A Comparative Study on the Contribution of Travel and Tourism to the Top Ten Countries with the Largest Tourism and United Arab Emirate

(GDP, Gross Domestic product, Employment)

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Abstract
Can read the world economy through the business cycle stages of contraction(recession)and expansion as at present recession is still prevailing but the Travel and Tourism challenged the economic trends to the extent the analysis of Travel and Tourism and other sources performance caused increment in contribution to the economy (GDP, Employment) through the duration 2013-2019. The main objective of this search is to examine the relationship between Travel and Tourism sector and economic diversification in between the top ten countries with largest Tourism industries comparing with the United Arab Emirates Travel and Tourism contribution to (GDP, Employment)

Keywords: *Travel & Tourism, Gross Domestic Product, World Economy, Recession Tourism*

1. Introduction and Background of the Research

The GDP (Gross Domestic Product): The Bureau of Economic Analysis (BEA) 2016 stated that Gross Domestic product (GDP) is the of goods and services produced by the nation's economy Less the value of goods and services used up in production, GDP is equal to the sum of personal Consumption expenditures, gross private domestic investment net exports of goods and services, and government consumption expenditures and gross investment (Malec, et al., 2016; Schiller, 2006).

1.1 Employment

Full employment is an economic situation in which all available resources are being used in the most efficient way possible. Full employment embodies the highest amount of skilled and unskilled labor that can be employed within an economy at any given time (Kitana & Karam 2017). The business cycle displays the economy stages of contraction and expansion as it is shown in the below figure (Phelps, et al., 1970).

Contraction: Recession as per Moore, (1967), appeared since 2008 in world economy and GDP began to slow down in different rate in the world but the common in between the global economy is that the per capita income also drop down household consumption at home and overseas and this has been hit by falling assets values caused a rise in unemployment and tightened credit condition (Webber et al., 2010). Office for National Statistics the global recession and its impacts on tourist spending in the UK).

It caused a decline in export, economy production rising unemployment and consumer un-confidence in most tourism markets. The downturn of the global economy is a result of the dramatic credit crunch and economic slump (EgonSameral- Impact of world recession and economic crisis on Tourism. On the other hand, the bright face of The Business Cycle (The expanding stage) with it is attached survey and collection of accurate statistics to the sample of three categories chosen from the global economy even in the years of recession (Kitana & Karam 2019).

1) Top Ten Countries With the Largest Tourism Industries (GDP)
   Source: World Travel and Tourism Council Competitiveness Report 2017 by the World Economic Forum

	USDbn.	% of GDP
United States	488	7.9
China	224	11
Germany	130.8	8.7
Japan	106.7	7.,2
United Kingdom	103.7	11
France	89.2	9.4
Maxico	79.7	17.2
Italy	76.3	13.6
Spain	68.8	14.5
Brazil	56.3	8

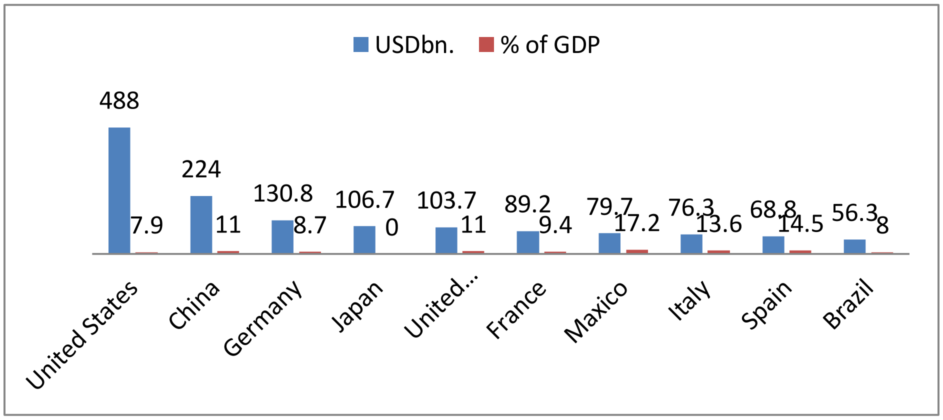

Table1. Largest Tourism Industries (GDP)

Figure1. Largest Tourism Industries (GDP)

Researcher compiled statistics of money wise and percentage-wise to draw the above chart belong to the top ten countries with the largest Tourism industries (GDP) the USA registered the highest in money wise but % is less as their GDP is too high comparative to other listed countries in the chart as their GDPS differentiate from country to country. above prove and confirm that in spite of recession time but trade and tourism contribution is still rising (Kobzev et al.,2018).

1.2 Top Five Countries Most Reliant on Tourism (GDP)

Countries	%
Malta	15
croatia	15
Thailand	9.3
Jamaica	8.9
Iceland	8.2

Table2. Country Tourism %.

The World Travel and Tourism Council stated in their collection analysis the international and domestic tourism combined together formulated 10% of world GDP caused another sector to improve its performance showing all macroeconomics trends move together and that supported by (Schiller –Essential of Economics) Hence the economy kept moving closer to the limits of its (expanding) production possibilities in the process living standard rose and nearly every job seeker could find work (World travel and Tourism Council 2019, March 10; Maitah, et al.,2016).

