

5. How is tourism organized?

Learning objectives

At the end of this chapter the reader will be able to:

- Describe the major types of agreements among countries that affect tourism.
- Discuss the functions of international, regional, national, and state organizations involved in tourism.
- Compare and contrast the organizational structure and functions of the national tourism organizations of the United States, Canada, and Mexico.
- Define and correctly use the following terms: diplomatic recognition, consular office, Bermuda Agreement, International Airlines Travel Agent Network, Organization for Economic Cooperation and Development, National Tourism Organization, Heritage Conservation and Recreation Service, US Forest Service, Tourism Canada, bilateral tourism agreement, visa, World Tourism Organization, International Civil Aviation Organization, Pacific Area Travel Association, US Travel and Tourist Administration, Corps of Engineers, National Park Service, FONATUR

International

Tourism involves the movement of people across county, state, and national borders. In order for *international* movement to occur there must be agreements among countries to ensure the rights of travelers.

International agreements

Diplomatic recognition. When one country offers diplomatic recognition to another it acknowledges the legal right of that country to exist. Two-way tourism cannot exist between two countries that do not recognize each other. Without diplomatic recognition treaties cannot be negotiated regarding such things as the reciprocal issuing of visas and the safety of visitors. A government will generally refuse to allow visits from citizens of countries it does not recognize. Travel by its own nationals to the unrecognized country is also restricted.

Commercial agreements. One way in which countries formalize their cooperation in the area of tourism is to negotiate a formal treaty. These treaties spell out the rights and privileges of travelers to the two countries. Since 1978 the United States, through the US Travel and Tourism Administration, has signed bilateral tourism agreements with Mexico, Philippine Islands, China, and Egypt. These agreements state a commitment to promote tourism by exchanging such things as statistical information and vocational training techniques.

Consular offices. Consular offices carry out a variety of activities essential to tourism. For example, they are responsible for such things as the protection of, and providing services for, their nationals in a foreign country and the documentation of tourists who wish to visit that country.

Visa agreements. Holding a valid passport may not be sufficient to obtain entry into a country. Travel between two countries is seen as a privilege rather than a right. Nations can require that a visa be obtained for entry into and/or exit from their country. This is usually done to discourage undesirables. At the present time, France requires that visitors obtain a visa to enter that country. The French government, concerned about terrorist bombings in France, wishes to have additional control over who it allows into the country.

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It is also necessary for an overseas tourist to the United States to receive a visa. It is up to the tourist to prove that he or she is worthy of nonimmigrant status. To obtain a visa to enter the United States the applicant must be able to prove that he or she will leave the United States at the end of the visit, that permission has been obtained from another nation to enter that country at the end of the US stay, and that he or she has enough money to finance the purpose of the visit to the United States. The United States currently has visa agreements with more than 80 nations.

Air agreements. The first bilateral agreement between countries concerning air travel was signed by the United States and Great Britain in 1946. Known as the Bermuda Agreement, it provided the model for later bilateral agreements. It basically stated that:

- The exchange of routes was to be negotiated between governments.
- There would be no restrictions on the number or frequency of flights on the routes agreed upon.
- Fifth-freedom traffic (see “How do tourists travel”) would be negotiated between the governments.
- Rates would be controlled.

In the late 1970s, the United States began to negotiate "pro-competitive" bilateral agreements. These agreements sought to make international air travel more accessible to the population by encouraging low fares through price competition. Such agreements allowed each country to name as many airlines as it wished to be part of any negotiated agreement, disallowed unilateral limits on the frequency of flights of the other country, and stated that price of flights should be determined by the marketplace.

Recent agreements have included nonscheduled services also.

International organizations

World Tourism Organization. Headquartered in Spain, the World Tourism Organization (WTO) is recognized as the world's most important tourism organization. Among other things, it serves as a consultant to the United Nations. The WTO seeks to promote tourism throughout the world, particularly in the developing countries. It collects information and issues publications dealing with such things as world tourism trends, approaches to marketing and the protection of natural and cultural resources. Its affiliates conduct training and education programs. The WTO also works to ease foreign travel in a variety of ways: by reducing the number of passport and visa requirements and by standardizing travel signs.

