Debate on the tourism model and its impact on the productivity of the Catalan economy

INICIATIVA PER LA PRODUCTIVITAT I LA INNOVACIÓ

CERCLE D'ECONOMIA

CONTENTS

Recognising the importance of tourism to the Catalan and Spanish economies, the IPI held a debate on productivity and tourism in November 2025. The aim was to take a closer look at this important sector and its contribution to productivity and social well-being.

This document brings together the insights offered during the debate, highlighting key issues and identifying the areas of research required to inform public policy. It includes contributions from Miquel Puig, José Antonio Donaire, Carmen Matutes, Oriol Aspachs, Mateu Hernández, Salvador Anton, Pedro Aznar, Antoni Bernabé, Faustino Cuadrado, Xavier Cubeles, Ángel Díaz, Xavier Ferràs, Jordi Galí, Pau Guardans, Gabriel Jené, Andreu Mas-Colell, Giacomo A. M. Ponzetto, Roser Roca, Vicente Salas and Anna Torres.

1. Introduction. Tourism: the productivity challenge

When the Cercle d'Economia was founded in 1958, the Spanish economy stood on the brink of an unprecedented transformation. That same year, Spain received fewer than three million international visitors. Today, three quarters of a century later, the figure is approaching one hundred million. This is no geographical or climatic accident. Over the past seventy-five years, tourism has been an integral part of our development model. During the period of *desarrollismo*, it helped to finance industrialisation. It was largely thanks to our coastlines that enough foreign currency was generated to import machinery for our factories. Tourism did not replace industry; it made it possible by offsetting a structurally deficit balance of payments.

This macroeconomic stabilising role is not a thing of the past. Recent data show that tourism continues to play a significant role in evening out Spain's balance of payments. At the height of the energy crisis in 2022, the tourism surplus, defined as the difference between revenue from inbound tourism and spending by residents abroad, equalled 148% of the net external energy bill. This percentage only grew in 2023. Excluding tourism, the balance of trade in goods and services often records a deficit or a value close to zero. Without the net contribution of tourism, the Spanish economy's financing capacity would be undermined.[1]

This unquestionable quantitative success has positioned Catalonia as Spain's leading tourist region in terms of international visitor arrivals, and Spain as the second-ranked country in the World Economic Forum's Travel & Tourism Development Index 2024, behind the United States.[2] However, it is now showing signs of strain. The extensive growth model, driven by record arrival figures, has negative consequences for social cohesion, housing availability and environmental sustainability in certain destinations, particularly coastal and island areas and major cities.

Although tourism has been a significant driver of job creation, contributing directly and indirectly more than 12% to GDP and employment, average wages per worker remain lower than in other sectors.[3] This raises a strategic challenge: our economy can create jobs for many people, but it struggles to move up the value chain. Consequently, higher wage levels and long-term well-being remain out of reach.

Against this backdrop, the debate below explores how tourism can be harnessed to generate shared and sustainable prosperity in the twenty-first century.

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[1] The differential contribution of tourism to Spain's balance of payments can be consulted in the "External statistics" published by the Banco de España.
<https://www.bde.es/webbe/es/estadisticas/temas/estadisticas-exteriores.html>.
[2] <https://www3.weforum.org/docs/WEF_Travel_and_Tourism_Development_Index_2024.pdf>.
[3] Data drawn from Idescat's tourism satellite accounts, from Eurostat (hourly labour costs) and from the Government of Catalonia's Labour and Productive Model Observatory (average wages).

The document is structured as follows: an initial section presenting the state of the art and the points of consensus and disagreement among the experts who took part in the debate; a summary of the article by Miquel Puig that served as the basis for the discussion, with the full text available on the website of the Initiative for Productivity and Innovation (IPI); seven articles commenting on Puig's contribution, written by participants who took part as discussants, sat in the front row, or made contributions during or after the debate; a summary of the remaining contributions to the debate, organised thematically and drawn from the interventions of other participants; and, finally, a set of proposals for continuing the debate in order to deepen our understanding of tourism and its impact on our economy and well-being.

Methodological note on the use of artificial intelligence

Generative artificial intelligence tools were used at certain stages when preparing this document. These tools provided technical support for tasks such as synthesising information, organising previously produced materials and enhancing the clarity of preliminary drafts.

In all cases, content generated or assisted by these tools was reviewed, cross-checked, edited and validated by people, and incorporated only after a process of human deliberation and decision-making.

The analytical approach, the selection of evidence, the interpretation of results and the conclusions of the document are the sole responsibility of the IPI team and the authors of the various contributions included.

2. State of the art: consensus, disagreements and debate overview

Introduction: the tourism success paradox

The debate set out in this document is grounded in the understanding that tourism has been, is and will continue to be a structural pillar of the Catalan and Spanish economies, yet its extensive growth model shows signs of strain that call for reassessment.

We are faced with the success paradox. Catalonia receives the largest number of international tourists of all regions in Spain. This has helped the country to achieve a leading global position in tourism development, ranking second worldwide in 2024 behind the United States, according to the index published by the World Economic Forum,[4] which looks at 1,032 indicators. However, this quantitative strength is debilitated by a qualitative weakness: productivity levels are significantly below average, and wages likewise fall below the economy-wide mean. A background paper by Miquel Puig, summarised below, has prompted collective reflection on the sector.

The articles and interventions brought together in this document analyse the sector in greater detail. The debate centres on how an activity driven by volume can be transformed into a higher-value industry capable of fostering social well-being. Contributions from academics and business professionals paint a picture of intellectual consensus and disagreement, which is explored in the sections that follow.

The core diagnosis: the low-price model

The central argument put forward by Miquel Puig is that the low productivity of Catalan tourism is not an intrinsic failing of the services sector, but rather the outcome of a specific business model based on price competition and wage restraint. Puig contrasts what he terms the "Mediterranean model" with the "Alpine model". While destinations such as Tyrol achieve per capita income and productivity levels in the top European quintile, our coastal destinations remain in more modest categories.

The difference, Puig argues, is neither technological nor related to landscape, but rather to price. In Zermatt, nominal productivity is high because prices are high, and prices are high because supply is limited and labour costs are elevated, owing to immigration restrictions and robust collective labour agreements. In Catalonia, by contrast, the absence of barriers to entry and a flexible labour market supported by immigration have enabled sustained competitiveness without the need for innovation or price increases. This has created a vicious

[4] <https://www3.weforum.org/docs/WEF_Travel_and_Tourism_Development_Index_2024.pdf>.

circle: low prices attract large volumes of low-value demand, which in turn perpetuates low wages and discourages investment in quality.

Areas of broad consensus: the limits of volume

There is an initial level of broad-based agreement on Puig's work. All participants, from academics to business representatives, agree that the growth phase driven by volume is over. There is unanimity that the central challenge now lies in creating added value.

It is also widely accepted that tourism does not operate in isolation. In this document, Mateu Hernández and Pau Guardans, together with academics such as Andreu Mas-Colell, emphasise that tourism functions as an "invisible infrastructure" that underpins Barcelona's international connectivity, finances cultural facilities and attracts global talent. Failing to consider these positive externalities would result in incomplete accounting. There is also a consensus on the need for public management that shifts its focus from promotion to flow regulation, off-season activities and the intelligent handling of potential negative externalities.

Disagreements and finer details: the complexity of the sector

While the initial diagnosis is widely accepted, there is intense debate over its causes and the most appropriate remedies. These disagreements can be categorised under four main headings: the nature of the sector, how productivity is measured, the impact of externalities and economic policy instruments.

The fallacy of homogeneity: "the paella theory"

One of the most common criticisms of the background paper is its monolithic view of tourism. Oriol Aspachs uses the paella analogy to illustrate that a rice dish served as part of a fixed-price menu cannot be treated in the same way as a chef's gourmet cuisine. The Catalan tourism sector has two sides: segments with high value-based productivity (ultra-luxury hotels, conference tourism and premium experiences) coexist alongside segments with low added value.

José Antonio Donaire, in his contribution to the round-table discussion, reinforces this idea by noting that coastal, urban and mountain tourism are, both conceptually and economically, distinct sectors operating according to different logics. Treating them as a homogeneous whole leads to diagnostic errors. Mateu Hernández builds on this line of reasoning by advocating the "Barcelona model" as an ecosystem in which tourism is hybridised with the knowledge economy, health and technology, generating returns far higher than those of conventional sun-and-sea tourism. The conclusion of this section is that public policy cannot adopt a one-size-fits-all approach. A blanket restriction, such as limiting the creation of new tourist accommodation, may be harmless for the low-cost segment, whose businesses can find informal ways to circumvent such constraints. However, it could be disastrous for the high-end segment, which requires legal certainty in order to invest.

Capital versus labour: the measurement problem

The second major area of disagreement is methodological. Miquel Puig essentially measures productivity as value added per hour worked, placing the emphasis on labour. Carmen Matutes and Vicente Salas caution that this perspective is incomplete, as it overlooks capital intensity. Modern hospitality, particularly at the higher end of the market, requires substantial investment in real estate and technology. A five-star hotel is not merely a matter of more staff; it represents millions of euros invested in design, comfort and technology. Assessing its efficiency solely on the basis of employee payroll, therefore, distorts reality.

Vicente Salas and Giacomo A. M. Ponzetto also warn of the risks associated with equating business profitability with economic efficiency in the context of productivity. Raising prices, and therefore nominal productivity, without a corresponding increase in real quality or efficiency does not enhance well-being; it merely transfers income from consumers to producers. Thus, rather than simply increasing prices, the focus should be on improving perceived value so as to justify those prices.

Jordi Galí adds that boosting the sector's productivity through higher prices or improved quality will not necessarily translate into higher wages for local workers if there exists—as is the case—a "reserve army" of immigrant labour willing to work for subsistence wages. In such a scenario, productivity gains may result in higher corporate profits or increased tax revenues, but not in a direct improvement in social well-being through labour income.

The externalities debate

One of the high points of the debate is the tension between the social benefits and social costs of tourism, brought into focus by Andreu Mas-Colell and Jordi Galí.

- **Connectivity as a non-negotiable asset:** Andreu Mas-Colell offers a pragmatic perspective centred on positive externalities. His argument is that Barcelona's air connectivity is a top-tier strategic asset that would not exist without the scale provided by tourism. "When companies in the United States look at where to locate headquarters or investments, they look at connectivity," he argues. The direct flights used by researchers, executives and entrepreneurs are sustained, to a large extent, by the critical mass generated by tourism. For Mas-Colell, relinquishing this connectivity would be a serious strategic mistake. He acknowledges that he would prefer aircraft to be filled with executives and scientists, but accepts tourism as the necessary toll for keeping Barcelona on the global map.

- **The crowding-out effect and visitor quality:** Jordi Galí introduces a critical counterpoint focused on negative externalities and the quality of the business environment. He shares a personal frustration as a frequent traveller: on transatlantic flights to and from Barcelona, the dominant profile appears to be leaning increasingly towards “party” travellers, displacing professionals even in business class. This, Galí argues, is not merely anecdotal but symptomatic of how a city’s tourism brand can end up eroding its business brand. On this basis, he questions whether expanding airport capacity would lead to an increase in business travel (other than for trade fairs) or whether it would instead fuel further growth in leisure tourism.