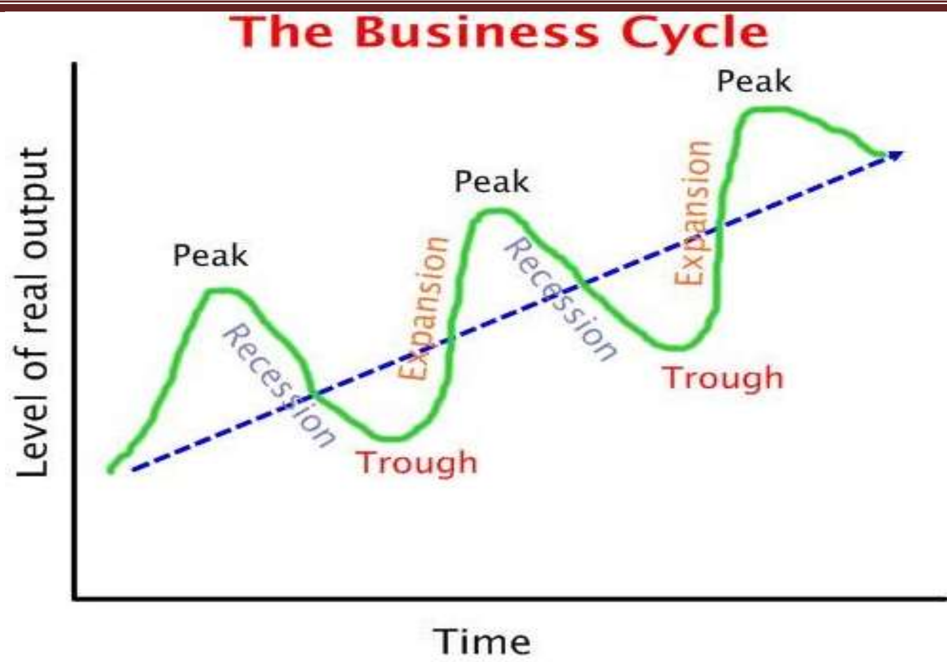

Figure2. Business Cycle Source: Essential of economics Bradley R. Schiller

The world economy structure is prescribed as Bradley R. Schiller expressed his view in the way of contraction and expansion which are shown in Figure (2) above (Schiller, 2006).

2. Literature Review

Sources of Contribution: World of Trade and Tourism Forum statistics enrich the researcher to first analyses the sources that flow inmoney wise to (GDP,Employment) to verify it is an effect in the different fields (Dynan, & Sheiner 2018; Shadab 2018).

The travel and tourism contribution challenged the recession period and resulted in increasing growth rate in the years of 2013-2019F and 2029E to the GDP and employment specially for the countries that categorized to as the Top Ten Countries With the Largest Tourism Industries (GDP and Employment) Comparing with the result related to the contribution result to UAE GDP and that showed better result for UAE comparative with other countries under the list of Top Ten countries and that can be ascribed to the continue the public sector to plan yearly for better result implementing new policies to upgrade the tourism standard with new projects that can induce the tourists from the rest of the world (Nassar, H. 2011).

This statistic describes the number of international tourists arriving in the United Arab Emirates in 2017; the number of international tourists arriving in the United Arab Emirates totaled 20.7 million people (statista, 2018).

All above reflect the importance of: Travel and Tourism sector in the world countries: Where many countries in the world do care and concentrate to push forward this sector implementing new policies aiming to get better contribution to GDP and Employment because all macro-economic trends move together as if GDP increase then Premarital income increase and customer is encouraged to allocate more to travel and tourism to visit different countries in the world reflecting visitors export to grow up affecting the supply trends to increase to match the customers’ requirements and finally all these movements allow to find different job opportunities in the country itself (Maitah & Smutka 2013).

2.1 Visitor’s Export:

Visitor export is the spending within a country by international tourists for leisure and business travel. This includes spending on transport (statista, 2018). The statistics below reflected the increment occurred in different selected years of 2013-2019E and 2029F resulted in a growth rate3.5% for the period 2013-2019 and 2013-2029 (2.6%) adding share increment to GDP and Employment (Buccellato, et al., 2010; Malec et al., 2016; Novacká, 2015).

years	(USDbn)
2013	1363.1
2014	1438.9
2015	1386.7
2016	1404.2
2017	1519.2
2018	1643.2
2019E	1738.5
2029F	3345.4

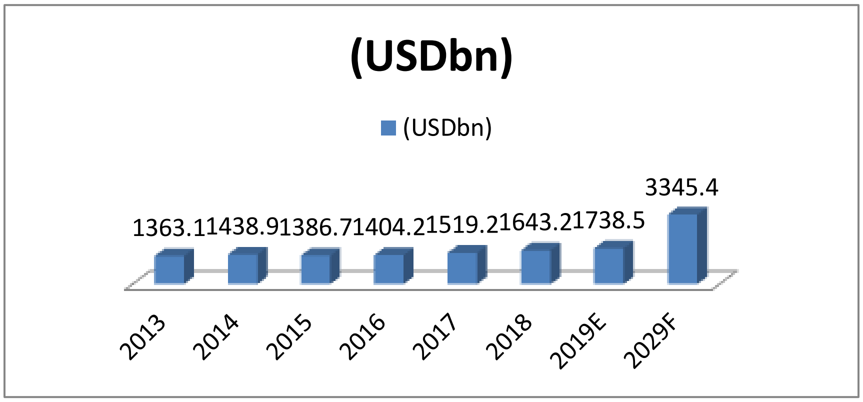

Table3. Visitor's export

Figure3. Visitor's export

2.2 Domestic Expenditure (includes government individual spending)

This is another source of Travel and Tourism that can enrich the contribution to GDP and Employment in the period of 2013-2019E reflected a growth rate of 2.46% and expected a growth rate of 2.5% for the period 2013-2029F (Dynan & Sheiner 2018).

