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## **Governing the Contemporary Tourism Product: The Role of the Public Sector and Tourism Policy**

### **Chapter objectives**

After reading this chapter you will:

- Understand the development of the concept of governance.
- Identify the key characteristics of governance.
- Understand the reorganization of the state along new functional and territorial lines.
- Recognise the importance of multi-level governance, particularly in policy areas that have become highly globalised.
- Appreciate the complexity of governance in tourism.
- Understand the major roles of government in tourism.
- Identify different types of tourism policy.

### **Introduction**

Governance is the act of governing. The focus of this chapter is the government and governance of tourism, an issue that has become a major concern to stakeholders in tourism in recent times. That is, the design, implementation and monitoring of public policies and strategies with respect to how the state intervenes in tourism. This involves the horizontal and vertical coordination of government at various levels, the private sector, and non-government organizations as well as the wider population.

This occurs over scales ranging from the global through to the local. It has assumed importance as researchers have sought to understand how the state can best act to mediate contemporary tourism related social, economic, political and environmental policy problems, at a time when the role of the state has itself changed given the dominance of market-oriented neoliberal policy discourse in many developed countries. The chapter also discusses the various roles of the public sector, and the changing nature of government intervention in tourism that may be described as a shift from government to governance. Nevertheless, the nation state and its national government are still extremely important sovereign actors in tourism policy.

*The value of the governance perspective rests in its longstanding capacity to provide a framework for understanding changing processes of governing (Stoker 1998: 18).*

The various ways in which the term 'governance' is used in tourism studies can therefore not be fully understood unless we also know its theoretical underpinnings and context (Bramwell & Lane, 2011; Hall, 2011a; Amore & Hall, 2016a). In this chapter, different roles of government and the state in tourism are described, and are then analysed via different policy typologies that enable the reader to understand the various means by which governments and their agencies approach tourism policy in order to achieve policy objectives. The chapter will then examine the importance of cooperative strategies as a means of gaining producer support in the overall marketing, planning and development of a destination.

## **From government to governance**

In public policy terms there has been a substantial transformation of the perceived role of government in general, and in tourism in particular, in recent years. This shift is sometimes referred to as a move from *government* to *governance*. Central to this shift has been a change in the relative role of state institutions, i.e. government agencies, in securing state-sponsored economic, environmental and social projects. For example, in developed countries many of the activities of the welfare state approach that existed until the beginning of the 1980s, including management of leisure and cultural facilities, are now operated and implemented by private sector providers or non-government organizations. This process is continuing. Therefore, rather than the implementation of government policies being undertaken by a sole government agency, there is now a greater emphasis on partnership between government departments, state-owned or part-owned organizations that operate on a commercial basis (para-governmental organizations), the private sector and non-governmental organizations, in which the role of government agencies and departments is to steer organizational networks and partnerships in a required direction (Hall, 2011a; Bramwell & Lane, 2011). Indeed, these issues have only become more important as the result of global crises such as COVID-19 and global heating (Joyce et al., 2020).

There is no single accepted definition of governance (Glass & Newig, 2019). This is reflected in Kooiman's (2003: 4) concept of governance as "the totality of theoretical conceptions on governing". "Governance is defined in dozens of different and in some respects contrasting ways" (Meuleman, 2008: 11) in fields such as political sciences, public administration, geography and sociology (Bevir, 2011). At the most general level, governance is a "complex pattern of consumer-oriented public policies" (Salet et al., 2003: 3). Definitions tend to suggest a recognition of a change in political practices involving, amongst other things, increasing globalisation, the rise of networks that cross the public-private divide, the marketization of the state, and increasing institutional fragmentation (Hall, 2011a). Nevertheless, the term tends to be used in two inter-related ways. The first describes contemporary state adaptation to its economic and political environment with respect to how it operates. The second meaning of governance is that it is used to denote a conceptual and theoretical representation of the role of the state in the coordination of socio-economic systems, i.e. what it should do. Within this meaning two main strands can be identified. The first focuses on the capacity of the state to 'steer' the socio-economic system and therefore the relationships between the state and other policy actors (Pierre & Peters, 2000, 2005). The second focuses on coordination and self-government, especially with respect to network relationships and public-private partnerships. Rhodes (1996, 1997, 2007) identified a number of characteristics of governance:

- Interdependence between organizations.
- The concept of governance is broader than that of government and includes a role for non-state actors (i.e. private sector, non-government organizations and interest groups, including organizations in the voluntary and not-for-profit sector).
- The boundaries between the public and other sectors are now far more opaque.
- The need to exchange resources and negotiate shared purposes between organization members of networks leads to ongoing interaction between members.
- The rules of interaction within a network are set by its members, with trust being critical for the maintenance of network relationships.
- Many networks have a significant degree of autonomy from government and are self-organising.
- Although the state does not necessarily occupy a privileged position it can imperfectly and indirectly steer networks.

The later characteristic of governance identified by Rhodes and the significance of partnership relations between state agencies and other organizations has meant that both the development, as well as the implementation, of government policies has become extremely complex. Jessop (1997) referred to situation as one of 'meta-governance' as it requires the steering of multiple agencies and organizations, which