He also points out that tourists occupy physical space, as do the workers who serve them. This competition for urban land has a crowding-out effect on residents and other economic activities.

Regulation: incentives or prohibitions?

Finally, the debate turns to policy instruments. Miquel Puig argues in favour of supply restrictions as a means of forcing up prices, e.g. through moratoria or revoking licences for short-term tourist lets. Giacomo A. M. Ponzetto cautions against this approach, describing it as a “protectionist temptation”. Limiting licences, he argues, generates monopoly rents for incumbent operators, reduces competition and harms consumers, without guaranteeing efficiency gains.

Instead of quotas, Ponzetto and Mateu Hernández suggest using price and fiscal mechanisms, such as the tourist tax, to internalise externalities without distorting competition. Gabriel Jené and Pau Guardans add that public authorities must take down the red tape to facilitate transformation, allowing hotels to refurbish, scale up and invest in quality without being hindered by unreasonable planning constraints.

Interpretative synthesis: towards a new chapter

The above interventions lead to the following conclusion: the low productivity of Catalan tourism cannot be explained by a single cause, nor will it be resolved through a single measure. Rather, it is the result of a combination of factors. These include a business mix historically oriented towards volume, a fragmented business structure dominated by SMEs (as noted by Ángel Díaz), a reliance on labour-intensive models, and a regulatory framework that has oscillated between laissez-faire and reactive moratoria.

The debate has helped to clarify that tourism is not intrinsically a low value-added activity, as illustrated by Alpine destinations, that technology is far from irrelevant, particularly in distribution and management, and that raising prices is not straightforward unless it is underpinned by genuine value. Above all, however, it has highlighted unresolved tensions that will need to guide future economic policy:

- **The connectivity–overcrowding tension:** How can international connectivity be maintained while keeping overcrowding under control?

- **The wages-immigration tension:** How can improvements in productivity be translated into real wage gains when the global supply of labour is elastic? What role can training and technology play in increasing the value of jobs and, therefore, their remuneration?
- **The regulation-investment tension:** How can negative externalities (pressures on housing and neighbourhood transformation) be limited without blocking the required capital investment?
- **The duality of urban tourism and sun-and-sea tourism:** Do differentiated tourism phenomena require differentiated policy responses? How do these models complement one another?

3. Summary of the paper "Importance, causes and remedies of low productivity in the Catalan tourism sector". Miquel Puig Raposo[5]

Introduction and context

Tourism accounts for approximately 11% of Catalonia's GDP, a share that has grown steadily over recent decades. Across Spain as a whole, this proportion rose from 11.1% in 2015 to 12.3% in 2023, reflecting an upward trend that warrants particular attention from economic analysts and economic policymakers. This growth has been driven primarily by inbound international tourism: in Catalonia, the number of foreign tourists increased from 8.9 million in 2000 to 19.9 million in 2024, more than doubling in just twenty-four years.

A significant share of this increase has been concentrated in the city of Barcelona, in line with the remarkable global growth of urban tourism recorded over recent decades. This phenomenon can be attributed to the growth in low-cost air travel and the increased availability of peer-to-peer tourist accommodation listings on digital platforms. The number of overnight stays in Barcelona's hotels increased from 7.8 million to 20.2 million in the 2000–2024 period, while the total number of overnight stays reached 37.4 million in 2024. Of these, 12.4 million, around one third of the total, took place in short-term tourist lets.

[5] The full document is available for download in Catalan at <https://ipi.cercledeconomia.com/ca_ES/analisis-y-propuestas>.

Despite the sector's growing economic significance and substantial weight in Catalonia's productive structure, a troubling paradox remains: there are no adequate measures of productivity in Catalan tourism that allow for comparison with other productive sectors, nor are there sufficiently well-founded proposals to improve it. This shortcoming is particularly problematic in a context in which productivity in the Catalan economy has deteriorated relative to the European average, falling from 8.6% below the average in 2000 to 13% below it in 2023.

The challenge of measuring tourism productivity

One of the main challenges in analysing tourism productivity is the unique nature of tourism as an economic activity. Tourism does not fit the traditional definition of an economic sector in national accounting terms. Unlike manufacturing or real estate, which are clearly identified in official statistics, tourism generates demand for a wide range of products and services provided by different sectors, including accommodation, food and beverage services, transport, entertainment, culture and retail.

No single productive sector can be equated with tourism, because even the most characteristic sectors and companies (hotels) also provide services to non-tourist customers, while a wide variety of businesses not primarily associated with tourism offer services to visitors. This is the case, for example, of a winery that hosts wine tourism visits or a craft workshop that caters to visitors interested in its trade.

This complexity has been widely acknowledged in the specialised literature, to the extent that international indicators such as the World Economic Forum's Travel & Tourism Development Index do not rank destinations on the basis of productivity. Academic research tends to rely instead on specific measures that allow competitiveness to be compared across different tourism destinations. However, these measures do not allow tourism productivity to be compared with that of other economic sectors within the same economy.

Widespread perception of low productivity

Despite the challenges of measurement, there is a general agreement in specialised literature that tourism is a low-productivity activity with limited potential for substantial improvement. Several academic publications describe the tourism industry as a low-wage, low-productivity sector. Some studies even suggest that the very nature of service provision, which requires high levels of emotional labour and direct human contact, stunts productivity growth.

The tourism satellite accounts methodology

To overcome measurement difficulties, tourism satellite accounts (TSAs) use an internationally accepted methodology to construct the tourism sector using statistics. This methodology identifies eleven economic subsectors considered to be "tourism-characteristic" and assigns to each a ratio corresponding to the share of its gross value added

(GVA) attributable to tourists. TSAs also take the rest of the economy into account and assign it a corresponding ratio, albeit a much smaller one.

In this way, the tourism industry is constructed by combining portions of these eleven specific subsectors with an even smaller contribution from the rest of the economy. On average, only one third of the tourism-characteristic branches are included in the tourism industry, but these branches account for 88% of tourism demand, while the small fraction drawn from the rest of the economy accounts for the remaining 12%.

The table below shows the GVA shares attributed by Spain's TSAs in 2019. CNAE refers to Spain's National Classification of Economic Activities:

1. Visitor accommodation (hotels): CNAE-2019: 55	92.6%
1. Visitor accommodation (short-term lets): CNAE-2019: 68	15.7%
2. Food and beverage service activities: CNAE-2019: 56	27.6%
3. Rail passenger transport: CNAE-2019: 49.1	71.0%
4. Road passenger transport: CNAE-2019: 49.3	23.0%
5. Water passenger transport: CNAE-2019: 501, 503	99.8%
6. Air passenger transport: CNAE-2019: 511	85.9%
7. Transport equipment hire: CNAE-2019: 771	23.8%
8. Travel agency and other booking service activities: CNAE-2019: 79	99.9%
9. Cultural activities and gambling: CNAE-2019: 90, 91, 92	31.5%
10. Sports and recreational activities: CNAE-2019: 93	41.3%
Total tourism industries	**29.5%**
Other industries	1.1%
Total industries	**7.3%**

When this methodology is applied to Spain's economy in 2019, it shows that employment in the tourism industry accounted for 5.9% of total employment, while GVA represented 7.3%. The ratio of these two percentages is 125%, indicating that the tourism industry's apparent labour productivity would be 25% higher than the Spanish average. This seemingly paradoxical result requires further explanation.

It is important to note that TSAs do not provide this ratio, most likely because the result may appear at odds with prevailing perceptions. Instead, the annual press releases published by Spain's National Statistics Institute (INE) provide two different figures: the weight of tourism, referring to the output of the tourism industry, and total employment in tourism-characteristic branches. These figures relate to different realities and are therefore not directly comparable.

Explaining the paradox: capital intensity

An analysis of the tourism-characteristic subsectors shows that seven of the eleven record productivity levels above the economy-wide average. Accommodation subsectors, particularly short-term tourist lets, along with transport equipment hire and air passenger transport, display productivity levels far above the average, exceeding 1,000% in the case of short-term lets. Other subsectors, such as rail passenger transport (159%), sea passenger transport (135%) and hotel accommodation (118%), also clearly outperform the average.

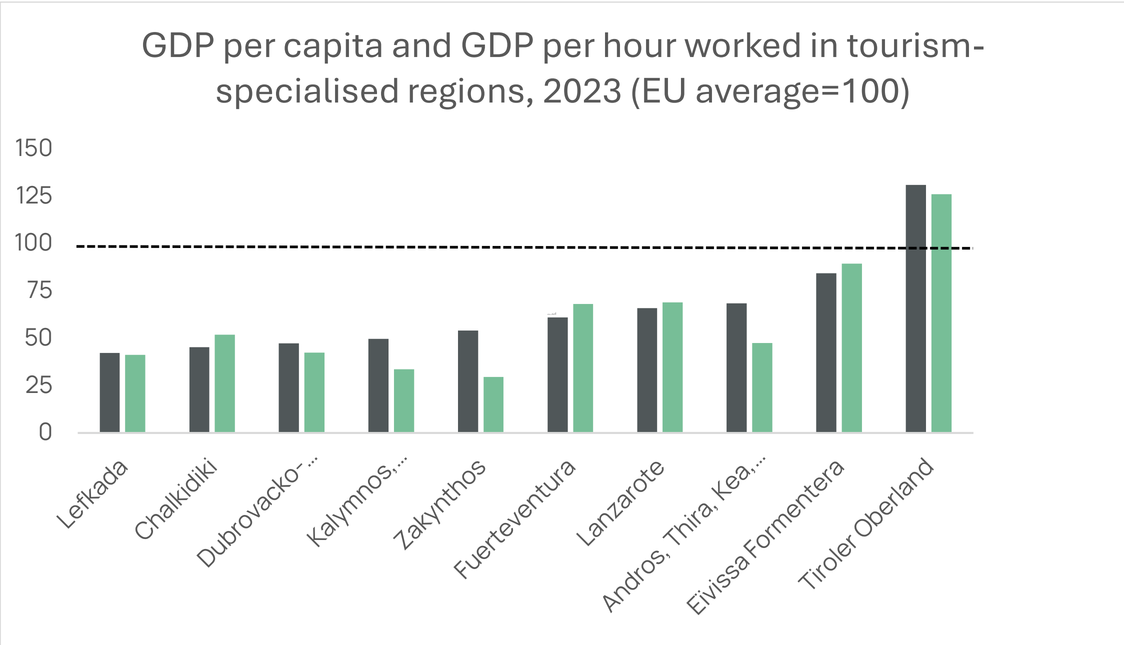
By contrast, other tourism-characteristic subsectors display lower productivity levels: travel agency and other booking service activities (97%), sports and recreational activities (84%), road passenger transport (84%) and, most notably, food and beverage service activities (74%).

This pattern reflects the fact that tourism is a capital-intensive industry, contrary to the widespread perception that it is primarily labour-intensive. The conventional measure of productivity, based on the ratio of GVA to employment, is therefore not suitable for assessing productivity in the tourism industry or for comparing it with other sectors, given the substantial volume of both public capital (transport and sanitation infrastructure) and private capital (accommodation and transport assets) tied up in the sector.