Years	USDbn.
2013	3501.2
2014	3580.1
2015	3429.3
2016	3522.2
2017	3792.5
2018	4060.1
2019E	4260.1
2029F	8350

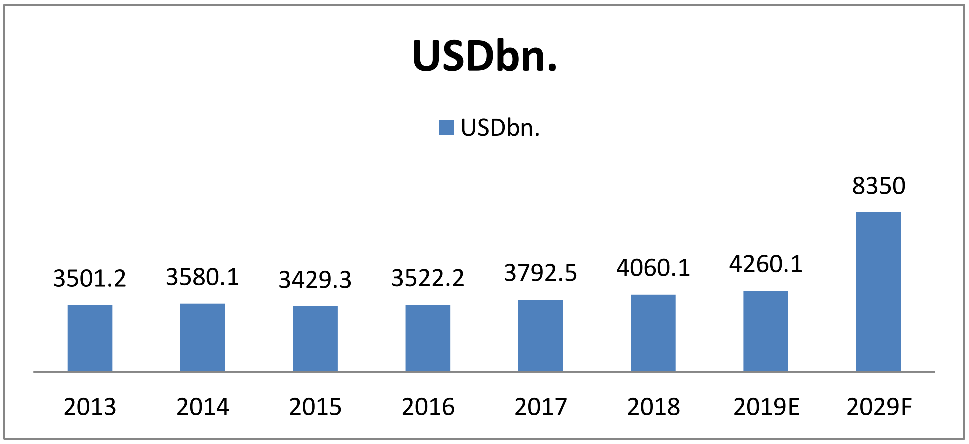

Table 4. Domestic Expenditure

Figure4. Domestic Expenditure

The above sources of Travel and Tourism contributed to GDP (Gross Domestic Product) Of the world countries

2.3 The Direct Contribution of Travel and Tourism to GDP (3+4) of Table 1

Years	USDbn.
2013	2304.8
2014	2388.3
2015	2320.9
2016	2381.1
2017	2567.9
2018	2750.7
2019E	2892.9
2029F	5562.8

Table5. The Direct Contribution

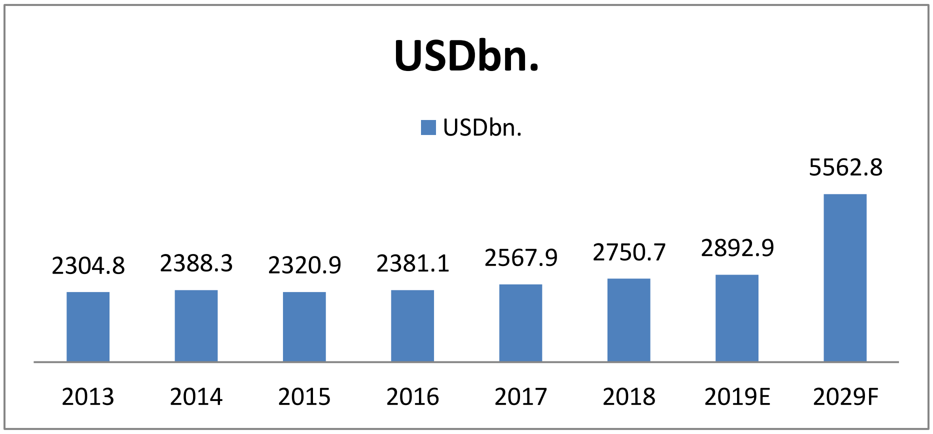

Figure5. The Direct Contribution

Source: See Table No. 1

The above chart reflected an economic growth rate of 2.9% for the period of 2013-2019 and 2.6% for the period 2013-2029, the world Travel and Tourism share in GDP. where a continues, a rising amount of money wise as shown above, the result encourages the world countries to continue to allocate more share of investment to create a better environment and attractive places to induce the tourists to visit different countries (Smeral, 2010).

2.4 Total Contribution of Travel and Tourism to Employment (Zoo Jobs)

years	Jobs
2013	281112
2014	287040
2015	296101
2016	303431
2017	311703
2018	318811
2019	328811
2029	420659

