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## **“Boosting” Tourism as Rural Public Policy: Panacea or Pandora’s Box?**

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Tourism promotion represents popular public policy because of its focus on image improvement. After all, what politician would criticize efforts to “boost” the perception of one’s own state and advertise the resources that draw attention, visitation, and positive notoriety? Indeed, promoting tourism is a political no-brainer. But, political convenience does not necessarily convey long-term societal improvement. Does it make good policy sense from the standpoint of rural development? Are increased levels of tourism in the best interest of communities affected by tourists? Are the jobs created by tourism the types of jobs needed by people in rural America? This paper argues that states should move away from traditional “boosterism” approaches that focus simply on stimulating tourism demand toward more integrative planning frameworks that focus on the real costs and benefits of tourism growth.

### **Boosterism as a Policy Focus**

Tourism as state public policy is heavily focused on direct advertising and marketing. During 2004, states invested over \$550,000,000 in offices of travel and tourism (TIAA 2004). About half (\$240,000,000) of that was spent directly on advertising and most of the rest fell into the realm of marketing research and cost sharing with local units of government for local marketing programs intent on attracting tourists. The activities carried out by states tourism offices are easily characterized within the “boosterism” approach to tourism planning (Hall 2000).

“Boosterism” as the primary focus of state tourism policy has, at its core, the untested and preconceived conclusion that the attraction of tourists has developmental benefits that exceed costs. It is, however, but

one approach to tourism planning that represents a simplistic view that tourism is inherently good with automatic benefits. Within a “boosterism” approach to tourism planning, analysis and goal setting are approached within a purely marketing context that closely parallels the desires of hoteliers, restaurateurs, and travel business interests (often collectively known as the “hospitality industry”). There is little consideration or thoughtful analysis focused on the net economic, social, and/or environmental impacts brought about by tourism. Because of its obvious political benefits, “boosterism” remains the dominant tourism planning approach followed in the United States; indeed, it has been since the onset of mass tourism initiated in the 1950s.

### **Integrative Tourism Planning**

Other approaches to tourism planning can, and should, be considered to provide a more objective basis upon which public policy decisions can be made. Integrative tourism planning as an approach focuses on the role of tourism in providing lasting and secure livelihoods for residents (ibid; Marcouiller 1997). The basis of this approach rests on a broader societal viewpoint with developmental impacts assessed on longer time horizons. Integrative tourism planning actions are coordinative, iterative, and strategic with full recognition of the interdependency of stakeholders in a complex tourism “domain”. It requires moving away from the traditional “boosterism” approach that focuses on stimulating tourism demand. While demand stimulation could remain, its intended outcome now requires integration with tourism supply components related to local labor markets, cultural

and natural resource endowments, public goods, and local amenities.

Careful investigations of the supply side components of tourism are critical to the creation of informed public policy and integrative tourism planning. While much is known about the demand for tourism resources that lead to advertising and marketing initiatives, little is known about the inputs required to produce tourism itself. Understanding these inputs is necessary if we wish to address important issues related to the private business climate of tourism. Rural public policy examples that target inputs include work force and small business development initiatives, main street initiatives, local parks and recreation programs, natural resource management, and land use planning. These inputs also provide the basis upon which we can address the use and management of publicly provided amenity resources that create a primary motivating element behind tourist travel. Simply said, the foundation upon which we build rural tourism is a direct function of the supply of local resources.

A key element in community support of tourism development is its ability to create jobs. Many argue that policy-makers base decisions on tourism promotion and development from a job-creation standpoint without sufficient information on the actual employment-performance of tourism industries. Analysis of tourism employment needs to account for more than simply numbers of jobs. The type of jobs created from the standpoint of wage rates, permanence, career opportunities, and skill levels employed is important. Indeed, many have identified that jobs in tourism tend to be relatively low wage, seasonal, and part-time and often act against regional developmental objectives of high wage job creation.

### **The Reality of Tourism Jobs**

In reality, tourism tends to generate high levels of seasonal, part-time employment opportunities primarily geared to first-time workers and young people with little work experience. In addition, these types of job opportunities are argued to be an important supplemental income component for retired people and others who are experiencing work transitions. On the other hand, for certain types of tourism jobs, lucrative career ladders exist. Examples include professional entertainers and athletes, hotel and gaming managers, tourism establishment engineers, and highly-skilled personal service occupations such as chefs and directors of sport facilities (e.g., ski directors and golf pros). Also, meeting planners, tourism marketing professionals, and public sector jobs are key steps on career ladders that can build from entry level positions in

tourism (Belau 1999; Lee and Kang 1999; Dresser and Hatton 2003).

Tourism businesses tend to provide incentives for entrepreneurial behavior of individuals. Applied sociological research suggests that many people enter tourism jobs from other industries and that tourism skill sets tend to have background impacts favoring entry-level positions while still making it possible for motivated individuals to work up through the ranks thus attaining more managerial and professional positions. Further, this research suggests that patterns of mobility, orientation to work, and self-evaluation are hallmarks of successful tourism workers. In particular, accelerated opportunities for advancement and incentives for entrepreneurialism lead to general satisfaction of those who successfully remain employed by tourism businesses. Tourism employment as a "way of life" is supported by the notion that people were prepared to surrender education-occupation compatibility in return for a more self-controlled work-life relationships.