Alternative measures: wages and specialised economies

To obtain a more accurate picture of tourism productivity, alternative indicators can be considered. Wages, which in theory reflect the marginal productivity of labour, reinforce the perception of low productivity: in Catalonia, average wages in tourism are 32% below the economy-wide average.

Another relevant indicator is the analysis of European economies with a near-monocultural dependence on tourism. Eurostat identifies ten NUTS-3 regions with the highest dependence on tourism: five regions in Greece, the Croatian region of Dubrovnik, two of the Canary Islands, Eivissa-Formentera, and the Austrian part of Tyrol.



GDP per capita
GDP per hour worked

Analysis of these regions reveals considerable diversity: eight have very low productivity levels (30%–70% of the European average), one comes close to the average (Eivissa-Formentera) and one exceeds it by a wide margin (Austrian Tyrol). Well-known destinations such as Santorini and Mykonos are among the regions with the weakest indicators.

The case of Austrian Tyrol is particularly revealing, proving that there is nothing intrinsically low-productivity about the tourism sector. This region records some of the highest productivity levels and GDP per capita in Europe, placing it in the upper quintile. Moreover, it is surrounded by other regions in Austria, Switzerland and Italy that combine intensive tourism activity with industrial production, all of them displaying productivity levels and GDP per capita well above the European average.

Beyond these ten regions, Europe comprises many others that are heavily dependent on tourism and have very low levels of productivity and GDP per capita: the Azores, Madeira, and the remaining Canary and Greek islands (including Crete). At the same time, the abundance of tourism-dependent regions with low productivity is matched by the existence of others with very high productivity, confirming that there is no intrinsic barrier to productivity in the tourism sector.

Characterising tourism as an economic activity

To understand the determinants of tourism productivity, the sector must be examined in terms of its specific characteristics. Seven key factors define it:

- **Low barriers to entry:** There are few barriers beyond the immobilisation of public and private capital. This explains why destinations such as Albania, Croatia, the United Arab Emirates and the Maldives, which had little tourism tradition in 2000, now receive a higher number of tourists relative to their population than Spain.
- **Limited technological innovation:** Efficiency has improved only marginally because service provision is based on personal contact. This gives rise to the Baumol effect: tourism wages must increase to compete with sectors that experience productivity gains, even when productivity in tourism itself remains stagnant.
- **Product homogeneity:** Companies offer highly similar products across destinations, namely rooms, meals and excursions.
- **Distinctive marketability:** Although tourism products must be consumed in situ, tourism turns non-tradable products into tradable ones, as consumers can choose between destinations.
- **Centrality of exclusivity:** Price plays a central role in perceptions of luxury, and a destination is considered more attractive simply by virtue of being more expensive.
- **Low skill requirements:** The share of workers with qualifications below upper secondary level is much higher in tourism regions, exceeding 30% in the Canary Islands and the Balearic Islands, compared with 16% in the Basque Country.
- **Growing demand:** International demand has increased steadily over the short, medium and long term.

The productivity determination model

The absence of barriers to entry implies that prices are equal to production costs. These costs depend on common variables, such as the rate of return on capital and input prices, as well as on destination-specific factors, including property prices, wages and taxes.

Technological uniformity and product homogeneity mean that productivity is proportional to price. A waiter in Zermatt and one in Benidorm may serve the same number of coffees per hour, yet their productivity differs in exactly the same proportion as the price of those coffees. Labour productivity is therefore determined by the price of the tourism product, which in turn is shaped by the general wage level, itself dependent on the overall productivity of the economy.

The fact that the tourism product is both tradable and homogeneous could, in principle, lead to international price equalisation. However, the centrality of exclusivity generates a downward-sloping demand curve: destinations can choose between volume and price. A destination can increase productivity only at the expense of volume, and vice versa.

Low skill requirements make it possible to neutralise the Baumol effect through low-skilled immigration, provided that labour regulation allows for wage restraint. The success of this strategy enhances competitiveness, but at the cost of lower productivity.

A case for comparison: the Alps versus the Mediterranean

The fundamental difference between productivity in Spain's sun-and-sea tourism and that of the Alpine regions lies in their labour market policies. In the Alps, immigration is constrained through collective agreements that set high minimum wages, professional qualification requirements and planning restrictions. In the Swiss canton of Grisons, a hotel employee earns around €64,000 per year.

By contrast, in Spain, the 2012 labour reform reduced collectively agreed wages by granting primacy to company-level agreements, a change that facilitated wage cuts of around 30% for hotel cleaners through outsourcing. The outcome was an increase in competitiveness, tourist numbers and immigrant employment, but also a decline in productivity.

The case of Andorra illustrates this dynamic even more starkly: it has experienced rapid population growth and a fall in productivity to the point that its GDP per capita is now lower than it was in 2010.

It should also be noted that seasonality is not a determining factor in productivity. Despite having largely non-seasonal tourism, the Canary Islands display much lower productivity than the Balearic Islands, which are highly seasonal. Alpine tourism is likewise highly seasonal.

Evidence of low productivity in Catalonia

Although there are no direct measures, several indicators point to low productivity in Catalan tourism:

- Wages in tourism-related branches are 32% below the Catalan average.
- Counties with the highest degree of tourism specialisation (Alt Empordà, Baix Empordà, La Selva and Baix Penedès) rank among those with the lowest levels of per capita disposable household income.
- At the municipal scale, disposable income in towns with a strong specialisation in sun-and-sea tourism falls well below the Catalan average, ranging from 90% in Cambrils to 59% in Lloret de Mar.

Territorial gross disposable household income, 2010
(Catalonia = 100%)

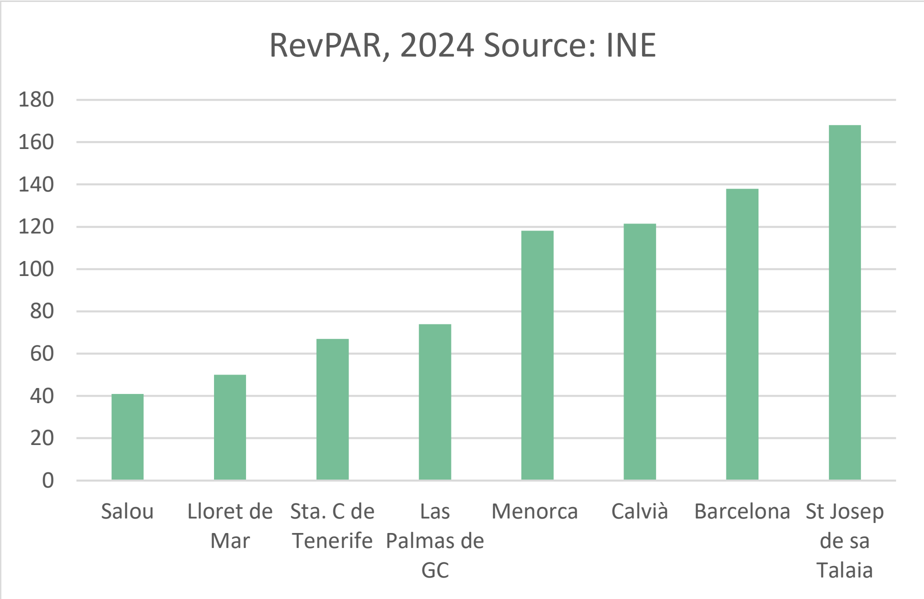
Blanes	80%
Calafell	84%
Calella	81%
Cambrils	90%
Castell d'Aro	83%
L'Escala	89%
Llançà	87%
Lloret de Mar	59%
Palamós	87%
Roses	66%
Salou	71%
St. Feliu G.	82%
Tossa de Mar	77%
Vila-Seca	81%

- Catalan industrial productivity is similar to that of the Basque Country (97%), but overall productivity in Catalonia is 12% lower (88%), suggesting that tourism operates at lower productivity levels.
- Catalan productivity is similar to that of the Balearic Islands, despite the latter being a monoculture in tourism. If Catalan manufacturing is more productive than the average, this implies that Catalan tourism is less productive than tourism in the Balearics.

Exclusivity and supply

One explanation for Catalonia's low productivity lies in the lack of exclusivity of the product. The number of available beds relative to peak demand in July is much higher in Catalonia than in the Balearic Islands, and even higher than in the Canary Islands.

However, a distinction must be drawn between Barcelona and the rest of Catalonia. Revenue per available room (RevPAR) in Catalonia's sun-and-sea destinations is lower than in the Balearics and the Canary Islands, whereas Barcelona's figures are exceeded only by those of Ibiza. In Barcelona, hotels rated four-star superior or above account for 16.1% of total capacity, compared with just 2.7% in the rest of Catalonia.



This difference is not attributable to labour cost differentials, but to the planning-based restriction of supply in Barcelona through the Special Tourist Accommodation Plan and the cap on short-term tourist lets.

Productivity-oriented policy proposals

Given the decline in Catalonia's productivity relative to the rest of Europe and the importance of tourism to the economy, it is essential to develop policies aimed at improving productivity in this industry.

The analysis shows that it is not possible to raise productivity in Catalan tourism without restricting supply and increasing prices. Unlike manufacturing sectors, where innovation can simultaneously boost productivity and output, in tourism these variables are in tension. Efforts to increase productivity through digitalisation are therefore likely to be misdirected.

As a result, effective policies to increase productivity in Catalan tourism involve:

- Raising wages through collective agreements or the minimum wage;
- Increasing the tourist tax; and
- Reducing the supply of accommodation.

Although it runs counter to more cautious and commonly proposed measures, this conclusion is not far removed from current practice. The announced elimination of short-term tourist lets in Barcelona points decisively in this direction: this segment accounts for around one third of the city's tourist overnight stays. Its implementation, however, will further widen the productivity gap between tourism in Barcelona and in the rest of Catalonia.

A less ambitious alternative would be to freeze the supply of tourist accommodation, relying on growing global demand to push prices, and therefore productivity, upwards. Given labour shortages, a more proactive approach based on restricting supply is more desirable.

Conclusions

The productivity of Catalan tourism can only be analysed by moving beyond simplistic ideas and acknowledging the unique characteristics of this sector. Tourism is not inherently low-productivity, as demonstrated by examples from the Alps. The key lies in labour market policies and supply regulation.

The growth model based on volume, low prices and wage restraint has generated short-term competitiveness but at the cost of productivity. In a context of a broader deterioration in Catalonia's overall productivity, this model calls for reassessment.

Policies aimed at increasing productivity, centred on restricting supply and raising prices, offer an alternative path that would make it possible to increase wages and improve the quality of the tourism product, while contributing to higher overall productivity in the Catalan economy and to a more economically and socially sustainable model.

4. Contributions to the debate

Reframing the tourism debate: what is really happening in hotels?

Carmen Matutes Juan. Manager, Waveform Investments

Public debate on tourism tends to revolve around issues such as overcrowding, low wages or the need to "move upmarket". These ideas, however, often oversimplify the reality of this complex sector. How much nuance is necessary? And how well do the proposals put forward by Miquel Puig (raising taxes and increasing wages) reflect the realities of tourism?

This contribution focuses on hotels and highlights five core ideas that are often absent from the debate.

