



The influence of sustainable tourism development in curbing the phenomenon of unemployment in Algeria (2013-2023)

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Submitted:28/10/2024

Accepted:12/11/2024

Published:19/12/2024

Abstract:

The research paper aims to study ways to develop the tourism sector as a means of addressing the issue of unemployment, utilizing descriptive and analytical method. The data used was collected from various sources such as from the international Travel and Tourism Council (WTTC). We inferred that, even though the tourism sector contributes to generating direct job opportunities within the sector itself, it also creates indirect employment by stimulating related industries, the percentage of contribution is still weak, as it hardly exceeds 6.5% of the total employment in Algeria, according to (wttc).

Key words: Unemployment, Tourism, Sustainable tourism development, WTTC.

JEL Classification Codes : J64, L83, Q1, L83.

Introduction :

All countries in the world are striving to eliminate unemployment, but this remains impossible for most countries, because it is difficult to completely eliminate the phenomenon of unemployment. However, limiting it and limiting its spread remains linked to economic development at all levels. Tourism is considered one of the efficient sectors in the domain of lowering unemployment rates and lowering their ratios, Algeria, like other countries, has tried, through its multiple and diverse tourism capabilities, to take the experience of diversifying its revenues by relying on the tourism sector by valuing it and taking care of it. In order to diversify revenues on the one side, as well as contribute to absorbing unemployed youth energies and directing them towards the labor market in the tourism field, which attracts many young people, on the else side. Therefore, **the problem** of the study was: How does sustainable tourism development contribute to reducing unemployment in Algeria? It was based on **the hypothesis** that sustainable tourism development contributes to reducing the phenomenon of unemployment by creating direct job positions in the tourism sector or indirectly by influencing sectors related to tourism, such as transportation, trade, crafts and traditional industries. **The research paper aims** to study ways to develop the tourism sector as a means of treating the phenomenon of unemployment, by using the descriptive and analytical **method**, by describing the studied phenomenon and analyzing its indicators for the period from 2013 to 2023, The data used was collected from various sources such as from the international travel and tourism council (WTTC) and global Economic Forum (WEF), We divided the work into three basic axes as follows:

- Sustainable tourism development
- Ideas about unemployment
- The impact of sustainable tourism development on changing unemployment rates for the period under study 2013-2023.

First: sustainable tourism development

1. Concepts about tourism

Tourism is considered a bridge that crosses all countries of the world, because tourism relies on fostering connections between people and their various civilizations in order to exchange knowledge and experiences, as well as intellectual rapprochement and establishing understanding between these peoples, and helps to create economic diversity among the various countries of the world, and for this reason tourism has taken a major role. It is important and has a broad framework within the economies and modern trends of many countries around the world.

1.1. Tourism explanation

In 1963, the World Tourism Organization defined the following terms visitor: "Visitor" is every person who goes to a country in which he does not normally reside, for various purposes and not to practice a paid profession within the country he visits. This term refers to two categories of visitors (Hoda, 2005-2006, p. 05):

