**Source:** Ministry of Tourism and Antiquities.

From 1995 to 1999 tourism industry's share of country's GDP fluctuated between 10.1% to 11.2. After that share of tourism industry in GDP suddenly declined to 8.5% in the year 2000. During the period 2000-2003 share of tourism in the GDP hovered around well above 8%. The decline of tourism's share in the GDP since 2000 points to the fact that Jordan's tourism has been under performing. The obvious reason for abrupt decline of tourism's share in the GDP may be attributed to political uncertainty in the region, which adversely affected the tourism sector in Jordan during 2000-2003. During this period Jordan's economy witnessed a period of recession and decline in the GDP's growth rates. In Jordan, Tourism and travel sector plays vital role in creating new job opportunities. This sector also encourages other economic sectors to employ more people, especially in the sector construction, industry, communications, hotels and recreational centres and retail sales. It is difficult to measure the exact impact of tourism on the employment as it encourages both direct and indirect employment. However, Jordan shows the largest proportion of national employment dependence on tourism.

The latest data from the Ministry of Tourism and Antiquities indicate that there were 22500 employees directly working in tourism sector in 2003, in addition to about 80-90 thousand indirect opportunities. Indirect job opportunities, in fact, depend on infrastructure facilities, hotel occupation percentage, volume of imported products consumed by the tourists duration of tourists stay in the country etc. According to Ministry of Tourism the number of labourers in this sector increased from 8015 in 1993 to 2.0557 in 1999 and reach 22500 laborers in 2003 – has increased by approximately 173% since 1993. This considerable increase may be attributed to the conclusion of the peace treaty between Jordan and Israel in 1994, currently hotel industry accounts for 47% of the total labourers in tourism industry. The rest comes from other services provided for tourist. Statistic issued by the Ministry of Tourism indicate that some large hotels are under construction and expected to create about 10,000 direct job opportunities, and 30,000 indirect opportunities. More employment opportunities will emerge after rehabilitations of touristic and historic sites in Jordan, and revival of tourism services sector.

Importance of tourism in balance of payment is beyond question. The contribution of tourism to total exports of the year 2003 accounted for 6.5%. Currently the tourism sector's revenues make about 50% of the national exports and more than 21% of the revenues of the entire services sector. This means that tourism is an important factor in Jordan economic development as it provides foreign currency. It may not be wrong to say that tourism activity and its growth is an economic imperative for Jordan.

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