Table6. Travel and Tourism to Employment

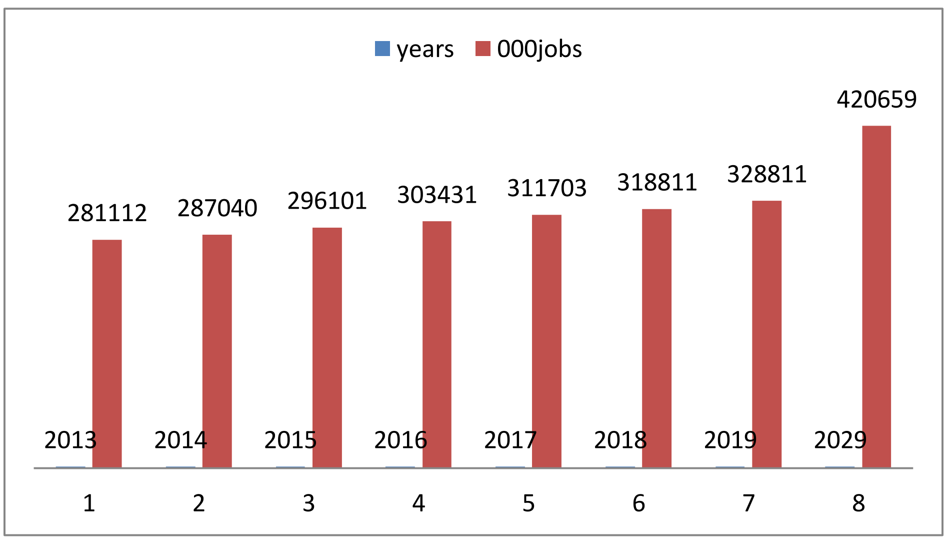

Figure6. Travel and Tourism to Employment

Economic growth rate registered 2.2% for job creation inthe period of 2013-2019E and the economic growth rate reached 2.36%for job creation in the duration of 2013-2029F (Webber et al.,2010).

Generally, after the analysis of the statistical collection of Travel and Tourism council found to be increased in different rates of contribution for (GDP and Employment) as stated in attached Table No. 1

The above chart reflected the number of vacancies been created by the Travel and Tourism sector helping the countries in the world to reduce the burden of unemployment.

2.5 Comparative contribution of Travel and Tourism to GDP (Gross Domestic Product) of ten top countries With UAE

Table No.1

countries	2013	2014	2015	2016	2017	2018
USA	7.7	7.7	7.7	7.7	7.9	7.8
Japan	6.9	6.5	7	7.1	7.2	7.4
Maxico	17.4	16.2	17.2	17.2	17.2	17.2
Spain	13.4	14.1	14	14.2	14.5	14.6
Italy	11.7	12.1	12.7	12.7	13	13.2
China	9.6	10.1	10.5	11	11	11
UK	10.4	9.9	10.1	10.5	11	11
France	9.6	9.5	9.5	9.3	9.4	9.5
Germany	8.5	8.5	8.6	8.6	8.7	8.6
Barazil	8	8.3	8.6	8.5	8	8.1
UAE	8.8	8.5	10.3	11	10.9	11.1

Table7. Travel and Tourism to GDP UAE

The researcher compiled the above table to compare the result of each country's care and interest to develop the Travel and Tourism sector to uprising it is sharing in the GDP of each country. In below analysis the researcher tried to show a similar trend of each country's performance compared with UAE (United Arab Emirates) and it is found that UAE does care to secure a high growth rate resulted from their continuous plan (World travel and Tourism Council, 2019; Moore 1967).

2.6 Comparative contribution of Travel and Tourism to GDP between USA and UAE

Countries/Years	2013	2014	2015	2016	2017	2018
USA	7.7	7.7	7.7	7.7	7.9	7.8
UAE	8.8	8.5	10.3	11	10.9	11.1

Table8. USA vs. UAE Travel and Tourism to GDP UAE

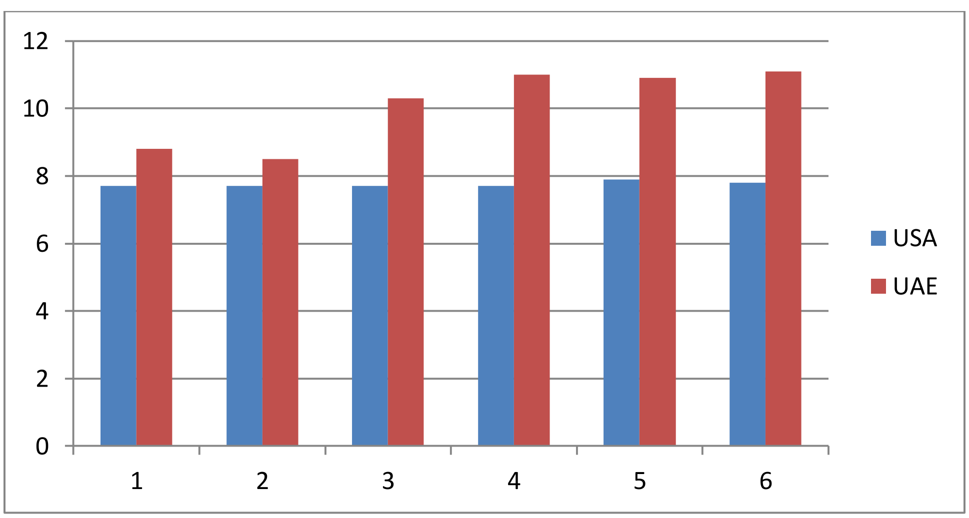

Figure8. USA vs. UAE Travel and Tourism to GDP UAE

The travel and Tourism sector of UAE (United Arab Emirates) performed a higher contribution percentage that was due to the government's acute care to develop Travel and Tourism to induce a large No. tourists from different countries of the world (World travel and Tourism Council, 2019).