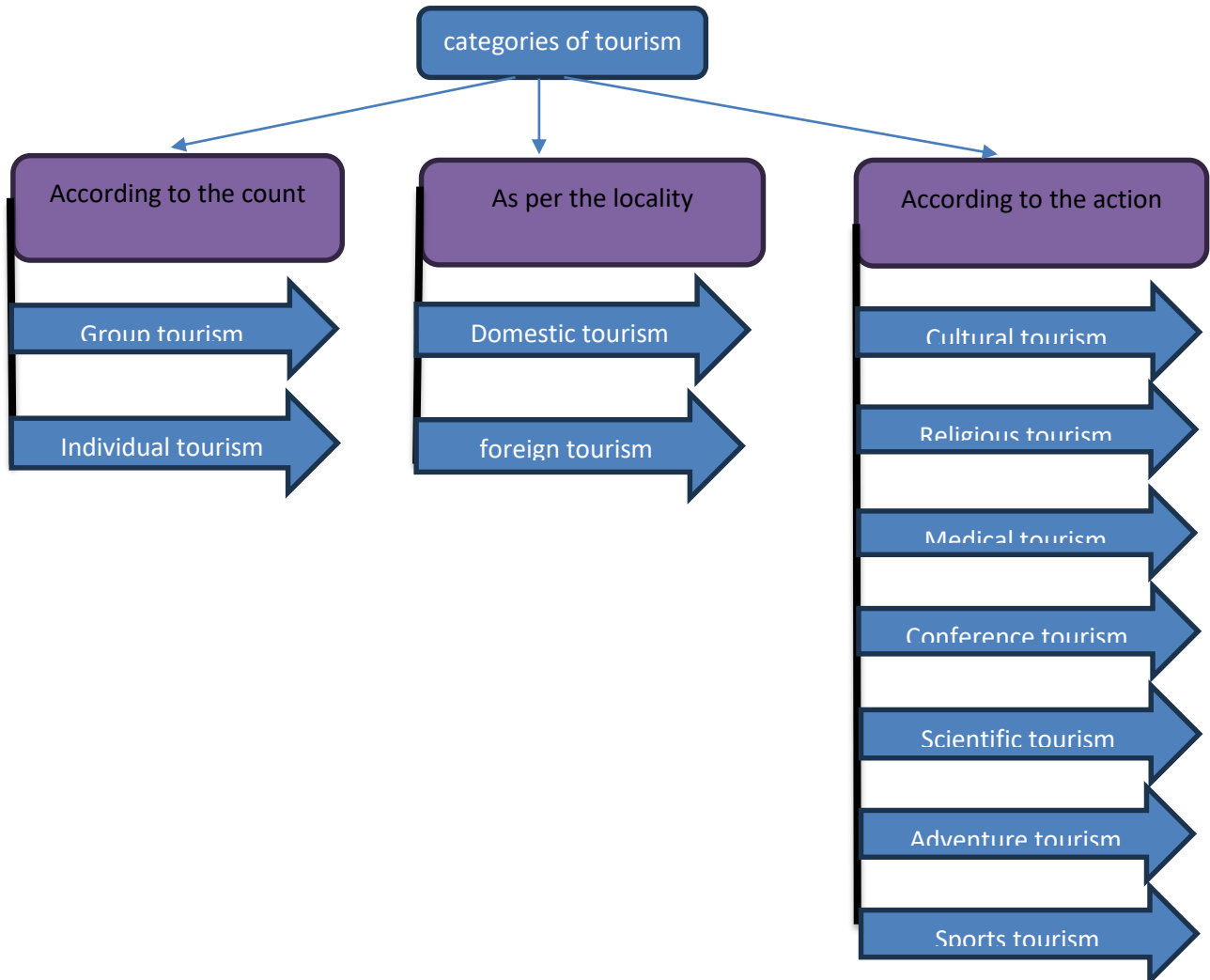
Tourists: They are temporary visitors who stay at least one day in the country they are visiting, and their reasons for visiting "including leisure, wellness and exercise, along with participating in cultural and academic conferences and workshops."

Leisure visitor: are visitors whose stay in a country does not exceed 24 hours.

Tourism is defined as the activity of traveling for the aim of entertainment, and providing services related to this activity (Hafidh, 2010, p. 219).

1.2. Tourism categories

Fig 1 : Tourism categories



Source : curated by the researcher

We notice from the previous figure that there are several types of tourism that differ depending on the existing standard. According to the count criterion, we distinguish between two different categories of tourism: individual tourism for people who want to travel and move around individually, and group tourism organized by various authorities and typically in the form of groups as is customary. At the level of specialized tourism agencies in organizing trips and tourist outings, as for the criterion of place, we distinguish between two categories of tourism, including domestic tourism in which people move within the territory of one country, and including foreign tourism that

happens outside the country's territory. Finally, according to the nature of the action, there are many different types of tourism that vary based on the goals or purposes of the trip. The tourist outing may be for the sake of treatment, and here we are faced with medical tourism, or it may be for the sake of sports, culture, adventures...etc.

