

Press Release

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PolyU Study Finds Tourism Policy Implementation Hampered at Local Level in China

The effectiveness of tourism policy implementation at the local level is limited by factors at both the national and local levels in China, according to Dr Dan Wang of the School of Hotel and Tourism Management (SHTM) at The Hong Kong Polytechnic University and Dr John Ap in a recently published research article. The researchers interviewed tourism-related officials at the national, provincial and local levels, focusing the latter two investigations on Yunnan province with its burgeoning tourism economy. They found that “inappropriate administrative arrangements”, while offset by facilitating factors such as the increased economic relevance of tourism and networks of personal relationships, will require “the reform of the overall institutional arrangements”.

The making and implementation of tourism policy is an important but complex issue that should be considered from two distinct yet intertwined perspectives, the researchers note. Policymakers, on the one hand, consider which policies should be formulated and which should be implemented. On the other hand, local communities and officials on the scene must always negotiate with higher-level authorities to “formulate mutually agreeable policy”.

China is an ideal environment to consider how these two perspectives come together because tourism policy in the country involves coordination and cooperation at various levels. Tourism administrative organisations (TAOs) have been established by the central government to “guide, regulate and boost” tourism development at local and national levels. However, to implement policies the TAOs must often rely on and cooperate with other related government organisations. This context, suggest the researchers, offers an opportunity to explore the factors that help TAOs to “overcome the shortcomings of bureaucratic mechanisms” in policy implementation.

China is also an increasingly popular tourism destination, and with that, argue the researchers, comes the need to manage tourism development “in a sustainable manner”. As the central government plays a pivotal role in “organising, coordinating and promoting” tourism, poor policymaking or implementation would “hinder the continuing growth of tourism”. A better understanding of how this process works in practice “will provide important implications for TAOs in policy-making and implementation in China”.

The researchers focused their investigation at the national level in Beijing and at the local level within Yunnan province. In Beijing, they interviewed one former official

from the China National Tourism Administration, two from the Tourism Research Centre of the Chinese Academy of Social Sciences, and one from a state-owned enterprise with tourism investments.

Yunnan is significant because it has a high level of ethnic minority diversity and features tourism as one of the five pillars of the economy. At the provincial level, the researchers interviewed three officials from the Yunnan Provincial Tourism Bureau and one from a chain hotel.

At the local level they focused on Kunming, which serves as a transport hub for the region, and Lijiang, which contains the UNESCO world heritage listed Old Town. In Kunming the researchers interviewed three officials from the Kunming Tourism Bureau and one from the Kunming Municipal Government. Of the seven interviewees in Lijiang, three were from the Lijiang Tourism Bureau, one from the Lijiang Tourism Industry Association, two from bureaus related to the Old Town and one from a hotel.

The interviews were designed to reveal how TAOs implement tourism policies and the factors that constrain and facilitate their implementation. The researchers also examined a wide variety of secondary sources, such as “internal government documents, government publications and newspapers, and magazines”.

Although tourism policy is implemented at the local level, the researchers write that coordination between the China National Tourism Association and other national-level organisations can “considerably influence implementation at the local level”. If there is no inter-organisational agreement at the national level, then problems are likely to remain unsolved at the local level for the lack of a practical implementation plan.

The researchers also note that the government has failed to establish a “national supervisory/monitoring system” for the implementation of tourism policy. With little or no criteria for implementation and no way of measuring its effectiveness, tourism policy often depends on “negotiation and coordination”, which can be challenging for TAOs due to their low administrative status when compared with the more powerful and better resourced government agencies responsible for construction and commerce.

The main difficulty for local tourism administration according to the researchers is the “unclear division of government authority and responsibility”. Different departments manage various sectors such as “transportation, souvenir shops and scenic areas”. Although the TAOs are responsible for tourism development, they have very limited authority. According to the officials interviewed, other organisations can thus be reluctant to cooperate with the TAOs in the implementation of tourism policy.

A lack of understanding of the role of the TAOs also seems to hinder cooperation at the local level. For instance, the researchers note that the Transportation Administration, the Industry and Commerce Bureau and the Construction Bureau are all involved in various aspects of tourism development, yet one of the interviewees claimed that officials in these organisations “barely considered or paid attention to suggestions from the TAO” because they did not understand its role and responsibilities.

A further problem the researchers identify is a lack of “incentive/sanction mechanisms” for inter-organisational cooperation. Even when regulatory documents imply that

sanctions may be imposed, they are not well defined and it is unclear who is responsible for imposing the penalties or what the penalties might be. Without such mechanisms, other organisations lack any “incentive, encouragement and pressure” to cooperate with the local TAOs.

The combination of government and state-owned enterprises causes a further problem, the researchers suggest, because “government organisations can be involved in owning and managing tourism businesses”. This practice has “distorted the market mechanism”, encouraging the “abuse of administrative authority” due to “initiatives based on self-interests”.

The researchers also identified facilitators of policy implementation, mainly related to the social-economic context. For instance, tourism’s increasingly significant economic contribution means that officials have a better understanding of the role of tourism, which “improves the influence of the local TAO”. In Kunming, the local government, city mayor and Communist Party Secretary strongly support the tourism industry because of the economic growth and benefits it brings to the region. This support makes it much easier for local TAOs to secure the cooperation of other organisations to ensure effective policy implementation.

Special tourism events organised in Kunming have also been helpful in “changing the tourism administrative arrangements of the city”, the researchers note. As these events attract national and even international attention, they can influence how other organisations view the role of tourism, resulting in “increased inter-organisational coordination and cooperation”.

The researchers also identify *guanxi*, or personal relationships, as playing an important role in the implementation of tourism policy, particularly with the lack of institutional regulatory mechanisms. *Guanxi* offers an “efficient and transaction-cost-lowering” mechanism that improves coordination between the TAOs and other government organisations.

Overall, the researchers’ focus on the real-world context of policy implementation offers an “insider’s perspective” that will be valuable in ensuring the effective implementation of China’s tourism policy.

Wang, Dan and Ap, John. (2013). Factors Affecting Tourism Policy Implementation: A Conceptual Framework and a Case Study in China. *Tourism Management*, 36, 221-233.

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