A highly capital-intensive sector

When analysing tourism productivity, the focus is often placed solely on labour productivity. In the case of hotels, this is insufficient because the activity is highly capital-intensive: it requires substantial investment in buildings, facilities, common areas, technology, furnishings and design. Moreover, the higher the hotel category, the greater the capital required per room. A luxury hotel is not merely a more expensive bed, but also larger rooms, higher-quality materials, personalised services and spacious shared facilities.

Viewing the sector through the lens of wages or employment alone leads to an incomplete diagnosis, as it fails to account for capital returns and investment incentives.

Myths and realities in the hotel sector

Several assumptions require closer examination:

- **Is technology irrelevant?**
  Although many tasks remain manual, such as cleaning and food service, technology has profoundly transformed hotel management. Booking systems, online distribution, pricing software, customer communication applications and reputation analytics now play a central role. The internet, and more recently artificial intelligence, has increased managerial productivity, even if it has not reduced operational staffing levels.

- **Is it a homogeneous sector?**
  The hotel sector is highly heterogeneous, both vertically (category, location quality and service standards) and horizontally (type of experience offered, such as beach, urban, wellness, adults-only, family-oriented, nature-based or sports). Treating the

"hotel sector" as a uniform block overlooks fundamental competitive factors, such as brand image, that influence investment decisions.

- **Excessive optimism about demand?**
  The strong post-pandemic growth of the sector is not guaranteed to continue. Factors such as climate change, regulation, social shifts, global competition and future mobility restrictions could alter the growth outlook.

- **Low wages and low productivity?**
  The sector requires qualified managers and planners, and these profiles must be remunerated in line with other sectors in order to attract and retain talent. The sector's low average wage reflects the large volume of essential low-skilled work. In fact, these workers often earn slightly more in hotels than in other sectors, not least because collective agreements limit outsourcing.
  While human capital is more important in the hotel sector than in most others, raising wages will not automatically transform productivity. It may force some companies out of the market; for those that remain, the decisive factor will be whether investment returns justify a move towards higher-end market segments.

Prices, occupancy and revenue management: a delicate balance

Hotel management is built on a finely balanced relationship between price and occupancy. Initial pricing decisions are made in advance and must be monitored through booking patterns in order to be adjusted appropriately. The first priority is to secure a minimum level of occupancy, possibly by closing contracts with tour operators or business groups; from there, prices can be adjusted to sell the remaining capacity and generate additional profitability.

The initial price for a given night will depend on factors such as the day of the week; sporting, cultural or business events scheduled in the area; whether the date coincides with a public holiday; and how these circumstances affect the hotel's target market. At a later stage, price reassessment will take into account remaining availability, booking trends and historical sales data. All of this involves specialised work that goes far beyond a simplistic "costs rise, therefore prices rise" mechanism. It is also subject to economies of scale, making it difficult to implement effectively in areas where ownership is highly fragmented.

Exclusivity and externalities: the need to coordinate decisions

The idea of "upgrading" destinations towards more selective models is appealing, but difficult to implement in practice.

Lower-end segments generate negative externalities, such as congestion and degraded environments, which reduce the attractiveness of a destination for visitors willing to pay higher prices.

The problem is that investment decisions are made by individual actors. If one hotel invests in moving upmarket but neighbouring establishments do not, the positive impact of that investment is diluted.

When a single chain controls multiple properties within a destination, it can internalise these benefits by planning investment decisions rationally. Because of regulatory constraints and weak cooperation incentives, this overarching perspective is absent in highly fragmented contexts where small, dispersed ownership prevails. As a result, aspirations to "move up the value chain" often collide with the realities on the ground.

How can a destination be upgraded? Capital and more targeted policies

Moving a tourism destination towards the higher end of the market requires substantial investment, not merely cosmetic renovations. It often entails:

- Refurbishments that significantly reduce the number of rooms in order to gain quality and space;
- Investment in common areas, sustainability and technology; and
- Improvements in design, comfort and services, and more broadly in the accommodation experience.

All of this requires capital. However, even if it were to reduce congestion, increasing the tourist tax and channelling the proceeds into subsidies for the sector would likely not be sufficient to bring about the desired transformation. Such a policy would also be difficult to implement politically.

Several instruments have been used or discussed in different destinations:

A. **Private-sector instruments**

- **Transfer of management to chains willing to invest**
In destinations with a high degree of fragmented ownership, transferring management or leasing hotels on a medium-term basis to hotel chains could facilitate investments that are not viable on an individual basis. However, the more degraded the destination, the more demanding the conditions such chains would logically require.

- **Partial sale of units (rooms)**
A form of hotel "tokenisation": selling a limited number of rooms could preserve entrepreneurial incentives while maintaining unified management, thus helping to raise capital and distribute risk. Naturally, this would require carefully designed contracts specifying the improvements to be undertaken, the sources of returns for buyers and the future governance of the joint venture. An additional advantage is that this approach could attract capital that is currently concentrated in the real estate market.

B. Public-sector instruments

- **Conditional planning incentives**
Allowing more flexibility in how space is used, where capacity is reduced and capital is invested in quality. Applied on the basis of clear and transparent criteria, this approach can improve profitability and encourage investment aimed at upgrading.

- **Tourist tax by category**
If the aim is to incentivise higher-end segments and reduce congestion, the tourist tax should be inversely proportional to the price paid by the guest, and certainly never proportional to it. The message would be clear. The question is whether it is politically feasible. The tax could also be used to provide incentives to convert obsolete hotels into new housing, thereby easing pressure on both the housing market and the hotel sector.

6. Conclusion

Public debate on tourism often relies on simple slogans: more quality, less overcrowding, higher wages or caps on capacity. However, a closer look at what happens inside hotels brings three core points into focus:

- The sector is highly capital-intensive, so looking solely at wages or labour productivity is insufficient.

- Hotels are heterogeneous and operate in a complex management environment shaped by technology. Sound investment decisions, effective revenue management and strong policies to continuously improve human capital are central to success.

- Genuine upgrading requires more targeted public policies capable of mobilising capital, reducing externalities and aligning private and public incentives.

Only detailed analysis and well-designed policy can elevate the discussion beyond slogans and effect meaningful change to the tourism model.

Not all tourism is the same: why segments must be distinguished before designing policies

Oriol Aspachs. Director of Spanish Economy at CaixaBank Research and Technical Secretary of the Cercle d'Economia

When discussing tourism and low productivity, people often treat the sector as a single, homogeneous entity. Figures are compared with those of other countries, the "hotel industry" is conceptualised as a whole, and broad prescriptions are proposed: raise prices, increase wages, "move upmarket". However, this flat perspective obscures a key point: tourism encompasses fundamentally different worlds, with levels of productivity, barriers to entry and investment requirements that bear little resemblance to one another.

This article advances a simple but decisive idea: before designing tourism policy, a clear distinction must be drawn between low- and high-productivity segments. Failing to do so carries a real risk that "well-intentioned" measures will ultimately prove counterproductive.

Looking inward: major productivity differences at home

Comparing a country's tourism productivity with that of other regions provides a useful but incomplete picture. An equally important perspective is to examine productivity differences within the country itself:

- In what is commonly referred to as the "tourism sector", low-end sun-and-sea establishments coexist with very high-end, high-priced hotels and services.
- Some businesses operate with thin margins, low levels of investment and high staff turnover, while others require multi-million-euro investments, sophisticated facilities and highly skilled management teams.

It is entirely plausible that a closer examination would reveal that the most productive tourism segment carries far greater weight than is usually acknowledged in public debate. In certain destinations, this "cutting edge" of tourism may even represent a highly significant source of productive capacity.

The mistake of treating tourism as a single "paella"

A simple way to understand this is through the paella analogy.

Imagine someone arguing that the price of paella needs to be raised in order to improve productivity in the food and beverage sector. This argument overlooks two key points:

- A paella served in an ordinary diner is not the same as one prepared in a gourmet restaurant.

- A basic fixed-price menu is not the same as a gastronomic experience designed by a top chef.

Lumping all restaurants together and applying the same recipe to all of them would be absurd. The same is true of tourism: not all hotels, services or experiences belong to the same productive segment.

When analysis is based on simplistic assumptions—such as the idea that the sector is homogeneous, that barriers to entry are low, or that little capital or technology is required—it is often, in practice, referring only to the low-productivity segment. This leads to diagnoses and conclusions that are ill-suited to the high-productivity segment.

Where do barriers to entry, capital and human capital really matter?

Tourism analyses often repeat three ideas:

1. There are few barriers to entry.
2. Products are highly homogeneous.
3. Requirements in terms of physical, human and technological capital are relatively modest.

These points may reasonably describe part of low-productivity tourism. However, the reality is essentially the opposite in high-productivity segments:

- Barriers to entry are extremely high, owing to the scale of initial investment and stringent demands relating to branding, management, quality and reputation.
- Projects require specialised financing. It is no coincidence that banks maintain divisions dedicated exclusively to financing tourism, as these projects involve specific risks and dynamics.
- Major hotel chains and operators in advanced segments rely on highly qualified human capital, with specialists in finance, data, strategy and marketing, and in some cases even in-house research units staffed by economists.

In this context, the product is not homogeneous by definition; on the contrary, substantial investment is made precisely to differentiate it, build brand value, offer distinctive experiences and move away from a one-size-fits-all approach.

Extrapolating assumptions that describe only a specific segment, namely low-productivity tourism, to the sector as a whole is therefore misleading and risks leading to misguided policies.

The risk of "well-intentioned" but poorly targeted policies

When policy is designed with only the low-productivity segment in mind—for example, measures that seek to impose a generalised increase in prices or costs through regulation—the following outcomes may arise:

- The impact on the low-productivity segment may be limited, as it will continue to compete on price, adjust other variables or shift towards more informal arrangements.
- The competitiveness of the high-productivity segment may be undermined, as it already operates with large-scale investment, high skill requirements and significant risk, and likely requires other policy instruments.

As a result, a single policy can prove both ineffective for the part of the sector it seeks to transform and harmful to its most dynamic and productive components.

Good intentions do not guarantee good outcomes. In a sector as heterogeneous as tourism, careful policy design is essential.

The right question is not "how do we raise prices?", but "how do we make the customer willing to pay them?"

There is a fundamental difference in approach between:

- Thinking in terms of "raising prices" through regulation or blanket recommendations; and
- Thinking in terms of "what needs to be done for the customer to be willing to pay more".

In high-productivity segments, it is the second question that guides strategy. This involves:

- Defining the product, experience or service to be offered;
- Calculating the required investment in physical, human and technological capital;
- Designing differentiation and positioning strategies; and
- Only once all this is in place, analysing which price level matches the value created and customers' willingness to pay.

In other words, price comes at the end, not at the beginning. It is the outcome of a process of investment, design and management, not the starting point.

When public debate on tourism is reduced to "raising prices" as a magic formula for improving wages and productivity, it ignores this entire process and mistakes the tip of the iceberg for the structure as a whole.

Towards a more nuanced debate on tourism and productivity

A serious discussion of tourism productivity requires:

- Clearly differentiating between low-, medium- and high-productivity segments, each with its own logic;
- Recognising that there are already significant barriers to entry, substantial capital requirements and highly qualified teams in advanced segments;
- Accepting that not all policy prescriptions can be transferred from one segment to another: what may make sense for low-end mass tourism can be damaging to higher value-added tourism; and
- Framing policy around the question, "what needs to change for customers to value and pay more for what is offered?", rather than focusing solely on instruments designed to force price or cost increases.