1.3. Dimensions of tourism

The World Tourism Organization referred to the economic, human, social and cultural dimensions of tourism, "during the preparing of the International Code of Ethics for Tourism in October 1999 in Santiago Chile, the following stipulations were established (Mohammed, 2010-2011, p. 43):

- The role of tourism in promoting understanding and mutual respect between individuals and communities.
- Tourism is a factor of personal and collective prosperity.
- Tourism is a factor of sustainable development.
- Tourism occupies cultural and human heritage and contributes to its enrichment.
- Tourism is an activity that brings advantages the host country.
- Obligations of participants in tourism development.
- Tourism for every individual.
- The protections for workers and investors within the tourism industry.
- Enforcing the principles of international tourism ethics principles.

2. Notions of sustainable tourism development

2.1. Explanation of sustainable tourism development

Sustainable tourism development can be defined as "is an activity aims to develop and integrate diverse activities and services related to tourism in a way that achieves a balance between the economic, social and environmental returns of tourism, guaranteeing environmental protection and the preservation of natural and cultural resources for future generations."

2.2. Guidelines for sustainable tourism development

Comparable to sustainable development, sustainable tourism founded on three core principles: “sustainability of the environment”, “social and economic sustainability” (mer, 2024):

2.2.1. Sustainability of the environment

Reflecting its purpose, environmental sustainability seeks to minimize harm to the planet and safeguard it through sustainable practices. Below are some suggestions for achieving this while traveling."

- Consider alternative travel methods: opting for biking or using public transportation instead of flying can significantly lower your carbon footprint.
- Waste management: While it might seem straightforward, understanding how to handle waste during your travels is crucial. Always carry a small trash bag and choose sustainable or recycled products! Additionally, when exploring Parc du Bic, make sure to collect your trash and avoid leaving it behind!
- Honor the wildlife: Bic is home to various animals, attracting many visitors. It's important to learn how to observe them without causing stress or disruption, and to respect their natural habitats!

2.2.2. Social and Economic sustainability

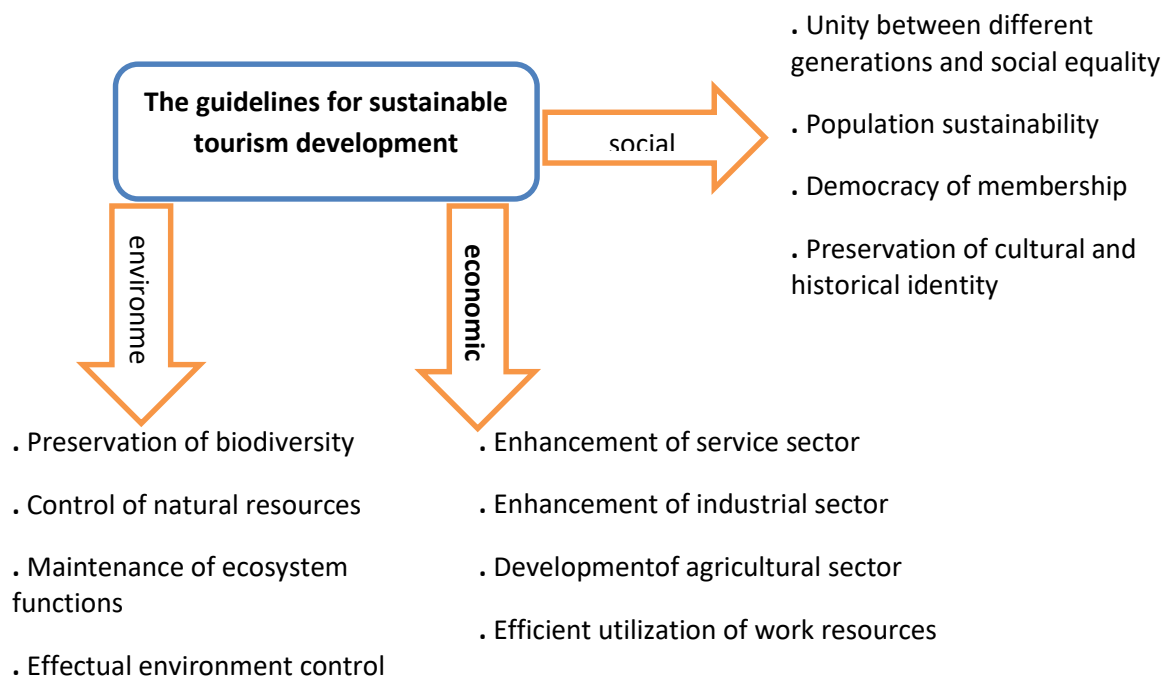
Social sustainability is a key aspect of sustainable tourism, often intertwined with economic sustainability. Here are a few ways to practice responsible tourism both socially and economically:

