



To analyze the root causes that contribute to labor exploitation within the accommodation Sector

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ABSTRACT :

Tourism is widely promoted as a driver of economic development and job creation, yet in practice, its rapid growth often conceals deep social inequities. In Tanzania, where the tourism industry has experienced unprecedented expansion particularly within the Northern Circuit, the accommodation sector has become both a symbol of progress and a site of persistent labor exploitation. This study investigates the paradox of tourism growth amidst worker vulnerability, focusing on the structural and operational causes that perpetuate exploitation in Arusha's hotels and lodges. Guided by Karl Marx's Theory of Labor Exploitation and the Sustainable Tourism Framework, the research employs a concurrent mixed-methods design, combining survey data from 80 hotel employees with interviews from 10 hotel and human resource managers. The findings reveal that while tourism expansion generates significant employment opportunities, many of these jobs remain precarious, underpaid and unregulated. Seasonal demand, weak labor law enforcement, managerial cost-cutting and limited awareness of workers' rights emerged as central drivers of exploitation. The study concludes that Tanzania's tourism boom, though economically beneficial, has failed to translate into equitable labor practices underscoring the need for stronger regulation, workers' unions and ethical management to align industry growth with the principles of sustainable and just tourism.

Keywords: Tourism, labor exploitation, accommodation sector, Tanzania, sustainable tourism, employment rights

1.0 Introduction

Tourism is one of the fastest-growing global industries, accounting for approximately 10% of global GDP and providing employment for millions worldwide (World Tourism Organization, 2019). In Tanzania, the industry stands as one of the nation's most dynamic sectors, contributing substantially to GDP, employment and foreign exchange earnings. Yet beneath this narrative of progress lies a troubling contradiction: as the tourism industry flourishes, the workers sustaining it remain trapped in cycles of insecurity and exploitation. The accommodation sector, in particular, epitomizes this paradox. While hotels, lodges and guesthouses multiply to meet the demands of millions of visitors, the employees who make these establishments functional continue to endure low wages, long hours and precarious contracts. This tension between prosperity and inequality mirrors what Marx described as the exploitation of labor under capitalist systems where the accumulation of profit depends on the undervaluation of human effort. In Tanzania's Northern Tourism Circuit, especially in Arusha, this reality is strikingly visible: the same boom that attracts investment and international praise simultaneously deepens structural disparities within the workforce. Despite the existence of labor legislation and ethical tourism principles, enforcement remains weak and employee welfare is often compromised in pursuit of competitive advantage. It is within this context that this study interrogates the root causes of labor exploitation in Tanzania's accommodation sector, seeking to unravel how an industry built on hospitality and growth can also sustain conditions of hardship for those at its foundation.

2.1 Literature Review

2.1.1 Theoretical Framework

At the heart of this study lies a simple yet uncomfortable question: *How can an industry that thrives on beauty, hospitality and global connection still depend on the quiet suffering of its workers?* Karl Marx's Theory of Labor Exploitation and the Sustainable Tourism Framework together guided this study to provide a critical lens for understanding the paradox of tourism growth and labor exploitation in Tanzania's accommodation sector. According to Marx (1867), capitalist systems inherently prioritize profit accumulation over worker welfare, leading to the extraction of surplus value from employees who produce more than they are compensated for. In the context of the hospitality industry, this theory manifests in the form of low wages, seasonal employment, long working hours and limited job security conditions that reflect structural inequalities between employers and workers. As tourism in Tanzania expands, these capitalist tendencies become more evident, with hotel operators seeking cost efficiency through casualization of labor and weak adherence to labor regulations. Complementing Marx's critique, the Sustainable Tourism Framework (UNWTO, 2015) emphasizes that tourism development must balance economic growth with social equity and environmental responsibility. While sustainability is often interpreted through ecological or cultural dimensions, its social pillar ensuring fair employment, equitable income distribution and worker welfare is equally vital. In Tanzania's case, the persistence of poor labor conditions despite economic expansion suggests a disconnection between growth and sustainability goals. Together, these theories help explain the structural and operational causes of labor exploitation in the accommodation sector, illustrating how capitalist dynamics and weak implementation of sustainable tourism principles combine to perpetuate inequities within the industry.

2.1.2 Empirical Review

The growth of the tourism industry in developing countries has been widely celebrated for its contribution to employment generation and economic development; however, it has also deepened structural inequalities within the labor market (ILO, 2021; Goetz & Wald, 2022). Labor exploitation in the hospitality sector is often rooted in power asymmetries between employers and workers, seasonal fluctuations in tourism demand and weak enforcement of labor laws (Balch & Rankin, 2015; George, 2020). According to Marxist theory, the capitalist pursuit of profit encourages employers to minimize labor costs, thereby reproducing exploitative working conditions, such as low wages and long hours (Marx, 1867; Harvey, 2018). This theoretical lens explains how tourism expansion can simultaneously generate employment while perpetuating inequality. Sustainable tourism theory, on the other hand, emphasizes the need to balance economic growth with social justice and workers' welfare (Castañeda, 2012; Ruiz-Lozano et al., 2018). Yet, in practice, many accommodation establishments fail to adopt fair labor standards, prioritizing profit maximization over employee wellbeing (Mbise, 2012; Abukhait et al., 2023). Empirical evidence from the United Kingdom, Thailand and Zimbabwe reveals persistent forms of exploitation, including irregular pay, job insecurity and discrimination, especially among low-skilled or casual workers (Hofmann & Stokburger, 2017; Goetz & Wald, 2022). In Tanzania, similar dynamics prevail hotels and lodges rely heavily on seasonal and informal labor due to fluctuating tourist arrivals, leading to unstable employment relationships (Emmanuel & Jamal, 2023). Moreover, weak institutional oversight and limited awareness of labor rights among employees exacerbate the problem (REPOA, 2023; DTUC, 2024). Therefore, while the tourism industry continues to expand, the benefits have not been equitably distributed, revealing a paradox where economic progress coexists with persistent labor vulnerability.

