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**TITLE: TOURISM MULTIPLIERS FOR A SMALL CARIBBEAN ISLAND-STATE; A STUDY OF ARUBA**

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**ABSTRACT:**

Tourism multipliers are among the most quoted indicators of the relevance of touristic activities for a particular country or region. High multipliers are often interpreted as indicative of the fact that the country in question benefits significantly from an increase in tourism. Low multipliers, on the other hand, are often interpreted as reflecting that substantial parts of the earned income from tourism are leaking away, where imports and savings are examples of such leakages. Unfortunately, there exists no generally accepted methodology to guide us when choosing and calculating multipliers. Quite a few types of multipliers have been proposed over the years. Among the various types, the decision whether or not to include induced consumption effects effectively acts as a kind of watershed. Our main thesis is that outcomes depend to a large extent on additional assumptions that have to be made once an input-output table has become available. In many cases multipliers probably are not comparable because it is not clear which calculation methods have been used. This illustrates in our view that supplementary guidelines must become available at the international level to make multiplier analysis an accepted and trustworthy source of economic information.