Back local enterprises during your visit: Choosing local accommodations instead of chain hotels is an excellent way to boost the region's economy and travel responsibly.

Dine locally: Enjoying meals at nearby establishments not only allows you to explore local cuisine but also reduces your carbon footprint. Plus, it supports our local businesses. Consider trying the restaurants in the local region!

Respect the locals and their customs: To avoid interfering with the lives of those in the area you're visiting, it's vital to respect the locals and their customs as a key aspect of responsible tourism.

Fig(2): Guidelines for sustainable tourism growth



Source: Author based on (Grundey, 2008, p. 121)

2.3. The relevance of sustainable tourism development

The relevance of sustainable tourism development represented in the following (Zineddine, 2016, pp. 18-19):

- Enhancing the balance of payments.
- Creating job opportunities and solving the problem of unemployment.
- Creating profitable investment opportunities.
- Achieving balanced development among regions.

Second: Ideas about unemployment

"The issue of unemployment is regarded as a major challenge that impedes the national economy, affecting various countries worldwide", Which means that there are no job positions available for qualified people, Which leads to creating problems within society that put to pressure on the government, which necessitates that the latter resort to providing assistance in the form of grants to maintain purchasing power, Which leads to disrupting the pace of growth within the country and creating problems that harm the economies of countries.

1. Definition and methods for measuring unemployment

1.1.The Definition of unemployment

Definition one:

"The definition of unemployment employed by the Census Bureau for measurement purposes is quite straightforward." Unemployed persons include those who did not work at all during the survey week and who were looking for work (Stewart, 1950, p. 55)

Definition tow:

Unemployment can simply be understood as a phenomenon that occurs when individuals are unemployed and actually looking for work.

1.2.Methods of calculate Unemployment rate

To be classified as unemployed, an individual must be jobless, available for work, and actively seeking employment within the past four weeks. Therefore, an individual who is unemployed but is not currently available for work or has not actively sought employment in the last four weeks is counted as being out of the labor force and thus the unemployment rate is calculated as follows (Knight, 2023):

Employed: They are currently working for pay E

Unemployed: out of work and actively looking for a job U

Out of the labor force: Out of paid work and not actively looking for a job **OLF**

Labor Force: The number of employed plus the unemployed **LF**

$$\text{Unemployment rate} = U/LF \times 100$$

2.Types of unemployment

We can summarize the types of unemployment as follows:

Voluntary Unemployment: is when there are job positions, but people do not want to join them. Either they tend to rest and prefer it to work, or they aspire to get a job in the future that is better than the job currently offered.

Involuntary Unemployment: is the inability of the government to create job positions that are compatible with the supply of labor, and in this case the government is responsible for the existence of unemployment.

Seasonal Unemployment: What is meant by it is the presence of a surplus of workers at seasonal times during the year, so that this surplus can be absorbed during other seasons. This type of unemployment usually occurs in some sectors such as agriculture, as the nature of activity is seasonal, thriving at times and stagnating at other times.

Frictional Unemployment: It occurs due to the movement of workers between regions and different professions, and arises due to the lack of information among the unemployed looking for work, and among employers who have job opportunities, which means that the demand side for the labor force does not meet the supply side.