3.1 Methodology

This study adopted a concurrent mixed-methods research design, integrating both quantitative and qualitative approaches to ensure a comprehensive understanding of labor exploitation within Tanzania's accommodation sector. Quantitative data were collected through structured questionnaires administered to 80 employees working in selected hotels across Arusha City, a hub of the Northern Tourism Circuit. Respondents included receptionists, chefs, housekeepers and waitstaff, representing a balanced mix of roles and employment types. Qualitative data were obtained through semi-structured interviews with ten informants five hotel managers and five human-resource managers who provided in-depth insights into labor practices and management challenges. The mixed approach allowed triangulation of numerical patterns with contextual experiences, strengthening the validity of findings. Arusha was purposively selected because it represents the heart of Tanzania's tourism industry, hosting a concentration of international and domestic travelers, diverse accommodation facilities and a large tourism-dependent labor force. Data were analyzed using descriptive statistics for quantitative responses, while qualitative data were coded thematically to capture recurring narratives on working conditions, pay structures and managerial attitudes. Ethical considerations, including informed consent and confidentiality, were strictly observed throughout the process.

4.1 Findings and Discussion

4.1.1 Findings on the root causes that contribute to labor exploitation within the accommodation sector

The table below aimed at finding the root causes that contribute to labor exploitation within the accommodation sector. Respondents were asked to give their views on the causes that contribute to labor exploitation within the accommodation sector.

Table 4.1 Findings on the root causes that contribute to labor exploitation within the accommodation sector. (Responses: n=80, F (%))

Variables	SA	AG	N	DS	SD	Mean
High competition in the market	12(15%)	15(18.8%)	14(17.5%)	39(48.8%)	0(0%)	1.9
Insufficient government supervision	26(32.5%)	28(35%)	7(8.8%)	14(17.5%)	5(6.3%)	2.3
Limited promotion and career development	41(51.2%)	27(33.8%)	3(3.8%)	4(5%)	5(6.3%)	1.8
Weak employee's association	32(40%)	24(30%)	11(13.8%)	6(7.5%)	7(8.8%)	2.1
Poor management practices	16(20%)	39(48.8%)	10(12.5%)	9(11.3%)	6(7.5%)	2.3
Employers focus on profit over staff welfares	36(45%)	27(33.8%)	12(15%)	2(2.5%)	3(3.8%)	1.8
Lack of employee's awareness of their rights	29(36.3%)	17(21.3%)	22(27.5%)	4(5%)	8(10%)	2.3
Inadequate staffing levels	29(36.3%)	30(37.5%)	6(7.5%)	11(13.8%)	4(5%)	2.1
Seasonality of Tourism industry	24(30%)	6(7.5%)	4(5%)	28(35%)	18(22.5%)	2.2
Lack of proper	13(16.3%)	16(20%)	4(5%)	16(20%)	31(38.8%)	3.4

communication
channels

Source: Research 2025

The findings revealed a striking contradiction between tourism's economic expansion and the lived realities of workers within the accommodation sector. Quantitatively, over 78% of employees reported low wages, 65% experienced verbal or physical abuse, 53.8% worked unreasonable hours and 57.5% lacked written contracts clear indicators of persistent labor exploitation. Qualitative interviews reinforced these patterns, with managers openly acknowledging reliance on seasonal labor and cost-cutting practices during low tourism periods. One human-resource manager stated, "When tourists decline, we struggle to pay fair salaries and sometimes delay payments until business picks up." Similarly, another manager admitted, "Permanent staff receive full benefits, but casual workers are paid weekly with no job security once the high season ends." These testimonies demonstrate how seasonality, profit prioritization and weak enforcement of labor laws perpetuate structural inequalities. Moreover, limited government inspections and weak workers' unions further exacerbate vulnerability among employees. While some hotels have implemented internal grievance mechanisms and training initiatives, their impact remains minimal due to inconsistent enforcement and managerial discretion. The findings therefore highlight a paradox of growth without fairness where the tourism boom in Arusha creates jobs yet simultaneously entrenches exploitation through precarious employment, inadequate pay and unequal treatment. This outcome aligns with Karl Marx's critique of capitalist accumulation, which exposes how profit-driven industries often thrive at the expense of labor welfare and it challenges the realization of sustainable tourism principles that advocate for social equity and decent work.

4.2 Conclusion

The coexistence of economic growth and labor exploitation underscores Marx's surplus labor theory. The tourism boom creates profit opportunities but intensifies pressure to minimize labor costs, leading to wage suppression and precarious employment. The findings reflected a structural paradox: tourism's expansion contributes to national GDP while simultaneously reproducing worker vulnerability.

The study concludes that labor exploitation in Tanzania's accommodation sector stems from multiple interrelated factors chiefly seasonality, weak law enforcement, informal employment practices, low worker awareness and poor management. Although tourism has grown remarkably, the benefits are unevenly distributed, leaving frontline workers exposed to exploitation. Addressing this paradox requires stronger regulatory frameworks, enhanced inspections, labor union empowerment and worker education on rights. Ensuring decent work conditions is vital for achieving sustainable and ethical tourism growth in Tanzania.

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