2.7 Comparative contribution of Travel and Tourism to GDP between Japan and UAE

Countries/Years	2013	2014	2015	2016	2017	2018
Japan	6.9	6.5	7	7.1	7.2	7.4
UAE	8.8	8.5	10.3	11	10.9	11.1

Table9. Japan vs. UAE Travel and Tourism to GDP UAE

Above Table and Chart reflected the higher percentage resulted in Travel and Tourism Contribution to GDP in UAE comparative to Japan this immediately direct our analysis That UAE allocate higher rate of investment to rise up the ability of this sector to contribute To GDP and create more job opportunities.

2.8 comparative contribution of Travel and Tourism to GDP between Mexico and UAE

Countries/Years	2013	2014	2015	2016	2017	2018
Maxico	17.4	16.2	17.2	17.2	17.2	17.2
UAE	8.8	8.5	10.3	11	10.9	11.1

Table10. Mexico vs. UAE Travel and Tourism to GDP UAE

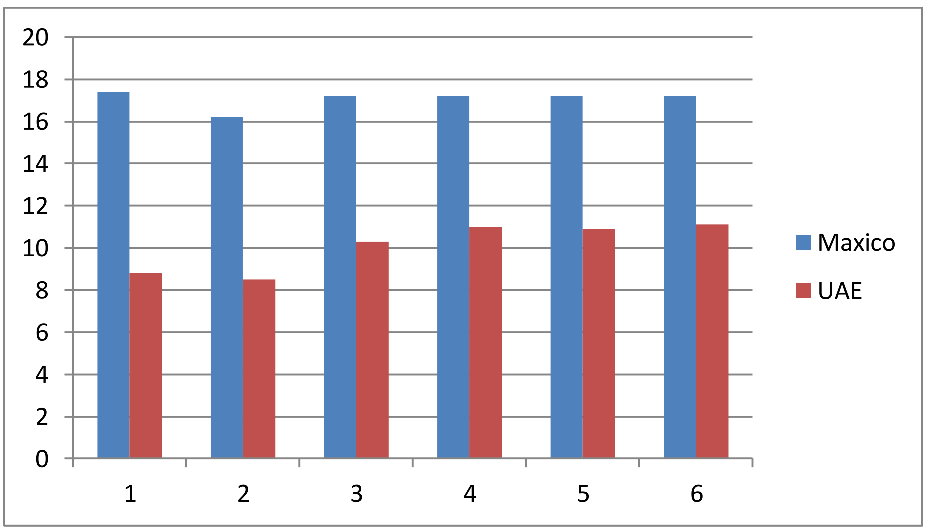

Figure9. USA vs. UAE Travel and Tourism to GDP UAE

Mexico Travel and Tourism contributed higher results but the same %through period years showed above while UAEcontributed figures increased respectively through the duration period 2013-2018 as in 2013 contributed 8.8% and reached 11.1% in 2018 this reflects the government continuous to maintain the rise in economic sectors including Travel and Tourism performance.

2.9 Comparative contribution of Travel and Tourism to GDP between Spain and the UAE

Countries/Years	2013	2014	2015	2016	2017	2018
Spain	13.4	14.1	14	14.2	14.5	14.6
UAE	8.8	8.5	10.3	11	10.9	11.1

Table11. Spain vs. UAE Travel and Tourism to GDP UAE

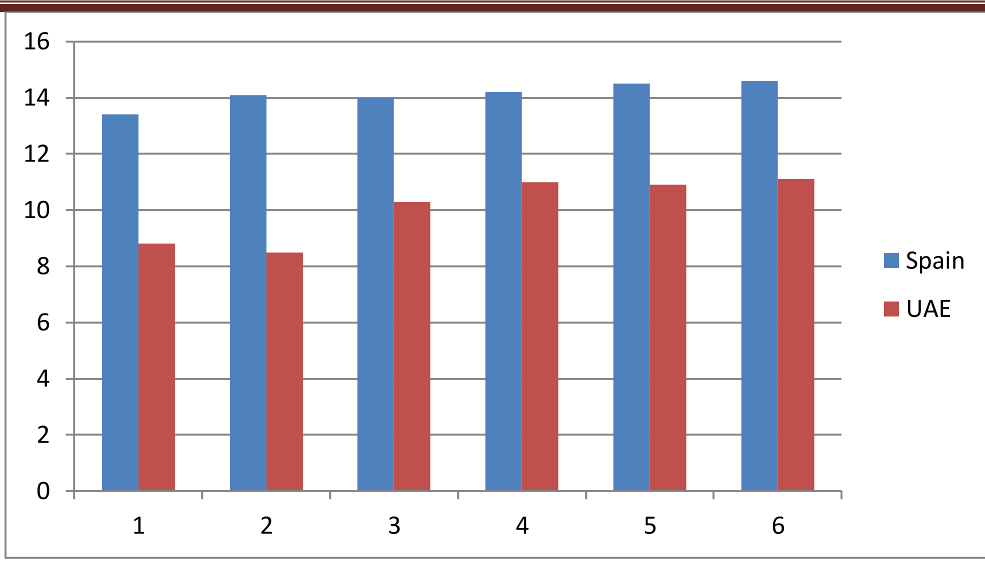

Figure10. Spain vs. UAE Travel and Tourism to GDP UAE

Can read from the comparative result that the UAE government insists on promoting Travel and Tourism to a higher %.