3. Causes of Unemployment and its Effects

3-1- Causes of unemployment

Unemployment is caused by multiple factors originating from both the demand side (employers) and the supply side (workers). The main reasons include:

- Growth in Demographics

- Technological Development and the replacement of humans by machines
- Government aid that ensures a minimum standard of living
- investors are refraining from investing in projects that do not generate significant profits

2-impact of unemployment:

Unemployment is not just a statistic or an economic indicator; it is a pervasive issue that impacts individuals, families, and societies in profound ways. Understanding these impacts is crucial for policymakers, communities, and individuals to develop effective strategies to mitigate the adverse effects of unemployment. Among the effects resulting from the phenomenon of unemployment are (Sindi, 2024, pp. 54-55):

3.2.1. Social impact:

One of the most direct and severe consequences of unemployment is an increase in poverty levels. When individuals are unemployed, they lose their primary source of income, which can lead to an immediate and significant reduction in their living standards. This loss of income means that many are unable to afford basic necessities such as food, housing, and healthcare.

Unemployment can also have a detrimental effect on social cohesion. High unemployment rates can lead to increased social unrest and conflict as individuals and groups struggle to secure scarce resources and opportunities. This tension can manifest in increased crime rates, social unrest, and even violence

3.2.2. Economic impact

Unemployment has a direct and negative impact on Gross Domestic Product (GDP). High unemployment means that fewer people are working to produce goods and services, which leads to a decrease in total production and economic growth. This reduction in output directly affects GDP.

National productivity and economic efficiency are also adversely affected by unemployment. When a significant portion of the workforce is unemployed, the economy is not utilizing its human resources efficiently. This underutilization leads to a loss of potential economic output, which is detrimental to the overall productivity of the nation.

3.2.3. Psychological Impact

Unemployment is not just an economic issue; its ramifications extend deep into the psychological and emotional well-being of individuals. The loss of a job can trigger a cascade of psychological effects, transforming an individual's mental health landscape and altering family dynamics in profound ways. Understanding these impacts is crucial for developing comprehensive strategies to support those affected by unemployment.

Thirdly: The impact of sustainable tourism development on changing unemployment rates for the period under study 2013-2023.

1.The global Economic relevance of tourism

"According to remarks by the Secretary-General of the WTO, Zurab Pololikashvili, global tourism is on track to return to pre-pandemic levels by investing in people and projects that create teams capable of harnessing the sector's potential to drive growth and provide opportunities for everyone."

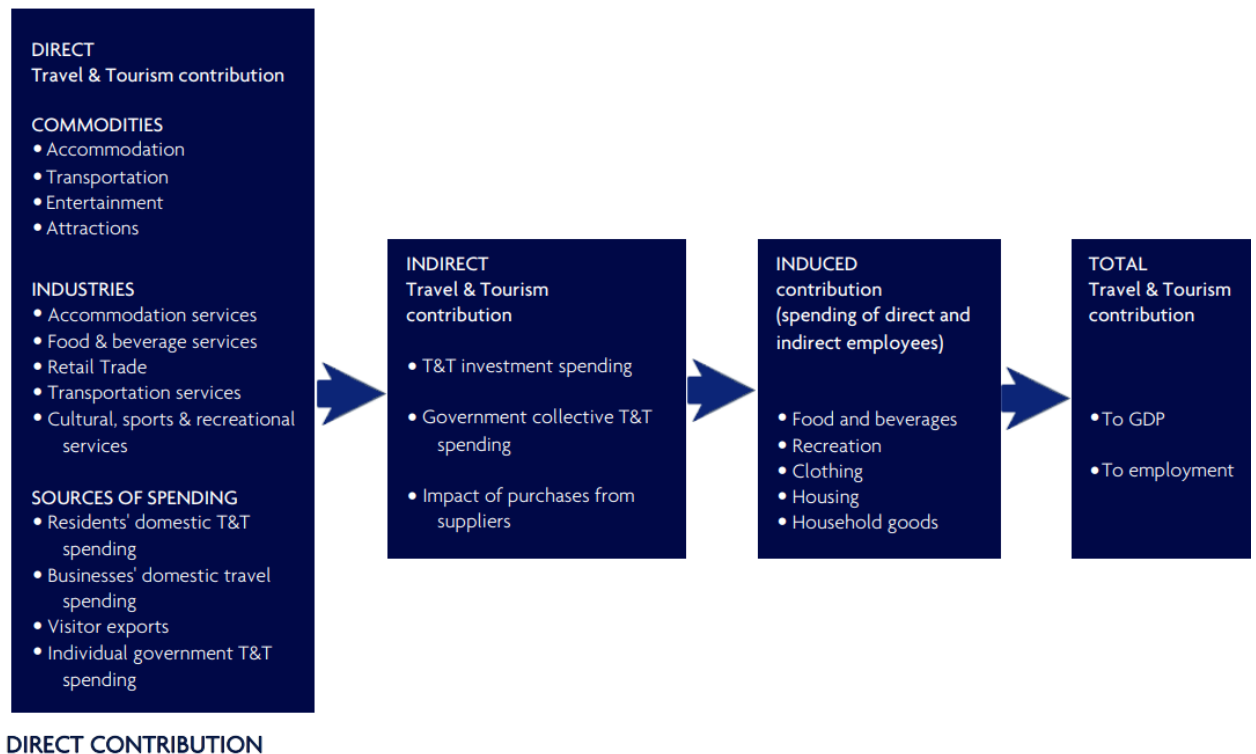
According to the report issued by the UK Simplified ETA published on February 5, 2024, the following (ETA, 2024):