International Airlines Travel Agent Network. The International Airlines Travel Agent Network (IATAN) is an international organization open to any airline that holds a certificate for scheduled air service from a government eligible for membership in the International Civil Aviation Organization. It exists to ease the movement of people and goods throughout the world by air. Dues to support its operation are paid by the more than 100 member and associate member airlines.

The IATAN is principally involved in two areas. First, it standardizes documentation between international airlines. In this way, for example, it is possible to travel anywhere in the world, even using several different airlines, on one ticket bought at one price and paid for in one currency. The network acts as a clearinghouse for monies due the various airlines. If, for example, a tourist were to travel from Chicago to London on United Airlines and continue on to Amsterdam on KLM (Royal Dutch Airlines), the tourist could travel on one ticket and pay for it in US dollars. Part of the money would go to United, part to KLM.

The IATAN is also involved in setting rates. Once governments have concluded a bilateral agreement on air travel between the two countries, IATAN convenes a traffic conference to negotiate the rates to be charged. These rates must then be accepted by the governments involved.

International Civil Aviation Organization. Formed in 1944, the International Civil Aviation Organization (ICAO) membership is composed of 80 governments. A specialized agency of the United Nations, it works to promote worldwide civil aviation and is also concerned with the safe design and operation of aircraft and facilities to be used for peaceful purposes. It also seeks to promote efficient and economical air transport.

Developmental organizations

A number of international organizations have shown a willingness to finance the development of tourism. The World Bank, in Washington, DC in the US, has been a supporter of tourism development in developing countries in the past. More recently, however, it has cut down significantly on its interest in tourism.

Regional international organizations

Organization for Economic Cooperation and Development. The members of the Organization for Economic Cooperation and Development (OECD) are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, the United Kingdom, and the United States. Yugoslavia is an associate member. The OECD was formed in 1960 to encourage economic growth among member countries.

Through its tourism committee, the OECD studies problems concerning tourism and makes recommendations to the member countries. In addition to publishing an annual report on tourism in the member countries, the organization takes an active role in collecting tourism statistics and encouraging the use of standard definitions.



Exhibit 33: The Opera House at Sidney, Australia: A member country of PATA. (Courtesy the Australian Tourist Commission.)

Pacific Area Travel Association. The more than 2,000 members of the Pacific Area Travel Association (PATA) represent 34 countries in the Pacific region and Asia. The goal is to encourage the growth of tourism in the Pacific area. This is achieved through joint marketing efforts (marketing representatives have offices in London, Frankfurt, and Paris) and through development and research. An annual conference is held, along with several Pacific travel marts that bring together buyers and sellers of travel.

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Other organizations. A variety of regional organizations exist, similar to the ones mentioned above. The Caribbean Tourism Association and the European Travel Commission have been set up to promote tourism in the Caribbean islands and Europe, respectively.

National organizations

The tourism policies of a nation are developed by and implemented through a national tourism organization (NTO).

Objectives

The major objectives of an NTO are economic. They seek to improve the export earnings of the country by attracting more tourists. In this way it is hoped that the economy will expand, increasing the number of jobs, income, and taxes while promoting regionally balanced economic growth.

Tourism has also proven to be useful in protecting a nation's heritage—its buildings and its traditions. In some situations, buildings or customs have been protected on the economic grounds that they are important to the visitor as attractions. For the locals, their heritage is maintained. Some countries use tourism as a political tool to show the world how successful they have been.

Structure

The way in which tourism is represented at the national level is a function of the political philosophy of the country and the importance it places on tourism.

Ministry. National tourism organizations tend to take one of three forms. First, they may be an independent ministry or part of a larger ministry. The State Secretariat for Tourism in Mexico is an independent ministry, whereas in France the responsibility for tourism comes under the Ministry of Free Time. Fifteen countries have autonomous ministries of tourism, while others place the responsibility for tourism under any of the following ministries: Commerce (or Commerce and Industry), Development, Economic Affairs, Education, Finance, Information (or Culture and Information), State or Transport (or Transport and Aviation, Transport and Power, Transport, Telecommunications and Tourism or Transportation).



Exhibit 34: Sevilla (Seville), Spain, a country with a Minister of State for Tourism. (Courtesy National Tourist Office of Spain.)