From this perspective, the debate can move away from the idea of tourism as a "uniform mass" and start to see it for what it really is: a highly diverse set of activities encompassing models that need to be transformed, models that need to be protected and models that need to be fostered.

Only with such a nuanced approach will it be possible to design policies that lift the sector as a whole, rather than penalising those segments that have already achieved higher productivity, greater innovation and more demanding standards for themselves.

Tourism, productivity and well-being: an agenda for a more prosperous Catalonia.

Pau Guardans i Cambó. Business Leader and Vice-President of the Cercle d'Economia

This contribution is grounded in a single core idea: when it comes to improving productivity in Catalonia, Catalan tourism can—and must—be one of the main drivers of higher incomes for workers and greater well-being for society and its middle classes. The point is not to grow in volume, but to increase the value added by improving quality, making the value proposition more sophisticated and strengthening the sector's capacity to generate income that flows directly back to the country and its people.

This approach rules out two recurring temptations. The first is the assumption that the only path forward is to expand accommodation capacity. The second is the defence of strategies of absolute degrowth which, in practice, amount to impoverishing the country. Neither route offers real solutions. The challenge is to do more with what already exists, increase the sector's profitability and translate it into shared prosperity.

There are strong international examples to learn from. It is time to move beyond the false clichés that portray tourism as an activity condemned to generate little value, or as one that succeeds only by relying on tightly constrained wage costs. The starting point is a history of success, but it is equally clear that sustaining that success will require substantial change. Some of these changes are outlined below.

Smart infrastructure management: cruise ships and airports

One area that best illustrates this approach is the management of infrastructure linked to tourism activity. Cruise tourism is a paradigmatic case. Infrastructure capacity is limited, and pressure on public space can be extremely high when thousands of visitors disembark simultaneously. The solution is not to abandon the sector altogether, but to manage it more effectively. This can be achieved by prioritising cruise itineraries that use Barcelona as their point of origin or destination (those that spend more time in the city, lead to greater expenditure and create stronger connections) and discouraging those that make only brief stopovers and add little value.

The same logic applies to airports. Adding new runways does not necessarily imply an increase in operations. International examples, such as Amsterdam Airport Schiphol or Heathrow Airport, show that improved infrastructure can lead to positive substitution: fewer low-cost flights and more long-haul connections, which are more profitable and generate greater economic impact. Catalonia can follow this path, improving infrastructure in order to do better and generate more value, not more volume.

Higher revenues without expanding supply: a value-based strategy

The fundamental question is how to increase tourism revenues without expanding supply. Several proposals point to a clear path forward.

First, promote off-season activities. If hotels can be filled outside peak season, the sector can generate significantly higher annual revenues. In summer, the Pyrenees can make better use of winter infrastructure; in winter, the Costa Brava can fully deploy its cultural, sporting and landscape potential. In this regard, the Ryder Cup 2031 could serve as an effective lever.

Second, strengthen the reasons to visit. Sun and beach alone are not enough. Cultural, gastronomic and sporting attractions must be enhanced to entice visitors willing to pay more for a richer experience. There is considerable scope to improve the country's cultural catalogue; this would be beneficial first and foremost for residents themselves, while also creating new opportunities to attract visitors.

Third, attract significantly more business tourism. The Mobile World Congress is a clear success story, but there remains considerable scope for growth in trade fairs, scientific conferences and large-scale cultural events. Developing a distinctive calendar of events and strengthening international franchises could substantially increase the value generated per visitor.

This should be enhanced by linking our cities' brands to high value-added activities, including music (from classical festivals to contemporary events such as Sónar), design, visual arts and new creative formats. The example of Milan and its Salone del Mobile shows how a major event can permeate the entire city and position it as an international benchmark.

Technology and management: higher quality, higher productivity

Technology is one of the key means of raising both productivity and quality. This includes the use of artificial intelligence and heat maps to manage visitor flows in museums and attractions, as already implemented at the Rijksmuseum in Amsterdam, along with intelligent recommendation systems and enhanced visitor experiences, as exemplified by the new Grand Egyptian Museum in Cairo. It also involves more creative use of public transport for visitors, as seen in London. These measures not only improve perceived quality, but also make it possible to optimise resources and increase revenues.

In this context, the tourist tax should not be seen as a punishment imposed on a functioning sector, but rather as a powerful instrument for financing such improvements and boosting productivity, in order to ensure long-term sustainability and address existing shortcomings. The tourism sector already makes a substantial fiscal contribution and, unlike many others, cannot be offshored. Using the tourist tax as a strategic lever is therefore an opportunity the country cannot afford to miss.

How to improve workers' incomes: a realistic and ambitious agenda

There is little room for error here: the most effective way to raise incomes is to tackle seasonality and promote permanent, year-round contracts. This provides stability, retains talent and allows workers to follow upward income trajectories.

A second avenue lies in modernising labour relations: fewer rigid job categories, greater multi-skilling, and a flexible annual hours pool that allows companies to adapt to the sector's variability, including weather-related fluctuations. This boosts productivity and makes higher pay possible. Reducing current levels of absenteeism is also essential, as these represent an unsustainable "hidden" cost.

Strengthening training is another vital measure. A high value-added sector cannot be achieved without first-rate middle management and senior leadership. Switzerland offers a clear model, with institutions such as EHL Hospitality Business School in Lausanne, Glion Institute of Higher Education and Les Roches. If Catalonia were to become a global hub for tourism education, it would attract talent, raise standards and broaden the productive base. While there are solid training centres in place, the current system remains far from excellence.

This must be complemented by high-quality dual training, conceived as genuine learning rather than a source of lower-cost labour.

Finally, incentives need to be given to companies that stand out for improving working conditions, committing to sustainability and raising pay levels. Public support and tourism promotion policies should prioritise such companies as benchmarks of excellence.

A shared horizon

The common thread running through all these proposals is clear: tourism can once again be a transformative force for the country, as it has been in the past. Is diversification desirable? Absolutely. New sectors should be developed, but without losing sight of everything tourism can contribute, from raising incomes and strengthening the middle classes to modernising the economy through a vibrant ecosystem of tourism-linked start-ups and projecting an international image of excellence. Failing to recognise this would be a serious mistake. The key is not to do more, but to do better; not to constrain ambition, but to lead the way.

Catalonia has talent, infrastructure, history, creativity and a unique international position. The task now is to align these strengths with a forward-looking strategy: tourism that creates value, spreads opportunity and builds well-being. The future of the sector—and of the country—depends on collective ambition and on getting both the diagnosis and the policy response right.

The Barcelona model: can tourism save us from tourism?

Mateu Hernández. General Manager, Turisme de Barcelona

Public debate on tourism often becomes oversimplified around so-called negative externalities: wage precarity, saturation, overcrowding, too many hotels, etc. Yet a closer examination of what has happened in Barcelona over recent decades reveals a far more nuanced picture. Tourism has been, and continues to be, a structural lever of the city's economic model, a driver of international connectivity and global visibility, and a magnet for talent, cultural investment and industrial transformation. Tourism is therefore the hallmark that differentiates Barcelona as a city—a non-capital, post-industrial and commercial city that seeks to remain at the forefront of urban development.

This article sets out an approach to the "Barcelona model" of tourism built around four key ideas: the distinctive nature of urban tourism; the role of tourism in projecting the city globally; the intelligent use of limits and the tourist tax; and the ecosystem of innovation and local industry that develops around visitors.

Distinguishing urban tourism from "other forms of tourism"

Lumping together sun-and-sea tourism, rural tourism and the urban tourism of a major metropolis is akin to comparing a machinery manufacturer with a microchip producer: they may share similar terminology (e.g. industry or production), but they operate in fundamentally different worlds.

In the case of Barcelona, this distinction is even more important. The city competes in the league of global urban tourism, alongside national capitals and major metropolises. This form of tourism:

- Combines the knowledge economy with culture, heritage, conferences, research, and sporting and entertainment events;
- Activates a wide range of sectors, including museums, concert halls, festivals, universities, medical centres, trade fairs, hotels, technology firms and consultancies; and
- Generates a "visitor economy" that extends far beyond hotels and restaurants.

Reducing this reality to the cliché that "tourism equals waiters" prevents a proper understanding of what is truly at stake.

Museums, concerts and major events: another side of the tourism industry

A core component of urban tourism is cultural and entertainment-based. Museums such as the Guggenheim Museum Bilbao, the Prado Museum and the Fundació Joan Miró are not just cultural facilities; they are integral parts of the global tourism industry.

The same applies to major concerts, sporting events and festivals. A global superstar tour, FC Barcelona matches and festivals such as Primavera Sound are not just "shows", but engines of a visitor economy with deep impacts on accommodation, food and beverage services, investment attraction, global visibility, transport, creative services and the city's brand image.

This activity:

- Operates at high levels of productivity;
- Requires highly qualified professional profiles; and
- Projects the image of a dynamic and open city, influencing a wide range of other decisions, including where to study, work and invest.

When productivity analyses focus solely on hotels, restaurants and bars and overlook museums, theatres, festivals and major sporting events, they exclude a powerful component of the system. Even within the segments in which Barcelona is competitive, namely premium and luxury tourism, the productivity of hotels, restaurants and retail is high.

From industrial port to global city: tourism as a strategic turning point

Barcelona is steeped in industrial and commercial tradition. For much of the twentieth century, it ranked below cities such as Marseille, Genoa, Turin, Lille, Birmingham and Manchester. All of these cities, Barcelona included, were affected by the deindustrialisation crisis. However, examining their subsequent development shows that Barcelona has since fared the best, and by a considerable margin. The turning point came in the 1990s, when the city chose to embrace services and tourism, through milestones such as the 1992 Olympic Games, the opening of the city to the sea and urban transformation.

The results of that strategic choice are visible today:

- Barcelona consistently features among the world's leading cities in international rankings of urban quality and global attractiveness.
- It appears alongside national capitals, despite not being one itself.
- It has overtaken many of its former European industrial rivals.

This transformation cannot be explained by tourism alone, but it would have been impossible without it. If the city were unable to attract visitors, investment, major events and talent, it would not enjoy its current scale or international standing.

Tourism, connectivity and corporate decisions: the airport

An illustrative example is the relationship between cruise tourism, air connectivity and corporate location decisions.

- Barcelona receives around half a million cruise passengers from the United States each year.
- This flow helps to sustain, among other factors, up to fourteen daily air connections between Barcelona and the United States.
- These connections are a key factor in the decision by large multinationals to locate offices and highly productive service centres in the city. They find not only talent and quality of life, but also excellent direct links to their core markets.

In other words, without certain tourist flows, the current flight network would not exist; and without that network, many companies would not consider Barcelona a viable option.

This becomes even clearer when comparing the international and intercontinental connectivity of Barcelona with that of the cities listed above.

When tourism is described as a "low-productivity" sector, it is therefore essential to remember that it often functions as an invisible piece of infrastructure for much higher value-added activities.