-International tourism revenues in 2023 amounted to 1.4 trillion US dollars for the global economy, and this represents about 93% of the total profits of international destinations in 2019.

- Revenue from total tourism exports, including passenger transport, reached US\$1.6 trillion in 2023. This represents 95% of tourism exports during the pre-pandemic year.

Preliminary estimates of the economic contribution through direct tourism GDP are US\$3.3 trillion in 2023. This represents about three percent of global GDP.

Fig 3: travel-tourism contribution



Source: (Council, 2023, p. 03)

The tourism sector directly affects the gross domestic product through the total expenditures within the country, whether by residents or non-residents for work and entertainment purposes, in addition to government spending on the tourism sector and services directly related to visitors, such as care for museums, national parks, and recreational facilities.

"The total contribution of Travel & Tourism also includes its 'broader effects' (i.e., the indirect and induced impacts) on the economy. The 'indirect' contribution encompasses GDP and jobs supported by: ..."

- Government spending supports travel and tourism activities in various ways, on behalf of "society as a whole". Through spending on various areas such as tourism

marketing and promotion, various types of transportation, management, security services, sanitation in resort areas, and others.

- Domestic expenditure on services by sectors that directly interact with tourists includes, for instance, food and cleaning services purchased by hotels, fuel and catering services provided by carriers, and IT services offered by travel agents.
- The “induced” contribution to GDP reflects those of individuals working in the tourism sector or in related sectors.

2. Statistics touristic in “Algeria”

T & T represent a vital economic activity across most countries globally. The United Nations statistics division has endorsed the tourism satellite accounting (TSA) methodology to evaluate these impacts T&T `s contribution is often measured only by its direct impact; however, the WTTC acknowledges that the overall contribution of travel and tourism significantly larger.

2.1. Foundational infrastructure for tourism in Algeria

Table (1): Tourist Facilities

Facilities	Total number
Hotel Establishments	1638
Beds	151052
Tourism and Travel Agencies	4999
Tourism Projects in Progress	2235

Source: the researcher based on data from the ministry of tourism

From the table above, it becomes clear to us that the tourist facilities in Algeria are not in line with the tourism heritage that it abounds across the entire national territory. Therefore, the government have to expedite the enhancing of the sector and raise the challenges in order to double the number of tourist facilities that attract the maximum possible number. Of tourists.

2.2. Statistical indicators about the development of tourism in “Algeria”

The growth of the tourism sector in Algeria evident from the data shown in the table:

Table (2): Advancement of the tourism sector in Algeria (2013-2023)

	2013	2023	Per(%)
TTDI Rank	123	98	
Enabling Environment			
Business Environment	3.78	3.24	-14,29%
Safety and Security	4.90	5.58	13,88%
Health and Hygiene	4.97	4.35	-12,47%
Human Resources and Labor Market	4.04	3.03	-25%
T&T Policy and Enabling Conditions			
Prioritization of T&T	2.74	3.69	34,67%
Openness to T&T	1.51	2.49	64,90%
Price Competitiveness	5.50	6.03	9,64%
Infrastructure and Services			
Air Transport Infrastructure	1.98	2.66	34,34%
Ground and Port Infrastructure	2.56	2.80	9,37%
Tourist Services and Infrastructure	2.03	2.61	28,57%
T&T Resources			
Natural Resources	2.04	2.47	21,08%
Cultural Resources	2.05	2.20	7,32%

*Scores are calculated and classified on a common scale from 1 to 7, with a value of 1 given for the worst and a value of 7 for the best.