Department. Second, tourism may be represented by a government agency or within a bureau that is part of a larger department. Tourism Canada is part of the Department of Regional and Industrial Expansion, while the Japanese Department of Tourism finds itself in the Department of Transportation. Tourism bodies that have government status have the broadest range of functions of the NTOs.

Quasi-public. A third type of national tourism organization is where the official agency is a quasi-public government-funded corporation, board, or authority, such as the Hong Kong Tourist Association, the Irish Tourist Board, or the British Tourist Authority. A major advantage of this form of organization is the greater flexibility in dealing with the private sector in the areas of development and promotion. People from the private sector are often asked to serve on the board as directors.

A planned economy in which tourism is highly regarded would tend to place tourism in the first type of organization (ministry), whereas a market economy in which tourism is not regarded as very important will tend to see tourism found in one of the latter organizations (department or quasi-public corporation).

One of the problems for tourism in its attempt to be recognized is in knowing where to place it. Tourism, as we have seen, is a diverse activity, being represented in the United States in 30 sub-industries. It is difficult to get all industries and all trade associations to speak with one voice.

It is also a fact that other and more powerful agencies of government may see the encouragement of tourism as working against their own stated purposes. Attempts to ease entry restrictions into the United States, for example, have been viewed with alarm by those who have the responsibility to keep out drugs and undesirable characters.

Functions

What the NTO does is a reflection of how it is organized. In a free market economy the functions revolve around the encouragement of tourism; in a planned economy the state may get into developing and managing tourist attractions and facilities.

Most all organizations are involved in the promotion of tourism to the country; many operate offices abroad. The vast majority of NTOs collect tourism statistics while most also conduct some type of market research. To a lesser extent, organizations get involved in the areas of regulation and licensing for hotels, travel agencies, tour guides, and interpreters. In Mexico, the NTO regulates the prices of hotels, restaurants, tourist guides and travel agencies, while in Japan it licenses travel agents and examines guides and interpreters.

Many NTOs are responsible for drafting national and regional tourism development plans. This is true in such countries as Canada, Mexico, England and Spain.

Moreover, NTOs may also get involved in operating hotel schools or offering vocational training for guides and interpreters. A lesser number are actually involved in operating resort facilities.

In order to function effectively, a national tourism organization must have:

- the authority to initiate the changes that are needed to expand tourism in the future;
- the full support of the government together with the ability to influence the various government departments that affect tourism;
- the support of the private businesses that make up tourism;
- a budget large enough to carry out properly the duties assigned to it and appropriate to the income generated by tourism;
- experienced staff.

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United States

The organization of tourism at the national level in the United States has been, and continues to be, hampered by the fact that so many of the prerequisites for effective function have, and are, missing.

US Travel and Tourism Administration. The prime government agency involved in tourism in the United States is the US Travel and Tourism Administration (USTTA). Authority for tourism development and promotion has changed from one agency to another.

In 1940, Congress passed the Domestic Travel Act authorizing the National Park Service, through the Department of the Interior, to promote travel within the United States and its territories and possessions as long as such activities did not interfere with those of the private sector. The entry of the United States into World War II in 1941 halted any plans for encouraging domestic travel. Gasoline was rationed and passenger traffic across the Atlantic curtailed. After the war the National Park Service had little budget. In addition, its priority was the expansion of park facilities to meet the numbers of visitors. No attention was given to encouraging domestic travel, and funding for this program was not renewed.

At the same time, Americans were encouraged to travel to Europe as a means of helping the European economies. It was felt that the inflow of US dollars would stimulate demand on the part of Europeans for American goods. Many European countries were restricting foreign travel by their own nationals because of the need for American dollars. The result was a tourism balance of payments deficit for the United States.

In 1958, the Office of International Travel was formed in the Commerce Department to act as a government spokesperson for tourism and act as liaison between private industry and the various government agencies whose activities affected tourism. Information about the United States was distributed through consular and diplomatic offices. As a rule this is an unsatisfactory method of promoting tourism. Such offices are primarily concerned with matters other than encouraging travel. Tourism promotion is given little, if any, attention. Diplomatic offices tend to be located in areas that are not readily accessible to potential travelers.