2.10 Comparative Contributions of Travel and Tourism to GDP between Italy and the UAE.

Countries/Years	2013	2014	2015	2016	2017	2018
Italy	11.7	12.1	12.7	12.7	13	13.2
UAE	8.8	8.5	10.3	11	10.9	11.1

Table12. Italy vs. UAE Travel and Tourism to GDP UAE

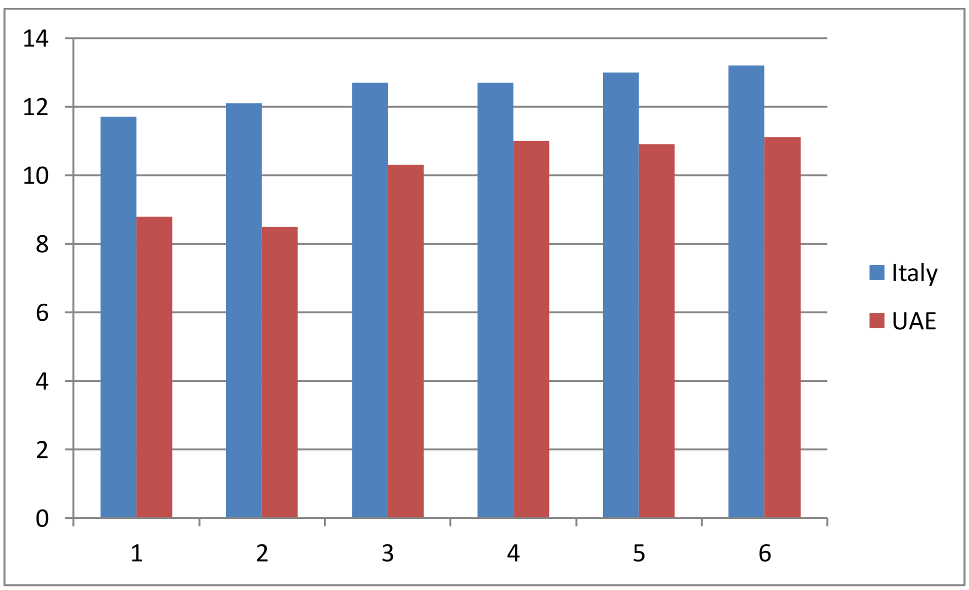

Figure11. Italy vs. UAE Travel and Tourism to GDP UAE

Italy contribution to GDP is slightly higher than UAE's contribution but the continuous raising of growth rate gives us an expectation that UAE will reach Italy share even exceed.

2.11 Comparative contribution of Travel and Tourism to GDP between China and UAE

Countries/Years	2013	2014	2015	2016	2017	2018
China	9.6	10.1	10.5	11	11	11
UAE	8.8	8.5	10.3	11	10.9	11.1

Table12. China vs. UAE Travel and Tourism to GDP UAE

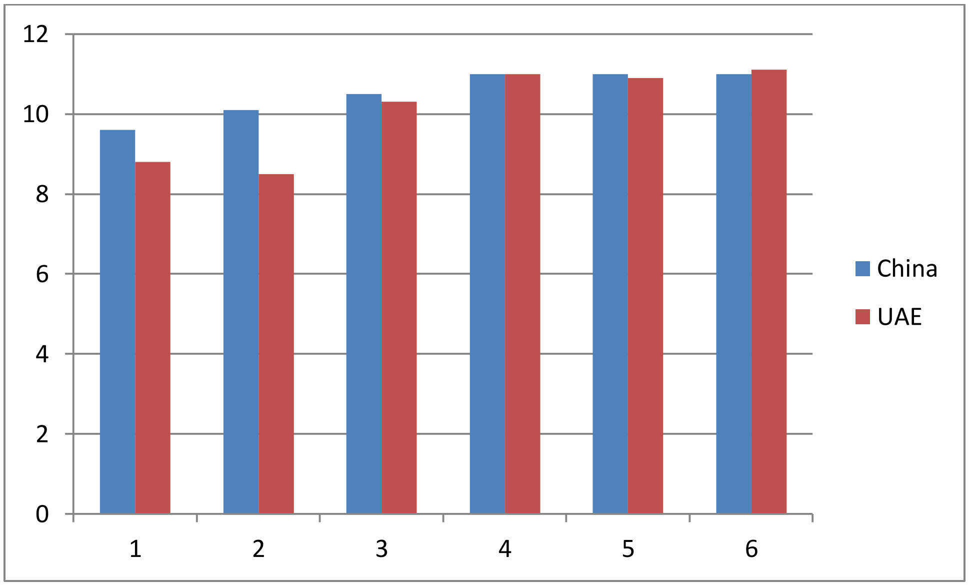

Figure12. China vs. UAE Travel and Tourism to GDP UAE

In analyzing the comparison above it is found that UAE Travel and Tourism Contribution in some years is the same as China's percentage, this reflects the strength of the UAE economy.