Source: Author based on the World Economic Forum report 2015and2024

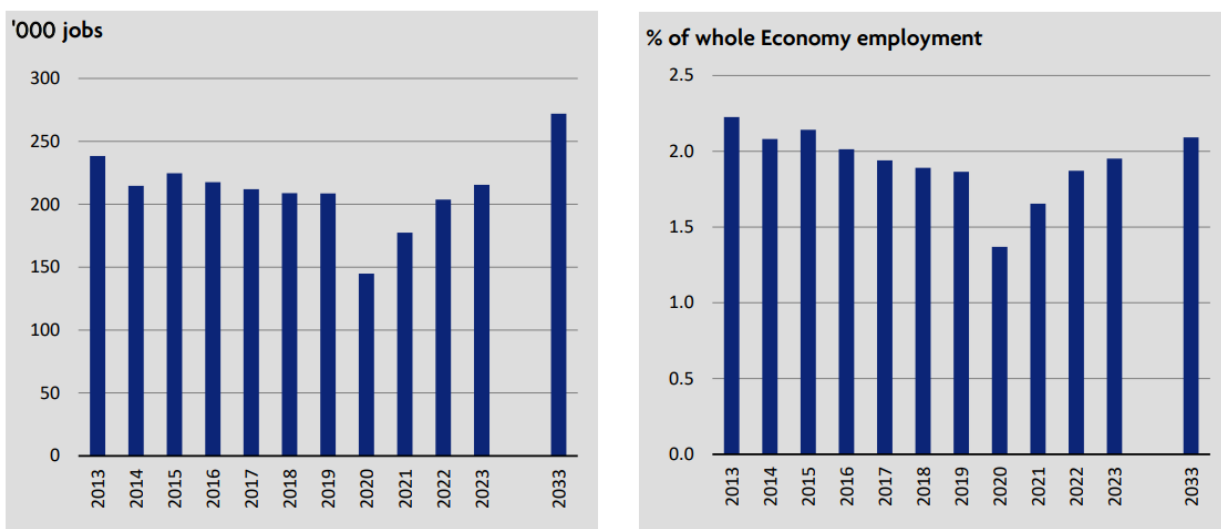
The year 2023, An increase of 64.9% was recorded as the highest percentage in the **Openness to T&T** index, which shows the correct trend towards adopting a sustainable tourism plan in recent years, Followed by the **Air Transport Infrastructure** and **Prioritization of T&T** index with an estimated change of 34%, which indicates the enhancing of the infrastructure that supports tourism, and take care of it, such as the establishment of airports and railway networks, which, in turn, strengthens the tourism sector, while the other indicators showed increases of varying percentage, However, we note that the indicators related to **Enabling Environment** declined compared to the base year 2013 through a decline in the indicators of: **Business Environment, Health and Hygiene, human resources and labor market**, Which shows that the conducive environment for tourism has not yet been achieved as a result of the presence of a number of obstacles related to health and prevention, in addition to the state's inability to create

a business environment that contributes to enhancing the development of the tourism sector.

3.The influence of tourism development on unemployment levels

The tourism sector, similar to other industries, influences in employment levels through the creation of direct jobs resulting from direct employment within the travel and tourism sector or through employment in other sectors directly related to the tourism sector, that types of indirect jobs has the tourism sector helped to create.