In 1960 United States President Dwight D Eisenhower proclaimed a "Visit USA Year" but felt that government should not promote and advertise travel.

The International Travel Act of 1961 made the United States Travel Service part of the Department of Commerce. The agency was authorized to set up offices overseas to promote the United States. Its goals were to:

- contribute to the maximum extent possible to the balance of payments position of the United States;
- contribute to the maximum extent possible to the health and well-being of the American people;
- contribute to the maximum extent possible to international goodwill and understanding.

The agency was to promote travel to the United States, to encourage the provision of facilities for visitors, to coordinate travel facilitation among the various government agencies indirectly involved in tourism with a view to reducing the barriers to travel, and to collect and publish tourism statistics.

In 1970, the United States Congress authorized matching funds to states or nonprofit organizations for projects aimed at attracting foreign travel to the United States. At the same time the director of the agency was given the rank of Assistant Secretary of Commerce for Tourism.

The authority for domestic tourism, which had been given to the Secretary of the Interior in 1940, was given to the United States Travel Service in 1975.

After an eight year lobbying effort, the US government accepted the need for a national tourism policy, but rejected the recommendation for an independent agency to carry it out. The National Tourism Policy Act of 1981 resulted in the creation of the US Travel and Tourism Administration (USTTA), headed by an Under Secretary of Commerce for Tourism (an elevation from assistant secretary). The act stated that:

- tourism and recreation industries are important to the United States;
- tourism and recreation will become even more important to our daily lives;
- there needs to be better coordination of government activities that impact on tourism.

A Travel and Tourism Advisory Board, made up of representatives of private industry, organized labor, academics, and the public sector, was set up. The Secretary of Commerce was to chair a Tourism Policy Council comprised of representatives of the Office of Management and Budget, the Commerce Department's International Trade Administration, and the Departments of Transportation, Interior, State, Labor, and Energy. All these agencies impact tourism. The council was given the task of coordinating federal programs and policies that affect tourism, recreation, and heritage resources.

The undersecretary oversees four offices—policy and planning, research, management and administration and marketing. These offices reflect the programs of the USTTA.

Controversy still exists over the role of the government in tourism in the United States. Opponents of government intervention argue that only a few businesses involved in tourism are affected by an increase in tourism. As such, it is inappropriate for the government to spend public funds for an activity that will benefit relatively few people. The private sector should spend the money for tourism development, research, and marketing. On the other side of the issue are those who argue that the balance of trade is a federal issue and that the travel deficit is a public and a federal concern. The encouragement of tourism will have ramifications greater than some private businesses making a profit.

Over the years the responsibility for tourism has been given to government officials whose authority has gradually been increased. The top tourism government person went from director to assistant secretary to undersecretary. This reflects a growing realization of the importance of tourism. However, the agency involved in tourism has had constant battles over funding to do the job assigned to it. It has consistently been underfunded. As a result, the agency has not been able to achieve many of its goals. Thus, it remains to be seen whether future administrations will give tourism affairs sufficient funds to accomplish its purpose.

Other agencies. There are over 150 different programs in approximately 50 different agencies or departments that affect tourism, travel or recreation in the United States. The effect is felt primarily in two areas: natural resources and facilitation.

Of the 760 million acres (307,561,088 hectares) of land owned by the federal government, 447 million (180,894,482 hectares) have been set aside for recreational use by tourists. Federal lands represent approximately 85 per cent of the recreation space in the United States. The natural resources of the United States are the responsibility of the Department of the Interior, the Department of Agriculture and the Department of Defense in addition to several other independent agencies.

The Heritage Conservation and Recreation Service (HCRS), formerly the Bureau of Outdoor Recreation, is responsible for research, development, planning, and maintaining a comprehensive nationwide outdoor recreation plan. The HCRS can only make recommendations on recreation policy, planning and research, and has no authority

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to manage land, water and recreation areas. That authority lies primarily with the Corps of Engineers, the US Forest Service and the National Park Service.

The Corps of Engineers, part of the Department of Defense, is responsible for navigation, control of beach erosion, hurricane flood protection, major drainage, flood control and water resources on both federal land waterways and improved inland and inter-coastal waterways. Recreation is taken into account in cost/benefit analyses to determine whether or not to undertake a project. While recreation areas at project sites are operated by the Corps of Engineers, it prefers to turn operation over to nonfederal units.

