A couple of days off – and away we go. To the coast or the mountains, to London, Paris or New York, the Canary Islands or the Mediterranean, Africa, Asia or South America. This undertaking, which is often coupled with substantial effort and considerable financial expense, is called vacation. It is more or less a mystery: to date, no one has been able to say where our need for vacation comes from and why this need is so insatiable. How else can it be explained that the tourism industry continues to grow year after year even in such countries as Italy, France and the United Kingdom?

The group headed by Director Ulrich Witt at the Max Planck Institute of Economics in Jena aims to close the gap in empirical knowledge about how the motives and desires of vacationers develop in tandem with the economic emergence of the tourism industry.
industry. In doing so, the researchers are pursuing an approach that is unique in economics: they analyze how the growth of modern consumption is grounded in the behavioral predispositions present in the evolved human genetic endowment. Guided by a general theory that Ulrich Witt outlined a few years ago, the scientists examine, for example, the markets for washing machines, shoes, sugar and tourism (MAXPLANCKRESEARCH 3/2001, page 36 ff.).

FROM SANATARIUM TO HOLIDAY DESTINATION

“What we hope to gain from this,” explains Witt’s student Andreas Chai, “is not so much new findings about the cultural history of the respective goods as, in fact, evidence for the general theory, to be expanded and refined through work on case studies.” The various projects aim to explain how, starting from basic human needs, those specialized desires developed that, in today’s economic context, are summed up in the term demand.

Various mechanisms play a role here. For example, in the model developed by the evolutionary economists in Jena, consumers develop acquired wants that emerge in the course of satisfying their basic needs. This happens when people associate certain other things with the fulfillment of basic needs – and, ultimately, also experience satisfaction through them. “In this way,” says Andreas Chai, “one could explain, for instance, how the need for health stimulated demand for a large variety of consumption activities, such as the demand for the natural glow of a suntan, vitamin supplements and nordic walking.”

The concept of acquired wants also answers the question of why we humans simply can’t get enough of some things – although we have a limited capacity to eat, sleep and engage in other key activities. Demand can grow continuously because each of the acquired needs is not linked to just a single basic need, but to several – and these can hardly all be fully satisfied at the same time. In Witt’s model, products and services that accommodate multiple needs simultaneously are called combination goods.

Applied to concrete economic development processes, this theoretical background facilitates surprising insights – for example, when one wants to understand how the tourism industry has been able to develop across different regions. Andreas Chai, a Ph.D. student in the Evolutionary Economics Group, studied a few chapters of this development, including the metamorphosis of former sanatoriums into vacation retreats for tourists, using the history of the English resort towns as an example.

TRAVELING FOR HEALTH

The research design drafted by Andreas Chai, a 27-year-old who expressly came to Jena from Australia, puts the focus on human needs. In this way, it differs from existing cultural and economic-historical depictions of the tourism phenomenon. What determines the demand for tourism services? How do people know which service fits their desires?

How is this knowledge communicated? How do consumer expectations change – and how does that entail not only a functional change of tourism facilities, but also a growth of business segments? These are questions the study tries to answer.

At the beginning of the story that Andreas Chai tells is the desire for medical treatment. In the early stages of what we today refer to collectively as the tourism industry, it was, among other things, this desire that drove people to take a trip. At a time when there were not yet any hospitals or modern medical treatment techniques, many consumers traveled to particular regions to have all kinds of illnesses treated there with natural remedies that were not available elsewhere, such as mineral water, sea air and sun.

At the beginning of the 20th century, a vacation in Brighton was a status symbol, but even today, the coastal city still draws masses.

Sand shovel, sun hat, sandals: Tourists in the Brighton of the 1950s were no longer seeking healing, but rather an all-inclusive leisure package.
“This raises the question of how people actually knew what things would make them healthy and what makes them sick,” explains Andreas Chai. The first guess, of course, is based on the immediate physiological reaction to treatment. Being healthy also means being free from pain. However, all questions that go beyond this elemental experience posed difficulties for the early health-seeking tourists.

When spa tourism began in the 16th century, there were no medical experts. For this reason, suspects Andreas Chai, people resorted to a rule of thumb: whenever it was not known whether a certain treatment would have a positive effect on one’s health, a therapy was accepted that would have a positive effect on one’s health. For lack of alternatives, the medicine of the time pursued, as we would call it today, a holistic approach. The goal of treatment was to calm the nervous system and to support the natural healing processes. This also meant that patients observed the changes in their watches, flowers and textiles. Military bands, opera performances and traveling minstrel troupes were brought in for entertainment, and piers, promenades and small amusement parks were set up. The spas also increasingly came to satisfy the need for status. After all, they presented an opportunity to demonstrate that one could afford to spend so much time away from work, and in respectable surroundings. In this way, the former treatment centers were also able to satisfy the demand for social distinction.

A stay at the former sanatoriums had thus become — as the theory terms it — a combination good: a service that addressed an entire range of needs and desires at once. Since they can hardly all be satisfied simultaneously, the service promises quasi-permanent demand.

This change in the function of travel had important implications for the viability of resort tourism. Specifically, at the beginning of the 19th century, advances in medicine and chemistry created modern alternatives to traditional spa therapies involving bio-meteorological remedies. In many cases, strong sedatives and pain relievers, vaccinations and, above all, modern hospitals made these therapies redundant.

Nevertheless, the popularity of the resort towns grew. In 1911, around half of the population of England and Wales took at least one trip to the coast each year. Now there were also many members of the working class among them — despite the costs associated with the trip. For a one-week stay, the laborers had to save, on average, for an entire year. So what drove them to the seaside spas in spite of this? It couldn’t have been status or proximity to VIPs and the “in” crowd; at that time, the rich and famous had already moved on to inland towns or to the better-appointed spas on the continent.

While a variety of amusements were available locally to the increasingly urbanized consumer population, the resort vacation offered them something different: an opportunity to escape the unhealthy living conditions in the cities of the early 19th century. Thus, as in the early days of spa tourism, the need for health took center stage. It had simply taken on a different form than in the days of the early tourists.

Tourism Growth in the Modern Era

Not everything in this story is new. What is new, however, is the combination of events — the attempt to reconstruct how changing consumer desires and needs led to a change in an entire economic sector. This is the only way the resort towns could cope with the lack of demand for medical treatment and, in fact, grow at the same time.

Although the evolutionary economic analyses of the history of tourism are not aimed at gaining new historical insights, Andreas Chai did uncover astonishing details: “Who knew,” he says, “that these major changes in vacation preferences saved 19th-century tourism?”

...
coastal tourism from impending demise?

Equally striking is what the researcher illustrates in another chapter of his work: the emergence of nature and landscape tourism triggered by the romantic literature of the 18th and 19th centuries. One typically limits oneself to explaining the one as having arisen out of the spirit of the other. There has, as yet, been no detailed description of the socioeconomic mechanisms by which the prevalence of a certain type of landscape tourism triggered the emergence of nature and tourism. In 1901, therapy included washing, immersing, pouring – and even electroshocks.

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