

THE POTENTIAL INFLUENCE OF PRIVATIZATION ON QUALITY TOURISM

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Abstract: Increases in travel and tourism are leading to the destruction and degradation of many of our most pristine natural resources. Privatization, if utilized properly, can prevent these tourist generating destinations from mayhem. Privatization will ensure the quality of a travel experience as well as maintain the beauty and preservation of a destination. Traditionally, tourism has focused on publicly managed national attractions such as, National Parks and Forests; however, public agencies are not able to meet the demand of recreational tourists. Many of our tourism destinations are operated under a mass tourism framework.

Introduction

Travel and tourism is one of the largest single sources of revenue for businesses all over the world (Pulec, 2001). This industry was one of the largest U.S. private employers of the 20th century, with travel and tourism accounting for more than 10% of the United States' total gross domestic product in 1995 (Goeldner, 1997). Tourism is often seen as reasonably achievable even for communities with minimal public funds (Tooman, 1997). Furthermore, there are a number of benefits associated with tourism. Tourism alliances have benefited both small cities and suburbs surrounding these growing communities. For example, Tooman (1997) suggests an increase in hotels and restaurants inevitably leads to more jobs and a better seasonal economy in these areas. He further states that "tourism does provide previously unavailable employment and income, labor force participation and proprietary income is an indication not only of tourism's ability to generate income but also of its ability to encourage entrepreneurial activity" (Tooman, 1997, p. 3). Furthermore, More and more small communities are becoming economically dependent upon tourism. Many American communities have come to rely on tourism because it is a relatively "clean" industry and is often considered a universal remedy for local economic problems. Although recent studies suggest positive qualities of tourism, such as, revenue, there are

foreseeable problems with travel and tourism.

Although tourism can exist in nearly any environment, it is often centered on natural resource based attractions such as national parks, and public beaches. Visitors to these destinations are demanding a "quality experience." Inevitably, a high quality tourism experience will sell for above costs. The profit gained from this experience is the incentive to achieve excellent service and maintain the status of the destination. The quality of service is valued far more when reputation is at stake (Augustyn & Ho, 1998). Unfortunately, as increased numbers of people are traveling, and demanding quality tourism experiences, the resources that they desire are becoming degraded due to exceeding their visitor carrying capacities. This is especially true in non-developed countries, where political pressure from agencies desiring to increase tourism revenue, short-sighted concessionaires, and inadequate maintenance funding have resulted in turning pristine wildlife viewing areas into lifeless dustbowls.

Traditionally, tourism has focused on publicly managed national attractions such as National Parks and Forests. However, public agencies are unable to meet the demands of recreational tourists. In addition, public tourism is often mandated to serve as many people as possible and is not trusted by the local people. They also face difficult legislative battles in establishing new protected areas and are plagued by bureaucracy. Many of our tourism jewels are operating under a mass tourism framework. Mass tourism presents a strain on local resources, such as water, and sewage. The congestion and volume of tourists present problems in itself. Many of these public agencies cannot handle the large growth of travel and tourism in their infrastructure. For example, Muller (2001), states that land and space are currently used as monetary means for tourism. Planners must anticipate the effects of future demands; ensure there is an adequate supply of open space. Alternatively, Banerjee (2001) disputes the need for additional open space is associated with parks, playgrounds, or systems of open space that are under the public ownership. Other research findings note that little expansion of parks and open space in American cities has been seen in recent decades (Banerjee, 2001).

Possible Solutions

For many observers, the sense that the public realm is declining is further corroborated by a growing trend of what is commonly described as "privatized" public spaces. One example of this type of destination is privately owned and operated parks. Several factors are contributing to the steady growth of private parks. Langholz and Lassoie (2001), describe the first factor as being the failure of government from the unwillingness to meet the demand of society for nature preservation. The private individual must take on the

responsibility. The second factor is explained as the increase in interest in biodiversity conservation. The last issue behind private funding of parks is the rise of eco-tourism. With the rise in interest in eco-tourism by many, this is easily explained.

The private sector enables entrepreneurs to manage their own business as they see fit within the scope of the law. This type of tourism can provide a means to quality tourism. Van & Hubert (2000) explain private tourism being "all businesses that are for-profit organizations directly related to the tourism industry" (p. 1). The private sector is often seen as more hands on and consumer conscious. According to Milke (1996), privatization of tourism is a good policy because it puts the service provider in closer contact with the people it serves. On the other hand, Sem & Clements (1996) argue that typically the public sector owns and manages the attraction whereas the private sector creates the jobs and services necessary to meet the visitors' needs. The private sector can provide the necessary means to serve the public where the government fails. According to Powell (1996), the private sector has more opportunities than the public. The private industry is more likely to see what is directly happening and are apt to make more direct/precise decisions.