Fig (6): The Direct effect of Travel-Tourism sector on Employment



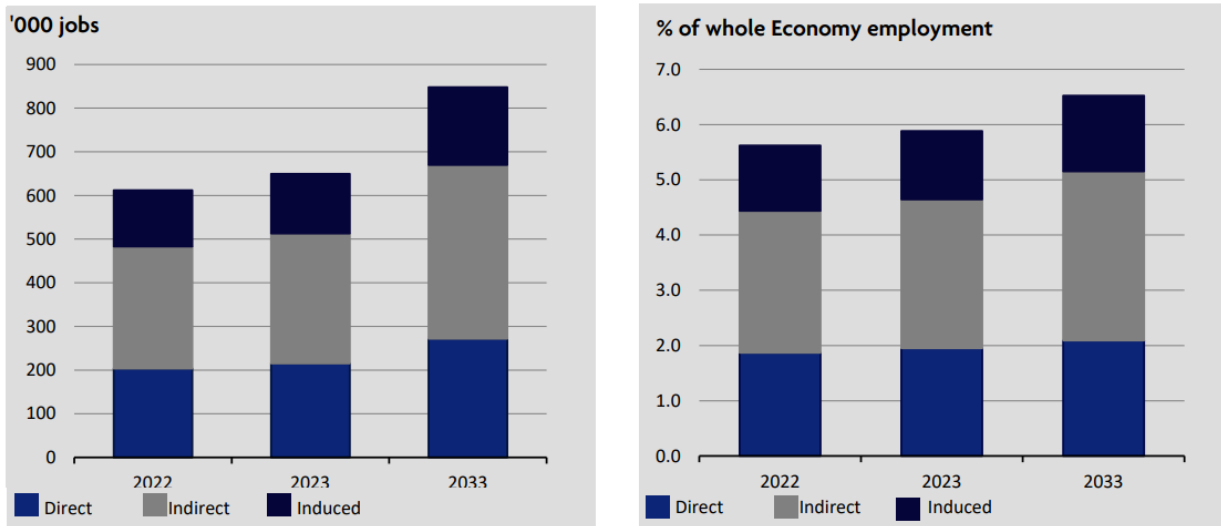
Source: "WTTC" report, May 2023

It seems from the figure that the tourism sector's contribution to employment began to decrease during the study period, starting from the year 2013, through the creation of about 230,000 job positions, up to the year 2020, where the direct contribution did not exceed the creation of 150,000 job opportunities, This indicates the degradation of the tourism sector in Algeria, While the period from 2020 to 2023 represents a period of prosperity for the sector, with the travel and tourism sector creating 203,705 direct job opportunities in 2022 (1.9% of total employment).

It expected that During the period 2023 to 2033, the sector of travel and tourism will contribute to the creation of 271,972 direct jobs (2.1% of total employment), an increase of 2.4% annually from 2023, This includes employment in hotels, agents of travel, air carriers

and other passenger transportation services, It also includes activities of the restauration and entertainment industries that are directly supported by tourists.

Fig (7): Total Contribution of Travel-Tourism to Employment



Source: WTTC report, May 2023

The overall effect of the travel and tourism sector on employment, including the wider effects from investment, supply chain activities, and induced income effects was 611,773 jobs in 2022 (5.6% of total employment). It was around 650,000 jobs in 2023 (5.8% of total employment), and by 2033, travel and tourism is projected to support 848,093 jobs, which represents 6.5% of total employment, reflecting an annual growth of 2.7% since 2023.

Conclusion

Tourism is a dynamic activity that affects and is affected by other sectors. It has a direct impact on the sectors of production, consumption, communication, transportation, hotel, banking, as well as foreign trade operations, Therefore, tourism can be considered an essential factor that drives to the growth and development of the local economy, facilitating the creation of both direct and indirect job opportunities in different regions of the country, It also contributes to increasing the GDP and reducing dependence on the fuel sector;

As a **result** of the study, it was concluded that the Algerian state has not yet been able to get rid of economic dependence on fuel supplies, because the tourism sector's

contribution to GDP does not exceed 6.3%, and 6.5% of total employment as a forward-looking outlook to 2033.

Recommendations

- ✓ Encouraging foreign direct investment and directing it towards investment in the tourism sector.
- ✓ Develop sustainable tourism plans and models for each region separately, so that each model differs from the other in a way that is compatible with the nature of each region and the special capabilities it contains.
- ✓ Relying on modern fintech in order to facilitate procedures related to transferring international funds for tourists.

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