Limits, taxation and returns: fine-tuning the model

Barcelona's tourism governance model is pioneering and rests on five core pillars: (1) limiting the supply of tourist accommodation; (2) taxing that supply through direct taxes and surcharges, now among the highest in Europe; (3) reinvesting these revenues—already the city's third-largest source of municipal income—into public spaces, schools through the School Climate Plan and quality improvements, including culture, conference infrastructure, new museums and major events such as the Ryder Cup, the World Capital of Architecture and the Tour de France; (4) promoting the city's distinctive identity in order to attract cultural and business travellers; and (5) operating within a public–private partnership framework, exemplified by institutions such as Turisme de Barcelona and Fira de Barcelona. In several areas, the city has been at the forefront of regulation:

- Limits on new hotels and tourist accommodation in certain neighbourhoods.
- Restrictions on the number of cruise terminals.
- The introduction and gradual increase of the tourist tax, which has become one of the city's main sources of revenue.

This tax generates more than €100 million per year, which is being reinvested in the city:

- Over €500 million in conference infrastructure.
- More than €200 million in new museums and additions to cultural facilities, including the MNAC, the MACBA and new spaces along La Rambla.
- Funding for international events that strengthen Barcelona's global profile, such as stages of the Tour de France.

The logic is straightforward: if tourism places pressure on the city and makes intensive use of its spaces, it must also generate the resources needed to maintain and improve them, while at the same time reinforcing the city's cultural and heritage foundations.

Tourism and the knowledge economy: conferences, health and research

A core pillar of the Barcelona model is its strong commitment to conferences and professional events, particularly in fields such as healthcare, medical research and digital technologies.

Being a leading city for medical or technology conferences:

- Strengthens the hospital and research ecosystem;
- Attracts scientific and technological talent; and
- Generates stable demand not only for hotels, restaurants and visitor services, but also for knowledge-intensive activities such as translation, consultancy, scientific communication and technological development.

This illustrates how urban tourism can act as a lever for the knowledge economy, rather than merely serving as a source of "weekend consumption". The clearest example is the Mobile World Congress: twenty years after its arrival in Barcelona, there is no doubt about its impact on entrepreneurship, digital hubs, research and investment in the knowledge economy.

A local ecosystem of innovation and industry

Tourism has also fostered a network of high value-added local companies:

- Start-ups and technology companies specialising in booking management, revenue management, distribution and data analytics.
- Interior design, architecture, branding and communications studios working with hotels, restaurants and cultural facilities.
- A furniture and interior design cluster that has reinvented itself to serve the hotel and hospitality sector at an international scale.

Unlike other sectors dominated by distant capital, a significant share of hotel and tourism assets in Barcelona remains locally owned. This has tangible benefits:

- When a hotel needs a new website, it often commissions a Barcelona company.
- When it refurbishes a floor, it turns to local designers, installers and manufacturers.
- When cultural landmarks such as La Pedrera or Casa Batlló invest in restoration or social and cultural programmes, they do so using resources generated largely by visitors.

In this way, tourism becomes a powerful source of demand for industrial and creative sectors that would otherwise have a much harder time competing.

Taking a wide-angle view of tourism

None of this is to deny the very real problems associated with tourism: pressure on public space, neighbourhood tensions, job insecurity in certain segments, and so on. For precisely these reasons, regulation, limits and the redistribution of benefits are necessary.

However, when analysis starts and ends with the equation "tourism equals low wages and low productivity", it overlooks several essential dimensions:

- Tourism's contribution to the city's global connectivity.
- Its role in economic transformation from a traditional industrial model to a metropolis based on advanced services.
- Its capacity to finance culture, heritage and public facilities.

- The ecosystem of innovation and local industry that grows alongside the visitor economy.

For this reason, when discussing the future of tourism in Barcelona, the question should not be limited to how many tourists we want, but rather what kind of tourism we want, under what limits and with what return for the city.

Reducing tourism to a discussion about waiters is to view a global phenomenon through an overly narrow lens. The perspective needs to widen. Only then is it possible to design policies that regulate impacts effectively while also harnessing the potential of one of the most powerful—and at the same time most misunderstood—drivers of Barcelona's economy.

In short, yes: tourism can save us from tourism, provided it is understood as a means of projecting the city towards a productive, high value-added knowledge- and talent-based economy.

Tourism, productivity and the city: towards a new pact for Barcelona and Catalonia.

Gabriel Jené i Llabrés. President, Barcelona Oberta

Tourism is a fundamental pillar of the Catalan economy, particularly in Barcelona. Its share of GDP, its capacity to generate indirect business and its role as a driver of urban commerce make it a strategic sector. In recent years, however, a public narrative has taken hold that tends to portray tourism as the source of numerous urban and social tensions. This simplistic approach is not only unfair, but also hinders engagement with the real underlying challenge: how to make tourism a more productive, more balanced sector, better integrated into the city.

From a business perspective, and particularly from the perspective of central urban retail, the debate should not focus on whether tourism is desirable or not, but rather on what kind of tourism model is desired and how it should be managed. The problem lies not in tourism itself, but in the absence of a clear, shared strategy based on sound economic principles.

The real challenge: tourism productivity

One of the most significant conclusions to emerge from the recent debate is the recognition that tourism, as it has developed in Catalonia, displays low levels of productivity. This is not because tourism is inherently low in productivity, but because the prevailing model has prioritised volume over value. In practical terms, this has meant excess supply, low prices and constrained wages.

This dynamic has well-known consequences: low pay, high labour turnover, difficulties in retaining talent and a negative social perception of the sector. At the same time, it places excessive pressure on urban space, which in turn fuels social resistance to tourism, particularly in neighbourhoods with a high concentration of tourist activity.

Comparative experience shows that alternatives do exist. Across Europe, there are highly tourism-dependent regions that also enjoy very high levels of productivity and income. The difference does not lie in the type of tourism involved (beach, mountain or cultural tourism), but in how supply is regulated, how the product is positioned and how labour is remunerated.

Barcelona: two models in one city

Barcelona offers a prime example of the contradictions inherent in the current model. On the one hand, the city has succeeded in positioning itself as a leading urban destination, with cultural, gastronomic, retail and business tourism that generates value. On the other, the spread of mass, low-quality supply in certain areas has eroded social harmony and damaged the destination's reputation.

This duality is also visible in the retail sector. Barcelona is home to unique shopping districts, each with its own identity and offerings: luxury and fashion on Passeig de Gràcia, craftsmanship in El Born, seaside gastronomy at the Porxos del Port, youth-oriented retail along Carrer de Pelai, and the distinctive local businesses found in areas such as Gaudí Shopping and around the Sagrada Família. This commercial capital is a key asset in attracting higher value-added tourism.

However, insufficient regulation of retail activity in some areas has encouraged the proliferation of low-value businesses with little connection to the local context. These establishments displace traditional commerce and reinforce the perception of the city as a "theme park". The result is a vicious circle marked by the loss of residents, a deteriorating local retail fabric and growing resistance to tourism.

From confrontation to a pact: the need for a new narrative

One of the first challenges is to move beyond the anti-tourism social mindset. Barcelona has historically been an open, commercial and welcoming city. Reclaiming this tradition requires a clearer explanation of the sector's economic reality and an acknowledgement that current tensions stem not from tourism itself, but from specific public policy choices.

Casting tourism as a scapegoat may be convenient, but it is deeply counterproductive. Without tourism, urban retail, hospitality and many related services would see their viability seriously undermined. The real challenge, therefore, is to reconcile the city and tourism through better governance and management.

Proposals for a more productive and balanced tourism model

A constructive, business-oriented perspective reveals several key lines of action.

Modern, streamlined public administration

A thorough reform of public administration is needed to simplify and speed up bureaucratic procedures. Ideas and projects cannot be allowed to stall in endless red tape. The sector needs a city council that supports private initiative rather than holding it back, and that understands administrative efficiency as a source of economic competitiveness.

Decisive support for strategic projects

Barcelona cannot afford to miss out on high-quality investment opportunities. Green-lighting projects such as the development of a Four Seasons hotel in the former Bank of Spain building in Plaça de Catalunya would repurpose emblematic spaces, revitalise the city centre and strengthen the city's international positioning through high value-added tourism.

Regulating supply, not demonising demand

The key to raising tourism productivity lies in curbing the indiscriminate expansion of supply, particularly in accommodation and certain retail formats. A more limited supply allows for higher prices, better pay and a higher-quality visitor experience.

Promoting a renewed commercial, cultural and economic offer

In cooperation with the real estate sector, an active strategy is needed to attract new operators and strengthen the retail mix, especially in Ciutat Vella. The aim should be to create a diverse, vibrant and sustainable urban environment that serves both residents and visitors.

Job quality, training and professionalisation

Improving the standing of tourism work is essential. Better training, greater professionalisation and improved working conditions should not be seen as costs, but as direct investments in productivity and competitiveness.

Reducing seasonality and managing flows intelligently

Expanding cultural, sporting, gastronomic and business events throughout the year, combined with the use of data to plan visitor flows more effectively, helps to spread activity over time, ease pressure on the city and improve the sector's overall profitability.

Looking ahead with ambition

Tourism will continue to grow globally. The question is whether Barcelona and Catalonia will choose to compete on price or on value. All the evidence suggests that productivity will improve only if there is a firm commitment to quality, smart regulation and public–private collaboration.

For the business community, this shift should be seen not as a threat but as an opportunity. More productive tourism is also more economically, socially and urbanistically sustainable. The challenge is significant, but so is the potential. The time has come to move decisively from ideological debate to strategic action.

Comments on Miquel Puig's article

Giacomo A. M. Ponzetto. Researcher at the Centre for Research in International Economics and Professor at Pompeu Fabra University and the Barcelona School of Economics

Tourism is characterised by the consumption of services rather than tangible goods. It is therefore easy to assume that the sector also offers little scope for productivity growth through technological improvement. Easy, but mistaken.

A closer look reveals numerous examples of tourism services that have been radically transformed by innovation, with substantial gains in efficiency. Consider the digitalisation of travel agencies: Barcelona was the first headquarters of eDreams, which has since become Europe's leading company in the sector. Consider passenger transport: technological progress has enabled us to travel in vehicles that are more efficient than ever before.

If travel has become more affordable than at any point in history, this is not due to technological innovation alone. Regulatory innovation has played an even more vital role by dismantling long-standing monopolies and opening markets to competition. This is the root cause of the disruptive growth of low-cost airlines, and the same dynamic is now being repeated with the introduction of competing operators on the same rail routes, such as Barcelona–Madrid.

For productivity to continue rising, governments must stay the course by promoting competition and encouraging the development and uptake of disruptive technologies. At the very least, they must refrain from obstructing them, as is currently the case in Catalonia with digital ride-hailing platforms and as could soon occur with self-driving vehicles.

Technological progress and competition are complementary forces. New information and communication technologies enable service industries to achieve what the assembly line once delivered to manufacturing: productivity growth through the expansion of the most efficient companies. Individual shops may inevitably remain relatively small local establishments; nevertheless, they can operate far more efficiently when managed by large global groups (Hsieh and Rossi-Hansberg, 2023).

The most tourism-intensive sector, hospitality, provides a clear illustration. Catalonia is home to successful hotel groups such as Hotusa, H10 Hotels and Catalonia Hotels. Just as in manufacturing, these companies have grown into multinationals because they display exceptionally high productivity (Anguera-Torrell, 2020). As companies vary in terms of efficiency, the overall productivity of the hotel sector increases when the market share of the most productive companies grows.