Perhaps the best example of how privatization can help meet the demand for quality tourism destinations is the increase in privately operated eco-tourism destinations. Eco-tourism has been regarded as a key resolution to problems with tourism. This specific type of tourism is growing more and more popular in the tourism travel sector. Eco-tourism, also known as nature tourism supports more culturally and ecologically responsible travel that ideally all involved parties gain from (Luzar, et al. 1998). Eco-tourism is a prudent choice in the fact that it allows for tourism or what might have been known in the past as mass tourism to remain manageable. Furthermore, eco-tourism is a type of tourism moving away from fordism. It enables cultural/recreational opportunities, protection of wildlife, education and positive economic impact. Eco-tourism allocates capital for local and regional markets, increases local and international awareness of the importance of ecosystem preservation, and increase decision-makers' conservation programs for the areas (Muller, 2000). The results have a more indirect implication, which is reflected in the following statement by Luzar et al. (1998):

Eco-tourism generates billions of dollars globally and is reported to be growing at a rate of 10% to 15% annually, the fastest growth rate in the travel market. Much of this growth has been in travel to developing countries (20%) that offer eco-tourists pristine environments often coupled with indigenous cultural experiences. (p. 3)

Additional research has noted that tourists are willing to pay for additional cost for eco-tourism exploration. As a successful operation, green tourism can provide supplemental profits to private land managers as well as provide rationalization for managing the resource base for sustainable use. Beyond its economic importance, tourism development promotes the preservation of cultural and social values, including historical sites of interest that might otherwise be lost. This is also the case for green tourism because it promotes culturally and ecologically sensitive travel (Luzar, et al. 1998).

Promising solutions include providing support to developing communities over a mutually agreed time frame to enable them to achieve economic growth and development. Other studies suggest proper planning as a suggestion to alleviate problems with travel and tourism. Programs that are already in progress could take the necessary steps to revamp their agendas. Briassoulis (2001) suggests indicators selected to address problems in planning for sustainable development should be related to one another because the planning process involves a sequence of interdependent decisions linking goals, targets, time horizons, course of action, means and implementation processes and cannot be broken up into bits and pieces. The problem is planning now for the future. Being blinded of future occurrences presents a challenge when trying to plan so far ahead of time. Inevitably, limitations are common when planning for upcoming proceedings. For instance, very few expected the actions of terrorists on September 11. Americans are starting to eat out less and are avoiding air travel. According to Samuelson (2001), with the effects of September 11, it is roughly estimated that there have been 80,000 layoffs or one in seven workers. With the unexpected, planning can take a turn in a different direction at any time.

Conclusion

Possible solutions to the threat of public land overuse have been brought to the forefront; however, with a lack of group consensus or motivation these attractions will continue to deteriorate. Policies pertaining to travel and tourism may provide information regarding establishment of boundaries concerning private land stewardship. The responsibility for policy formulating and operational management of tourism destinations is very important to maintain the conservation of natural resources.

There is a critical need to promote self-regulation in the private sector with limited governmental intervention or with the right mix of environmental initiatives that are supported by investment bankers and offices of tourism. For example, environmental impact assessments and feasibility studies could be required before granting loan approvals for new development projects. Such actions would promote the right development values and attract

environmentally friendly investors to the new destination, thereby enhancing the industry's image. A second possibility would consist of a reinforcement program for the preservation of the culture/heritage of local communities at a satisfactory level to the expectations of citizen/civic groups, tourists, and the private sector.

Privatization would enable incentive zoning programs, taxation to individuals who participate in these tourists' activities, an increase in community involvement in decision-making, an increased interest in biodiversity conservation, and an increase in interest in eco-tourism. With the purpose of eco-tourism being to maintain the natural and socio-cultural history of the host destination, eco-tourism is a beginning to preserving our sacred lands (Sirakaya & Sasidharan, 1999). Private sector issues need to be addressed concerning balancing development with preservation and maintenance. While we believe that a compromised approach is obtainable, there seems to be some concern by researchers as to the proper means of planning.

In the past, popular travel destinations have been able to successfully attract visitors and cater to their needs. The tourism industry has surpassed autos, steel, electronics, and agriculture. The World Tourism Organization (2002) expects it to employ one in ten people in the next decade and to generate \$4.3 trillion in revenue in the upcoming year. If these trends, along with the demand for high quality resource-based destinations continue, the private landowners must join forces with public land agencies conserve their land for the public good. The nature of the private sector should contribute to the provision of quality tourism experiences that generate a profit through land conservation and protection of resources.

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