The US Forest Service, which is part of the Department of Agriculture, controls both national forests and national grasslands areas. About half of the nation's ski areas operate under permit and on lands managed by the US Forest Service.

Lands managed by the National Park Service (NPS) in the Department of the Interior are an attraction for millions of visitors each year. While the original purpose of the NPS was the preservation of the unique natural wonders of the country, subsequent legislation added historic preservation, intensive outdoor recreation and cultural activities to the list.

Within the area of natural resources the debate continues to be the extent to which resources should be preserved or developed. Tourism is heavily dependent on the natural resources of an area. A certain amount of development is, however, necessary to cater to the needs of the traveler. The debate focuses on the balance between the two.

The Departments of State, Transportation, Treasury and Justice are concerned with the facilitation or movement of tourists. The US Travel and Tourism Administration has worked with these federal departments in an attempt to reduce the barriers to travel. It is possible, for example, to go through US customs in Toronto before boarding a flight to the United States. A 1986 bill passed by the US Congress includes a section that permits waiver of visa requirements for tourists from as many as eight countries that provide reciprocal waiver rights. In general, however, the interests of national security have come before the interests of travelers, and the principal concern remains making sure that people do not enter the country illegally or bring illegal items in with them.

Tourism Canada

Tourism Canada is the government agency responsible for tourism in Canada. It is part of the Department of Regional Industrial Expansion (DRIE), which encourages development in manufacturing, resource processing, tourism and small businesses. Overseas activities involving tourism are handled through the Department of External Affairs. The DRIE, however, remains responsible to the Canadian government for the overall tourism program.

Based in Ottawa, Tourism Canada is charged with formulating national policy in the areas of development and marketing. These are translated at the local level by Regional Executive Directors, one to each province, in a fairly decentralized way.

There are three main activities of Tourism Canada: marketing, corporate affairs, and general development.

Within the area of marketing there are directors of development marketing, development US, development overseas and development Canada. The director of development marketing is responsible for strategic planning in the area of marketing, identifying future potential markets with high potential.

The US market is responsible for over 90 per cent of all foreign visitors to Canada. Because of this, a director is assigned to coordinate activities relating to American visitors. Advertising is aimed at auto travelers within 400 miles (approx. 1035 kilometers) of Canada, bus travelers up to 600 miles (approx. 1553 kilometers) away and air travelers and convention groups at longer distances.

Overseas offices are maintained in seven countries. Advertising is aimed at the tourist and the travel trade, both wholesalers and tour operators.

Domestically, Tourism Canada seeks to encourage Canadians to vacation in their own country.

In the area of development, Tourism Canada is concerned with the overall tourism product. Whereas in marketing the concern is demand, in development the concern is supply. A number of agreements have been worked out on a 50/50 to a 90/10 cost-sharing basis between the central government and the provinces to encourage various tourism projects. These show promise of stimulating the economy and generating jobs. Efforts are also underway for the stimulation of development by the private sector in tourism.

The corporate affairs group is responsible for guiding the overall direction of Tourism Canada. This group advises senior management on the future direction of the program, what policy issues should be considered and how to respond to the various concerns of the industry. Members get involved in research, maintain an inventory of package tours to Canada and coordinate with tourism organizations in the provinces of Canada as well as with international tourism groups.

Mexico

The public sector is more involved in tourism in Mexico than in any of the other countries discussed thus far.

Since 1974, the principal national tourism organization of Mexico has been the Secretariat of Tourism, which is responsible for overall tourism policy and for the regulation of both prices and the quality of services of the various industries that are part of tourism. Planning and developmental assistance are given to the private and public sectors in addition to operating the Green Angel program. The Green Angels are tow trucks, painted green, that offer emergency help to stranded motorists.

There are two branches of the Secretariat of Tourism, one for planning and one for operations. The Sub-secretariat for Planning is primarily responsible for the development of a national tourism plan. Such plans consider, amongst other things, the role of tourism in the Mexican economy, the appropriate role of the public sector and the setting of objectives for tourism.