2.12 Comparative Contribution of Travel and Tourism to GDP between UK and UAE

Countries/Years	2013	2014	2015	2016	2017	2018
UK	10.4	9.9	10.1	10.5	11	11
UAE	8.8	8.5	10.3	11	10.9	11.1

Table13. UK vs. UAE Travel and Tourism to GDP UAE

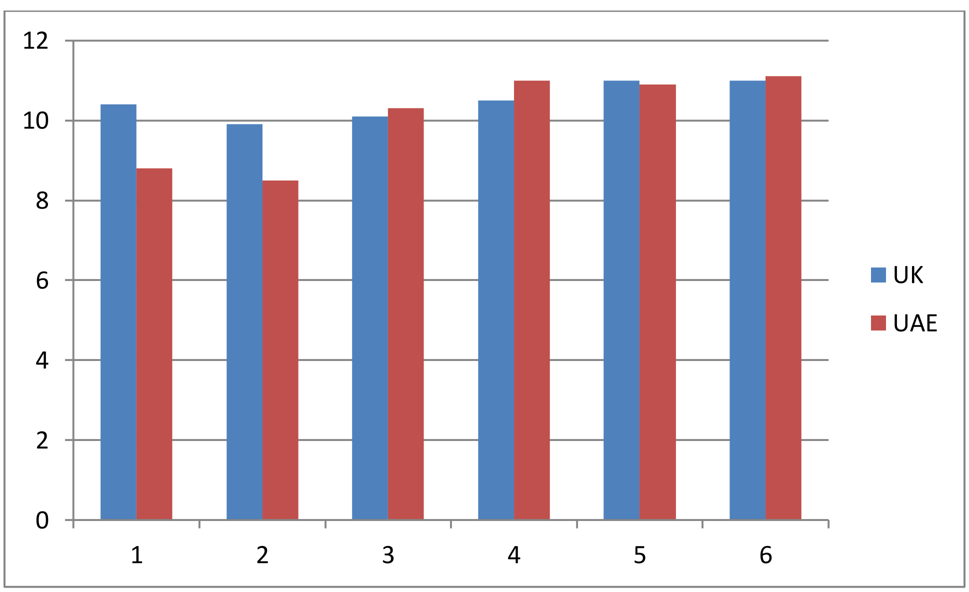

Figure13. UK vs. UAE Travel and Tourism to GDP UAE

The strength of the UAE economy resulted in increasing the contribution share to GDP as of UK contribution to its GDP nearly matching rate.

2.13 Comparative Contribution of Travel and Tourism to GDP between France and UAE

Countries/Years	2013	2014	2015	2016	2017	2018
France	9.6	9.5	9.5	9.3	9.4	9.5
UAE	8.8	8.5	10.3	11	10.9	11.1

Table13. France vs. UAE Travel and Tourism to GDP UAE

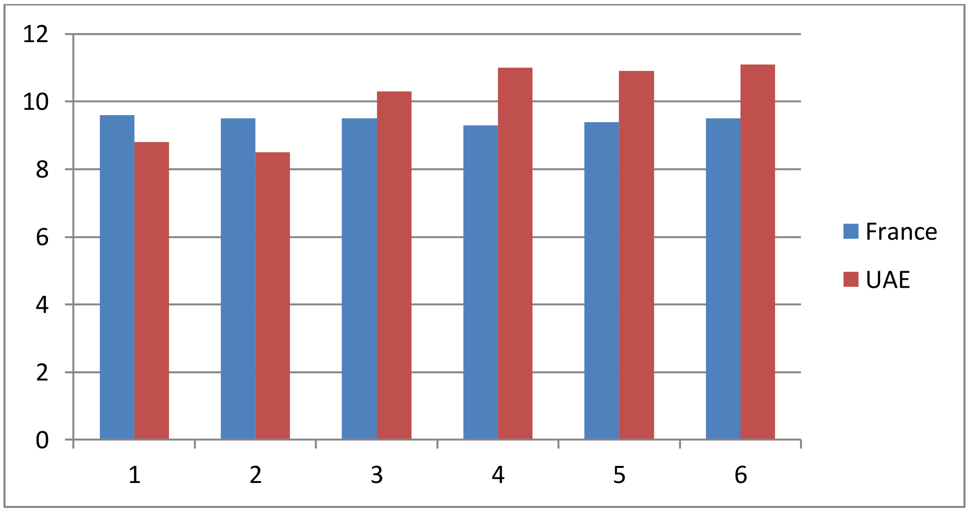

Figure13. France vs. UAE Travel and Tourism to GDP UAE

UAE Travel and Tourism growth rate resulted in increasing the contribution to GDP

2.14 Comparative Contribution of Travel and Tourism to GDP between Germany and UAE

Countries/Years	2013	2014	2015	2016	2017	2018
Germany	8.5	8.5	8.6	8.6	8.7	8.6
UAE	8.8	8.5	10.3	11	10.9	11.1