Digitalisation can also make competition more effective by increasing transparency. This has occurred in the restaurant sector, largely driven by tourism. The availability of online reviews has improved efficiency by steering customers, including occasional visitors, towards establishments that offer better value for money (Donati, 2025).

Public policy also has a role to play in promoting transparency. More importantly, however, governments must ensure that they do not undermine efficiency by favouring less productive companies. This risk is both serious and very real when industrial policy is designed not to increase efficiency, but to generate monopoly-type rents.

When Catalan companies sell to foreign customers, whether by exporting petrochemical products or by hosting visitors in hotels along the Costa Brava, those customers benefit from the efficiency and competitiveness of the Catalan economy. This creates a protectionist temptation to reduce that efficiency in order to appropriate those benefits. It is true that imposing restrictions on exports can raise unit prices and thus benefit exporters at the expense of importing customers. This is a well-known result, and its limitations are equally well known.

Imposing a reduction in the supply of tourism would entail clear inefficiencies. Many workers would be forced out of their jobs, business owners would have to shut down operations, and entire buildings would need to be repurposed. Transitioning to other sectors is costly: for example, converting hotel rooms into offices or housing is neither simple nor inexpensive. At the same time, higher prices would also impose losses on Catalan consumers, who make up the majority of restaurant customers in Barcelona (Allen et al., 2025).

In whose interest would all these sacrifices be imposed? One possible justification would be to require them in the interest of taxpayers, by forcing a contraction of the sector through an increase in the tourist tax. This would be the most equitable instrument, since the costs would be shared by all operators in the sector and the benefits by all Catalonia residents. It would also be the least inefficient option, as it would encourage exit by those companies with the lowest adjustment costs, while allowing those with the greatest comparative advantage to remain.

It would, by contrast, be highly damaging to restrict tourism through quotas or licences rather than through taxation. Such an instrument is inequitable: those privileged enough to receive a permit would appropriate all the benefits, while those denied one would bear all the costs. It is also seriously inefficient. Even if licences were allocated by lottery or granted to the longestestablished operators, their distribution would not reflect comparative advantage. Even if they were transferable, trading them would introduce additional costs and frictions. Worse still, quotas and permits tend to become favours granted to groups or individuals with greater political influence. In this way, the benefits are dissipated and wasted in the often corrupt pursuit of political leverage through competition (Krueger, 1974).

Finally, which tourists would be targeted by shrinking the size and efficiency of the sector in order to push prices up? It is true that only 11% of spending in Catalan hotels comes from Catalan tourists. However, a further 11% comes from visitors from the rest of Spain, and as much as 40% from visitors from the rest of the European Union (Idescat, 2024).

It is natural and legitimate for the Catalan government to act exclusively in the interests of its own constituents. However, this objective does not justify short-sighted policies, such as the adoption of inefficient, anti-competitive, protectionist measures aiming to impoverish the continent as a whole. Catalonia's growth prospects are limited if Europe as a whole does not grow.

Europe, in turn, has no chance of growth if national and regional governments continue to obstruct the single market in order to shield local interests. What Catalonia and Europe both truly need is precisely the opposite of regional protectionism. As argued in the reports led by Enrico Letta and Mario Draghi, a return to growth requires more innovation, greater efficiency, stronger competition and deeper integration of European markets, particularly in the services sector.

Comments on Miquel Puig's article

Vicente Salas Fumás. Professor Emeritus, University of Zaragoza

Productivity is a key determinant of people's well-being, as it shapes the quantity of goods and services available for average consumption. The tourism sector accounts for a relatively large share of employment in the Spanish economy, particularly in certain regions and municipalities. Miquel Puig's article documents the low productivity of the tourism sector in Catalonia and, in light of the sector's importance within the Catalan economy, opens a debate by proposing actions for both public authorities and the private sector to raise productivity in tourism and, by extension, across the economy as a whole. The article puts forward several recommendations along these lines and identifies three main avenues for action: raising wages, adjusting tourism taxation and reducing the supply of accommodation. The following paragraphs offer a set of reflections prompted by the reading of the paper, focusing on how productivity is measured and on some of the implications that follow from this analysis.

The article measures productivity in both the sector and the economy as the ratio between gross value added (the sum of employee compensation, mixed income from self-employment and gross operating surplus of corporations) and the total number of hours worked. Output (i.e. the numerator) is expressed in current euros, while the inputs used in production are limited to the labour factor. This implies that, for a given amount of labour, productivity increases either if the same output is sold at a higher price or if a larger quantity is sold at an unchanged price. Conversely, for a given level of value added, productivity will be higher the smaller the amount of labour required to produce the same output, assuming that the quantities of other inputs used in production remain the same.

The value added of the tourism sector expressed in current euros, which constitutes the numerator of the productivity measure, is determined by demand-side factors and by the degree of competition among the providers of goods and services that make up the consumption basket of tourists visiting a country, region or municipality over a given period. Although there may be local markets in which buyers are predominantly tourists, tourist demand in general is combined with that of the resident population. A relatively large number of visitors alters the equilibrium of prices and quantities in local markets, giving rise to externalities: positive for some (e.g. rising property prices that increase the wealth of owners) and negative for others (higher prices for local goods and services faced by the population as a whole). When a municipality or region becomes an attractive tourist destination with a relatively inelastic supply, productivity may increase purely through a price effect. However, such an increase in productivity does not guarantee an improvement in the well-being of the majority of the local population if their incomes do not rise in line with prices, quite apart from the additional deterioration associated with the overuse of natural capital resulting from increased visitor numbers.

In its calculations of apparent labour productivity across countries, the OECD uses value added (or GDP) measured in constant dollars and adjusted for differences in purchasing power parity between countries as the numerator. The aim is to isolate the effect of differences in general price levels and to measure productivity using an output expressed in "real" terms. For this reason, it would be advisable for regional productivity comparisons to take account of purchasing power parity differences between countries such as Switzerland and Greece, for example.

Turning to the denominator of the equation, for a given numerator, tourism productivity increases when the same level of value added can be generated with fewer hours worked. This outcome can be achieved through different channels, whose effectiveness depends on technology and managerial capacity. These include greater use of capital to substitute for labour and improvements in work organisation and in workers' professional skills. If companies choose their combination of production factors with the aim of minimising costs, the capital–labour ratio will depend inversely on the relative prices of the two factors and on the elasticities of output with respect to inputs in the production function. The quality of management and the skill levels of workers will adjust to the remuneration of managerial labour and to the returns on the human capital embodied in individuals. In purely tourist-oriented markets, production technology, wages, profits and skill requirements will reflect the specific characteristics of tourist demand. However, just as tourist demand overlaps with that of residents, the labour supply devoted to producing tourism-related goods and services overlaps with the labour supply employed in non-tourism activities.

In local markets with a relatively rigid labour supply, tourist pressure will tend to push up wages and labour costs more generally across all sectors. Workers will benefit from higher pay, but companies in non-tourism sectors will face higher costs and may see their viability threatened. Once again, winners and losers emerge. A proposal to raise the minimum wage would increase labour costs for tourism providers and, all else being equal, would encourage greater capital intensity and an increase in labour productivity in tourism activities, though not necessarily in total factor productivity. However, higher wages would also affect non-tourism sectors. If these sectors generate sufficient profits to absorb the increase in costs, the substitution of labour by capital and the resulting rise in labour productivity would spread across the economy as a whole. If, by contrast, higher costs cannot be absorbed or passed on through prices, some companies will exit the market. This would increase the pool of available labour to meet demand in tourism services and ease wage pressure until a new balance is struck. The final outcome will differ if, alongside rising demand for tourism employment, labour supply also increases through immigration. In that case, wages may not rise, and local workers may remain in the same position or even be worse off as a result of higher prices and other negative externalities.

The tourism industry is global, but tourism markets are highly segmented, both vertically (reflecting differences in willingness to pay among customer segments with different income levels) and spatially (since transport costs limit substitution between markets with similar willingness to pay). Even within Catalonia, this differentiation, particularly the vertical dimension, complicates the use of tourism productivity as a guide to improving well-being. The numerator and denominator of productivity are determined simultaneously as part of an equilibrium of individual decisions that varies with the business cycle, technology, regulation and income levels. This makes it difficult to assess the potential impact of public policies formulated from a partial-equilibrium perspective, especially when tourism already represents a significant share of the economy. Puig is right to underscore the need to reflect on the impact of tourism on the well-being of people living in Catalonia, in Spain and globally, given that tourism is associated with a substantial share of global externalities, such as CO_2 emissions. That reflection, however, should be conducted within the theoretical framework of welfare economics, supported by general equilibrium models that incorporate tourism-generated externalities at all levels and allow for a proper assessment of the welfare effects of public policies designed to internalise them. The document contains analyses and proposals that should form part of this broader and most vital study.

5. Summary of the debate on tourism and productivity

The session held on 5 November, moderated by Xavier Vives, served as a starting point for a broader reflection on the Catalan tourism model. The background paper presented by Miquel Puig, which characterises tourism as a structurally low-productivity activity and proposes supply restriction as the main lever for improvement, acted as a catalyst for a rich and wide-ranging debate. The contributions, both those made in person during the debate and those submitted in writing afterwards, have qualified, expanded upon and, in several key areas related to innovation and sectoral definition, challenged the initial arguments. What follows is a narrative synthesis of the remaining contributions not covered in the articles in the previous section, with a particular focus on the productive dimension of the sector.

The nature of the "sector": limits, attractiveness and complexity

The debate opened with a conceptual issue of major importance raised by José Antonio Donaire. Donaire questioned the very existence of the "tourism sector" as a self-contained category, arguing that the use of this term can lead to diagnostic errors. In his view, tourism activates and deactivates complex, interrelated economic structures. It operates like a system of "interlocking gears", in which no single component can be isolated without affecting the whole. This perspective contrasts with Puig's more sector-based approach and suggests that productivity should not be assessed solely in terms of hospitality and food services, as tourism also affects areas as diverse as culture, air transport and agri-food.

With regard to Puig's arguments on the need for limits, Donaire mostly agreed. He acknowledged that destinations tend to function better when clear limits are in place, as these force growth to rely on qualitative factors rather than sheer volume. However, he disagreed with the idea of price mechanisms as the sole solution and warned of the ethical implications of excluding the middle class from the tourism market. Donaire also reframed the notion of the tourist city, preferring the term "attractive city". Cities such as Barcelona, London and Singapore attract tourists for the same reasons they attract talent, investment and conferences.

This emphasis on sectoral complexity was reinforced by Ángel Díaz, who noted that the visitor economy extends far beyond accommodation. He also recalled that Spain's competitiveness has historically been based on cost efficiency, a model that is now showing signs of strain. Díaz further introduced a critical variable for productivity: business structure. With 99% of the sector made up of SMEs, the capacity to innovate and generate economies of scale is structurally constrained when compared with more concentrated industries.

The role of innovation and technology: a point of divergence

One of the areas of greatest intellectual friction with Puig's paper concerned the role of technology and innovation. While the author's argument suggests that tourism offers limited scope for technological improvement, given its reliance on personal service, several contributors challenged this view and argued instead that innovation is a key driver of productivity.

