



ECONOMIC AND SOCIAL
COUNCIL (ECOSOC)

**TOPIC B: "THE IMPACT OF
TOURISTIFICATION AND
GENTRIFICATION ON RISING LIVING
COSTS AND DISPLACEMENT OF LOCAL
POPULATIONS"**



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*“Tourism makes residential life increasingly unpleasant.”
Gentrification is not integration but a new form of segregation.*
- Agustín Cocola-Gant

Touristification refers to the process where areas that previously provided affordable housing and were generally associated with socioeconomic status, are increasingly transformed to match the needs and preferences of tourists and the reconfiguration of local commerce towards goods and services aimed at visitors and rebranding of the area as a tourist destination. While gentrification often refers to the process of urban transformation of historically low income neighbourhoods through the influx of residents and investors that result in the increase of property values and rental costs as well as the introduction of new commercial and cultural activities oriented towards upper class consumption patterns.

Historically, the rise of touristification and gentrification has coincided with the boom in global tourism. In recent years, social media and the decrease in flight prices have made destinations that once were considered remote, accessible from 400 millions to 1.5 billion of tourists each year and by 2030 it is expected to grow to 2 billion. Additionally, digital platforms like AirBNB had accelerated this process through the short-term rental system, especially in cities with a historical significance. Along with this data, cities also face the increasing number of “digital nomads”, which since the 2020 pandemic, are taking advantage of their status of remote workers to reallocate to cities which are culturally appealing and offer lower living costs.

These phenomena are controversial, mainly since they tend to reproduce and intensify pre-existing social inequalities. For instance, historically marginalized groups such as racial minorities, immigrant communities and low-income families, are often the first to be displaced or excluded from these urban spaces. Rising rents, restrictive housing markets and the transformation to consumer-oriented spaces disproportionately affect those with fewer resources, while wealthier newcomers benefit from these projects. Both gentrification and touristification reshape the physical and economic fabric of cities but most importantly, these also perpetuate dynamics of discrimination and exclusion that echo long histories of segregation.

Furthermore, in many instances, tourist-directed businesses and luxury accommodations replace establishments that once served the needs of local communities. In places like Bali or



Venice, tourism and immigration has brought economic growth, but at the cost of becoming increasingly dependent on tourism revenue, rising inequality and displacement of locals.

This dependence exists because tourism is a major economic pillar. Before the pandemic, it accounted for 10 percent of the world's GDP and generated more than 350 million jobs. Growth staggered from just 25 million international travelers in 1950 to 1.5 billion in 2019. Many countries have turned tourism into a driver of growth, poverty reduction, and job creation.

However, this very dependence revealed its fragility when COVID-19 brought global travel to a halt, yet Governments responded with measures such as cash transfers, tax relief, and international financing, while experimenting with innovations like regional “travel bubbles”, maritime corridors, and long-stay visas for remote workers to balance economic revival with health safety.

In response to this dynamic, States around the globe have already recognized the importance of this subject. Many cities have implemented policies to manage the impact of touristification on their local population. For example, the alliance of 22 European cities which collectively pledged to the European Commission for help with regulating the short-term rental market, which ultimately materialized in 2024 in new regulations for the short-term rental market.

Contrasting with these short-term reacting measures, the case of Singapore demonstrates the efficacy of decades-long, proactive planning to prevent these issues from arising. Through its central public housing policy, where over 80% of the population owns highly subsidized apartments, the State effectively de commodified housing, insulating the vast majority of its citizens from market volatility and speculation. This was combined with stringent taxes on foreign property buyers and strategic urban zoning that concentrated tourist development in specific areas, thereby preserving residential neighborhoods for residents.

Touristification and gentrification are often associated with suffering and displacement but it is often forgotten that it also brings certain economic opportunities for the areas where these processes take place. Neighborhoods that have changed in order to meet the needs of this new-foreign client base usually experiment with improvements in urban infrastructure, cleaner streets, new services, renovated public space and become more secure.

Both bring opportunities to urban areas, driving economic growth while transforming local neighborhoods. However, these benefits also come at a cost, with rising living costs, displacement and even discrimination.



KEY QUESTIONS:

- How can governments safeguard the right to adequate housing in these dynamics?
- How can economic benefits from tourism be balanced with the protection of vulnerable communities and small businesses?
- What are the international mechanisms or instruments available for the protection of cultural heritage?
- What does sustainable tourism work and should it be implemented to prevent the consequences of touristification?
- Can gentrification and touristification be considered indirect violations of human rights, such as the right to housing and the right to the city?
- How can ECOSOC coordinate international policies to prevent the social exclusion of minorities, migrants, and low-income populations in transforming urban areas?
- What is the link between these dynamics and gender inequality, given that women are often more affected by precarious tourism-related employment?
- What best practices from cities or countries can be replicated in other contexts to prevent forced displacement caused by gentrification?



USEFUL RESOURCES:

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