Table14. Germany vs. UAE Travel and Tourism to GDP UAE

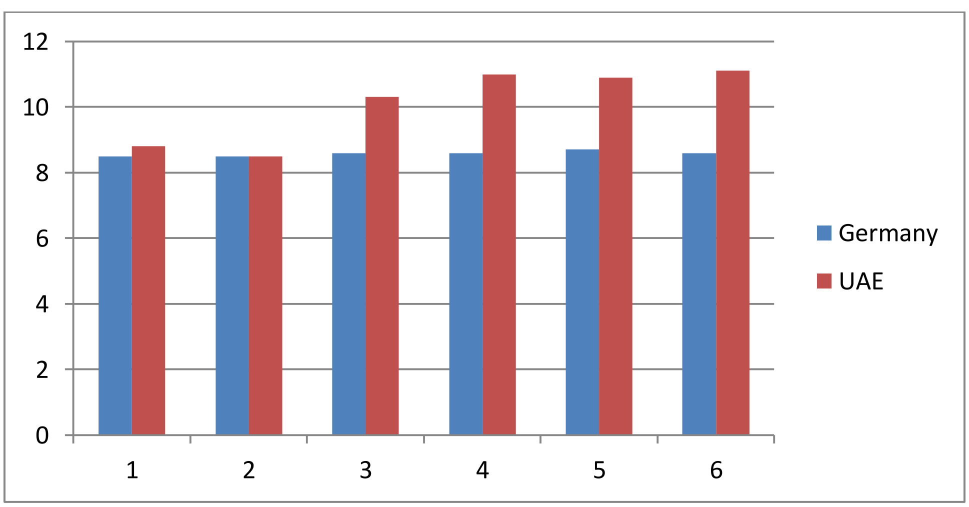

Figure13. Germany vs. UAE Travel and Tourism to GDP UAE

UAE's economy growth rate resulted in increasing the contribution of Travel and Tourism to GDP to the extent that exceeds the Germany contribution rate.

2.15 Comparative Contribution of Travel and Tourism to GDP between Brazil and UAE

Countries /Years	2013	2014	2015	2016	2017	2018
Brazil	8	8.3	8.6	8.5	8	8.1
UAE	8.8	8.5	10.3	11	10.9	11.1

Table15. Brazil vs. UAE Travel and Tourism to GDP UAE

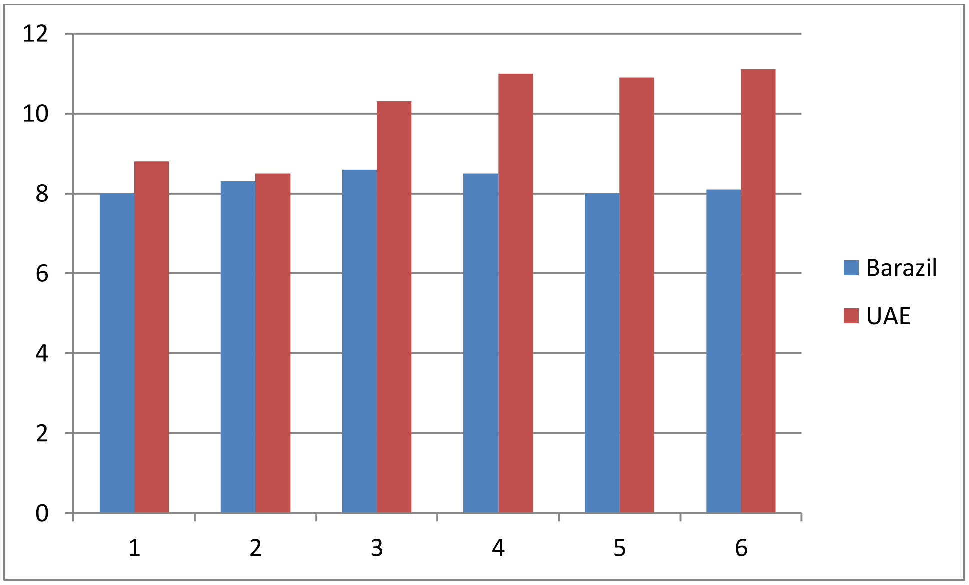

Figure14. Brazil vs. UAE Travel and Tourism to GDP UAE

UAE's strong economy resulted in Travel and Tourism to contribute increasing rate respectively through the years 2013-2018 but in Brazil the contribution rate remains the same through years 2013-2018.

3. Methodological Note

As per WTTC (world Travel & Tourism council) survey related to different countries in the world Categorized as follow:

1) Top ten countries with the most significant tourism industries (GDP)
2) Top five countries most reliant on tourism (GDP)
3) Top five countries least reliant on tourism (GDP)

Selected the first category to compare with UAE contribution to GD and applied Methods of primary and secondary research the primary research was done in different countries with the WTTC method. Statistics methods applied in the framework of secondary research.

4. Research Result and Discussion

Economic growth of selected countries including UAE presents the impact of Travel and Tourism contribution to GDP and that found specially in UAE continuous increment all the period of 2013-2018 but in generally some countries the same ratio for the mentioned period This reflects UAE authority is always plan to grow up the GDP that includes Travel and Tourism contribution.

4.1 Highlights

1. The world travel and tourism reporter in their collection data that international and domestic compiled together shared in 10% of world GDP.

2. Economic growth rate of the direct contribution of travel and tourism toWorld GDP which is in table 1(3+4)Showed 2.9% for the period 2013-2019.

3. Contribution of travel and tourism to employment increased by 2.2% through years of 2013-2019 and forecasted by2029 toadd jobs of (91848000).

4. The worlds faster growing countries in terms of travel and tourism GDP by emerging and developing economies ineffect UAE, Mexico,Spain,etc.

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