Donaire stated his confidence in tourism innovation and expressed the ambition for Barcelona to become an exporter of knowledge in this field, citing examples of solutions showcased at the Smart City Expo. Along similar lines, Xavier Ferràs described as mistaken the idea that "everything has already been invented" in tourism. He pointed to evidence of more than 25,000 start-ups operating globally in the tourism sphere, suggesting that Catalonia has sufficient assets to innovate and position itself in higher value-added segments.

From an applied technology perspective, Faustino Cuadrado stressed that technology cannot be "left out of the equation". He argued that artificial intelligence is essential for understanding tourist behaviour and for improving excellence in service delivery, with a direct impact on productivity. Xavier Cubeles went further, criticising the claim that tourism lacks innovation for obscuring the reality of technology-intensive subsectors within tourism, such as intermediation, audiovisual services and ICT services. In Cubeles' view, any strategy to raise productivity must necessarily involve strengthening these high value-added activities linked to tourism. Antoni Bernabé complemented this perspective by identifying digitalisation (artificial intelligence, big data and the Internet of Things) not merely as a marketing tool but as a key lever for optimising business management and sustainability, both of which are decisive for future competitiveness. He also emphasised that the necessary digital and sustainable transformation of the tourism sector in Catalonia requires public policies and a robust, dynamic ecosystem of innovation, technology and tourism knowledge. Such an ecosystem should drive and facilitate access for destinations (through destination management organisations) and companies (particularly SMEs and micro-enterprises) to innovative solutions, digital tools and capabilities that enable progress along this path.

Salvador Anton agreed that tourism is a strategic asset and put forward a perspective in which tourism activity should be integrated into the country's broader reindustrialisation drive. He argued that tourism can act as a catalyst for other industrial and technological sectors, identifying clear opportunities at the intersection of tourism with digital, environmental and well-being technologies, as well as heritage conservation. This approach contrasts with the view of tourism as an isolated, low-productivity "island". Instead, Anton suggested that the concentration of "innovative critical mass" in tourist destinations can transform them into innovation hubs.

He also stressed the need to rethink the visitor experience, particularly in mature coastal destinations, in order to move away from a dynamic based solely on volume. He called for "disruptive alternatives" for the Catalan coast, envisioning new scenarios that combine residential use, production, commerce and leisure, aligned with the knowledge economy. From a labour market perspective, Anton warned that automation and digitalisation will reshape employment opportunities, creating new, high-value professional roles such as digital managers and intelligence analysts. This, in turn, requires urgent adaptation within the education and training ecosystem.

The relationship between tourism productivity and social well-being was another central strand of the debate. Andreu Mas-Colell introduced a distinction between positive and negative externalities. He defended air connectivity as an essential positive externality that should not be sacrificed, given its benefits for the economy as a whole and talent attraction. He identified housing as the main negative externality, but qualified this by arguing that the solution lies in more ambitious housing and transport policies, rather than in tourism degrowth.

Jordi Galí, for his part, warned that productivity gains in the sector, whether driven by higher prices or improved quality, will not automatically translate into higher wages. This is due to the existence of a “reserve army” of immigrant labour willing to work for subsistence wages. He concurred with the analysis of negative externalities and pointed out that competition for physical space (to sleep) between tourists and residents has exacerbated the housing crisis, while also generating significant disruption for many residents affected by it.

From a business perspective, Roser Roca pointed out that inland and rural Catalonia remains underutilised. She suggested that a strategy aimed at redistributing tourism towards premium and sustainable formats outside Barcelona could ease pressure on the city while increasing overall value added. Anna Torres reinforced this view, calling for policies guided by sustainability objectives such as off-season activities and spatial redistribution rather than quantitative growth. She stressed the need to abandon the business-as-usual model in order to improve working conditions and advance gender equality.

Pedro Aznar introduced important nuances regarding how productivity is measured and interpreted. He noted that a destination’s specialisation, for example urban tourism versus leisure-oriented destinations, entails very different levels of capital investment, which can distort comparisons of apparent productivity. He argued that analysing the distribution of wages within the sector is essential to obtain a more accurate picture, since average figures may conceal significant disparities between university-trained profiles and lower-skilled workers.

Finally, Xavier Ferràs proposed a dual strategy to raise productivity: strengthening high-end experiential tourism and professional or scientific tourism, such as the Mobile World Congress, while progressively limiting low-cost tourism. This approach aligns with the idea of “managing a transition” towards a higher value-added model.

In summary, while there was broad agreement with Puig’s diagnosis regarding the need to set limits on quantitative growth and manage negative externalities, there was significant disagreement over the mechanisms through which productivity should be improved.

Whereas the initial arguments placed almost exclusive emphasis on productivity gains driven by higher prices resulting from scarcity, through supply restrictions, a substantial group of contributors argued that technological innovation and transformation within the productive model play a decisive role. They rejected the notion that tourism is inherently low in technological content and advocated a strategy that integrates tourism into the knowledge economy, leveraging its capacity to generate spillovers into other industrial and digital sectors.

At the same time, contributors noted that higher productivity alone will not resolve wage insecurity without interventions in the labour market, and that any strategy must take into account the complex reality of SMEs, as well as the non-negotiable need to maintain international connectivity. Taken together, these contributions point towards an agenda that seeks not only restraint, but also technological sophistication and the industrial integration of tourism as a pathway towards productivity convergence with Europe.

6.Proposals for continuing the debate

The first phase of this Cercle d'Economia debate has successfully placed tourism productivity at the centre of the economic agenda and diagnosed the strain suffered by the volume-based model. The next phase must now take a clear analytical approach. The disagreements between experts, together with unresolved intellectual tensions, suggest that the debate cannot be closed with simple, ready-made prescriptions.

To turn diagnosis into a robust country-level strategy, the IPI proposes moving from intuition to evidence. This open agenda seeks to provide the debate with the technical depth and empirical grounding required to move beyond the dilemmas identified so far.

Methodological refinement: good measurements for better diagnoses

The debate has shown that current metrics are insufficient to capture the complexity of the tourism phenomenon. Without a more precise measurement framework, there is a risk of becoming trapped in apparent paradoxes. The first priority must therefore be to resolve the technical disagreements over how to quantify the sector's true productivity.

The first step is to move beyond nominal illusions. As Vicente Salas pointed out, international comparisons based on current euros can lead to diagnostic errors if they are not adjusted for purchasing power parity (PPP). For example, it is essential to determine what share of the productivity gap with the Alps or other leading destinations reflects genuine differences in efficiency, and what share merely mirrors differences in overall price levels across economies.

Second, capital intensity must be brought into the equation. The standard metric of gross value added (GVA) per hour worked can be misleading in a sector whose higher-quality segments depend on substantial investment in real estate and technology. Indicators of total factor productivity (TFP) that account for both labour and capital should therefore be explored, in order to assess whether the sector's apparently low productivity reflects managerial inefficiencies or, rather, structural features linked to its asset composition.

Finally, as several contributors suggested, there is a need to model the "real value" of tourism using general equilibrium frameworks that explicitly incorporate externalities. This requires placing an economic value on both so-called "invisible" assets (air connectivity, talent attraction and the financial viability of cultural infrastructure) and on social costs (pressure on housing markets and expenditure on cleaning and security). Only through such an approach can productivity be assessed in terms of aggregate social well-being, rather than being reduced to a narrow measure of business profitability.

Segmentation: from abstraction to concreteness

The debate has shown that discussing tourism in the abstract is of limited analytical value. The second line of work must therefore focus on systematic data segmentation.

What is needed is a quantitative snapshot that disentangles subsectors. A clear distinction should be made between tourism partly linked to business activity and leisure tourism, and within each of these, between premium and low-cost segments. It is essential to determine the actual weight currently held by the high-productivity segment described by experts such as Aspachs and Matutes within the Catalan economy. This will allow a key question to be addressed: are we facing a broadly systemic problem, or rather a long tail of marginal companies that are dragging down the average?

Segmentation must also be territorial. The dynamics of Barcelona, with its global brand and concentrated supply, differ from those of coastal destinations characterised by fragmented provision. Developing a typology of Catalan tourist destinations would make it possible to assess the suitability of the proposed policy measures for each specific context.

Impact assessment: from theory to empiricism

One of the main points of intellectual friction has been the debate between quantity-based regulation (quotas, moratoria) and price-based regulation (taxes). The discussion should now move beyond theory towards empirical impact assessment. For instance, data could be used to analyse the effects of the Special Tourist Accommodation Plan and the restriction of licences for short-term tourist lets in Barcelona.

The proposed causal relationships in the labour market must also be empirically tested. Miquel Puig's claim that the 2012 labour reform triggered a decline in wages and productivity is plausible, but it requires econometric analysis to be substantiated. Understanding whether wage restraint was a cause or a consequence of declining productivity is crucial for the design of future labour policies.

The company as a black box: investment, management and human capital

Beyond macroeconomic considerations, the analysis needs to move down to the microeconomic level to understand how companies actually make decisions. If there is broad agreement that improving productivity requires "moving up the value ladder", the key question is why this transition is not happening at the desired pace.

This calls for a close examination of barriers to investment. Future research should analyse how public authorities can shift their public perception from "constraint" to "enabler" of qualitative transformation by removing red tape in the way of asset refurbishment and modernisation. It is also important to investigate coordination mechanisms in destinations characterised by highly fragmented ownership, where individual incentives to invest are weak if the surrounding environment does not evolve in parallel.

At the same time, human capital warrants a dedicated analysis. The proposal to turn Catalonia into a centre of excellence in tourism education, following the Swiss model, requires a careful assessment of the current training offer and how well it matches companies' actual needs. It is essential to determine whether the bottleneck lies in a shortage of qualified profiles or in the sector's limited ability to offer attractive career paths. As is so often the case, training and access to talent ultimately emerge as decisive factors.

Benchmarking: learning from the best

Finally, the debate has frequently referred to successful models such as the Alpine destinations. How have these regions managed to shift towards a high value-added model? What role have brand positioning, dual vocational training, public infrastructure and public–private governance played in this transition?

Internal comparative analysis is equally important. Why is productivity higher in the Balearic Islands than in the Canary Islands despite its much more pronounced seasonality? Understanding these comparative dynamics will help to identify which variables (seasonality, connectivity or urban development models) are truly decisive for productivity and which are secondary. This research agenda could serve as a practical roadmap for institutions and stakeholders, including the IPI. The aim is to provide civil society and public decision-makers with a shared analytical foundation on which to design the policies that both the sector and the country need.

The IPI at a glance

The **Initiative for Productivity and Innovation** (IPI) is a Cercle d'Economia project. Operating as both a **think tank** and an **action tank**, its mission is to bring about real change to public policy, business practices and the productive model. Ultimately, it seeks to **address one of Catalonia's central challenges**: **low productivity**.

The IPI was created with a transformative outlook, striving to make a genuine impact by **positioning Catalonia as one of the most competitive and innovative regions in Europe**.

To this end, it conducts **rigorous analyses**, facilitates **dialogue among key stakeholders** and develops **specific proposals** to improve economic efficiency, innovative capacity, talent management and the governance of public and private ecosystems. All its activities are guided by a commitment to sustainability.

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