The wide variety of employment types in tourism businesses has rural development dimensions from the perspective of generating a widely varying set of income streams. The issue of income distribution is complex and empirical work has yet to generate sufficiently robust results to inform generalized theoretical approaches. There are, however, a limited number of studies that have evaluated the distributional effects of alternative sectors, including tourism (ibid; Leatherman and Marcouiller 1999; Marcouiller et al. 2004a). This research suggests critical developmental linkages. In particular, results indicate that when compared with traditional primary industries in rural America such as agriculture, forestry, and mining, tourism generates a predominance of lower income job opportunities. Tourism is related to the post industrial "hollowing out" of the middle income classes and is primarily a low-wage industry and thus more likely to sustain living standards for those in the lower income classes.

Again, more research into income distribution is needed to provide useful input into public policy responses. There are interesting connections between income distribution and other elements important to tourism. For instance, in recent work by Fernández-Morales (2003), seasonality was shown to be an important element in explaining the distribution of income. The results of this research suggest that during peak tourism seasons, income inequality decreased, with the most pronounced period of high income inequality occurring during the "off-season". This makes intuitive sense but highlights the need for further research. What rural developmental impacts occur when reliable income streams do not exist for six to nine months

of every year? What off-season opportunities exist for developing reliable income streams for rural households?

Based on ad-hoc conventional wisdom and without thorough analysis, the availability of employment opportunities resulting from tourism demands is often seen either as beneficial and appropriate to local labor markets or acting against community-determined economic development goals. An underlying tension exists within the conventional wisdom related to tourism which can be characterized by extremes that reflect two ill-conceived positions. On the one hand, proponents of tourism argue that broad based employment benefits are substantial and therefore clearly justify large marketing subsidies to increase the incidence of tourist travel. On the other hand, opponents of tourism argue that jobs created by tourism firms tend to be low wage, seasonal, and lacking substantial benefits and, therefore, public resources targeting the creation of jobs are best focused on industrial sectors characterized by higher wage/benefit and year-round employment opportunities. Both arguments rest on a clearly specified need for further objective labor market assessments for tourism.

Objective economic research on tourism labor is scarce for two important reasons. First, tourism as a development option is really a very recent phenomenon. Mass tourism began in the 1950s and a decidedly corporate tourism phenomenon occurred only since the 1970s. Second, the notion of tourism as an "industry" is not straightforward (Smith 1998). It is important to realize that an assessment of labor used in tourism is incomplete without a full assessment of the self-employed component, including both business owners and their families. Proprietor's income can be used as a proxy to show the benefits to business owners where wages may be insufficient to account for all earnings derived from tourism supply. Most contemporary assessments of tourism industries do a poor job of capturing this element. Often, the entrepreneurial opportunity afforded to those who are self-employed is a primary underlying objective in tourism development policy. Evidence supporting this statement is found in arguments promoting the generation of tourism-related business benefits in local communities.

Understanding the role of tourism in providing income requires a thorough assessment of occupational structure and labor market characteristics. Furthermore, spatial differences in where labor is employed and income is generated is needed to better understand the role of tourism across the varied landscapes of alternative region types, from urban and suburban communities to remote, rural towns.

Results of recent research in Wisconsin suggest that the travel and tourism "industry" is comprised of several sectors that are, more or less, dependent on travelers for a portion of their total receipts (Marcouiller et al. 2004b). In Wisconsin, these ten sub-sectors employed over 300,000 people in 2002, slightly more than 10 percent of the entire workforce in the state. Further, these travel and tourism sub-sectors generated roughly \$4 billion in wage and salary income. Occupational structure of the wage and salary employment was concentrated in the Food Preparation & Serving and Sales occupations. Indeed, these two categories accounted for roughly 74 percent of the jobs and 60 percent of the wage and salary income of the total employment picture in the ten sectors used to define travel and tourism. In addition, the roughly 22,000 firms accounted for in the study generated roughly \$1.4 billion in proprietor's income, an important incentive for small business entrepreneurship across the state. Both wage and salary and self-employed income were concentrated in the 25 urban and suburban counties of Wisconsin.

Occupational structure and the distribution of income provide ample opportunities for further discussion. Results confirm much of the descriptive results of Lee and Kang. Namely, that the travel and tourism sectors are an important generator of employment for entry-level people, those in transition, and those seeking supplemental income sources. Generally considered a "low-wage industry", travel and tourism are more likely to help in improving living standards for those who find themselves with limited skill sets or seeking work for quality-of-life and other non-monetary reasons. Further work is needed to confirm the hypothesis of tourism's distributional "hollowing-out" effect. Certainly, additional work will continue to develop useful empirical policy-relevant studies that view tourism and travel and one of several critical sectors to future community economic development throughout the Lake States. This work also provides a rather substantive future research need and can build from the previous work of Wagner, Lee and Kang, Fernandez-Morales, and my own work.

## The Policy Debate

Contemporary policy discussions surrounding travel and tourism are wide ranging. In addition to public budgetary subsidies for promotion, specific issues of public policy surround labor availability during peak tourism season through the implementation of a school start policy after Labor Day, minimum wage laws, availability and legality of migrant labor, and training in hospitality sector skills, to name just a

few. Work by Belau at an international level and by Bernhardt and others at the University of Wisconsin Center on Wisconsin Strategies (COWS) attempt to frame policy discussions around an ability to affect high quality labor in tourism and develop “normative” inferences. Quite specifically, perhaps we should focus less on the QUANTITY of jobs created and more on the QUALITY. How does employment in tourism fit within the stated policy objectives of creating high QUALITY jobs? The answer: apparently not very well!

Finally, there is a continual need for extending community-oriented and integrative tourism planning into the rural public policy venue. That takes on both thematic and process elements. Incorporating wider stakeholder involvement in the planning process while developing a more complete understanding of the implications of tourism on local communities will inevitably lead to development that addresses key people-oriented needs found at the forefront of regional planning efforts throughout the Lake States and across rural America.

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