Chapter objectives

After reading this chapter you will:

- Understand the development of the concept of governance.
- Identify the key characteristics of governance.
- Understand the reorganisation 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 neoliberal policy discourse in many developed countries (Hall 2011a). 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 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). In this chapter, different roles of government and the state in tourism are described and then analysed via different policy typologies, to enable the reader to understand the various means by which governments 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. 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 roles of government agencies and departments are to steer organizational networks and partnerships in a required direction (Hall 2005, 2011a; Bramwell & Lane 2011).

There is no single accepted definition of governance. 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 denotes a conceptual and theoretical representation of the role of the state in the coordination of socio-economic systems. 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. For example, Rhodes (1996, 1997) 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 organisations in the voluntary 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 those members.
- The rules of interaction within a network is 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 latter characteristic of governance identified by Rhodes, and the significance of partnership relations between state agencies and other organizations has meant that both the development and the implementation of government policies has become extremely complex. Jessop (1997) referred to situation as one of ‘metagovernance’ as it requires the steering of multiple agencies and organizations, which although operating autonomously of one another, remain linked together through their involvement in common policy issues and associated funding and benefits. This situation is extremely relevant to tourism as it well describes the problem of many destination tourism organizations, which are often part or fully funded by government or even a part of the formal structure of the state, i.e. a
government agency, and their role in trying to bring together other public agencies, tourism producers and even destination communities in common causes with respect to destination marketing and/or development. As noted frequently in this book, one of the key management characteristics of DMOs is that they do not own the products they are selling or promoting. Therefore, it is perhaps not surprising that ideas of partnership and collaboration are extremely important to understanding the relationships between individuals and organizations that exist in tourism networks.

Another important element in the development of the concept of governance is the changing nature of the nation state with state roles being reorganized functionally and territorially along sub-national, supranational and even trans-territorial lines.

- **Sub-national** state refers to the role of the local state (city, local or regional government) as a political actor at both domestic and international levels. For example, there is the development of a new regionalism in many parts of Europe and North America by which regional governments have acquired new rights and responsibilities and become more aggressive in seeking to acquire economic benefits. A good example of sub-national state activity in tourism is international destination marketing and promotion even when national tourism organizations may already be involved in such activities.

- **Supranational** states and organisations refer to organizations, such as the European Union, in which there are considerable regulatory capacities, while in many policy areas the EU also seeks to steer member government policies in certain directions. In tourism there are many supranational organizations that influence tourism at global or international levels. At a global level organizations such as the UNWTO, IATA (International Aviation Transport Association) and the WTTC (World Travel and Tourism Council) affect various dimensions of nation-state tourism policies as well as the sub-national state. The WTTC, a private sector based organisation whose membership is by invitation only, has been extremely influential in achieving its policy goals, including adoption of tourism satellite accounts and liberalisation of the tourism sector as part of its overall policy positioning (Hall 2005).

- **Trans-territorial** states and organizations are those that have boundaries that include the territories of constituent members. For instance a number of trans-border regional agencies have been established within Europe with the support of the European Union and national and regional governments. One of the best examples of such a development in both general and tourism terms is the Øresund region of Denmark and Sweden.