The Sub-secretariat for Operations regulates hotels, travel agencies, tourist guides, coffee shops and equipment-rental firms and also supervises tourist services and the Green Angels.

In 1961, a National Tourism Council was established to offer advice on tourism studies and promotion. Made up of five members appointed by the president of Mexico, the council has, since 1977, been responsible for overseas promotion. Only one of the members is from the private sector.

The National Fund for the Promotion of Tourism (FONATUR) provides funding for government-approved tourism projects. Members are involved in buying real estate, in developing new areas, in promotion and in giving credit to those involved in approved tourism projects.

The final agency of the organization is Nacional Hotelera (a government-owned hotel company) that receives its funding from FONATUR.

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As can be seen from this section, the degree of government involvement in tourism depends upon how tourism is recognized and organized at the national level.

State organizations

Structure

As at the national level, there are different forms of state involvement in tourism. Three types of organization are found:

- a public or quasi-public travel commission or bureau
- an independent or semi-independent travel or development bureau
- travel development within another department



Exhibit 35: Lanai City, Hawaii, where tourism is promoted through the Hawaii Visitors Bureau. (Courtesy Hawaii Visitors Bureau.)

Travel commission. Hawaii is an example of the first type of structure. The Hawaii Visitors Bureau is operated by a president who is responsible to a board of directors. Separate officers are concerned with conventions, special events and promotions, information services, sales and services, visitor satisfaction, research, and membership. The bureau also operates sales offices in major American metropolitan areas.

Independent bureau. The US state of Tennessee has a Department of Tourism Development with an independent cabinet-level status. This is an example of the second type of structure mentioned above. The commissioner of tourism development has access to the governor as a member of the governor's cabinet. This can ease problems of communication. It is also particularly useful at budget time as the commissioner can approach the legislature as a full department.

The three main functions of the department are travel promotion, information and media services, and support services. The travel promotion division has the responsibility to promote the tourist attractions of the state.

Programs are aimed at the tourist and the other industry-related organizations such as travel agents and tour brokers. The information and media services division has the responsibility of developing feature articles and new items for placement in magazines, newspapers and trade publications to promote the state as a tourist destination. The division works with Memphis State University to develop a research program for statistical data relative to the economic impact of tourism in Tennessee. The support services division has the responsibility for coordinating the effort to upgrade hotels and restaurants within the state. In addition, division staff members operate the welcome centers across the state.

Within another department. The third type of structure is represented by the US state of Montana. The travel promotion unit is part of the Department of Highways. Within travel promotion there are three functions: film location, tour and photo, and publicity. From the viewpoint of tourism, the concern in this type of structure is that tourism would be regarded as secondary to the major function of the department.

State functions

All 50 US states have some kind of official government agency responsible for tourism although, at various times in recent years, California and Maine have not had a state travel office.

The major activity of the states is in marketing. Most states use an advertising agency to handle their promotion. About 60 per cent offer a matching formula, usually on a 50/50 basis, to both private and public groups engaged in state-approved promotional campaigns. Most state advertising is done in newspapers and magazines. Radio is used by about 10 per cent of the states, television by even less. Most states exhibit in travel shows, while approximately one in four operates information centers outside the state. All states have their own themes, but less than one in six have different themes for separate segments of the market.

About 90 per cent of state travel offices help develop package tours to their respective states. Two-thirds operate familiarization tours for tour operators and travel agents while about three-fourths of the states conduct press or travel-writer tours.

Over half the states assign a staff member, usually on a part-time basis, to travel research. In approximately 40 per cent of the states, research is done by university faculty members; in about one-quarter of the states this function is handled by employees of other government agencies. About 30 per cent of the states hire private research organizations to conduct research on a continuous basis.

States that have the most active travel and tourism programs possess the following characteristics:

- They have the personal interest and active support of either the governor or lieutenant governor and the legislature.
- A committee of the legislature deals specifically with travel and tourism.
- A program of research and evaluation is carried out to indicate the effectiveness of the marketing effort and the impact of tourism on the state.
- The economic development aspects of tourism are emphasized.
- Active advisory councils or commissioners are present, and liaison between the private and the public sector is strong.
- State travel/tourism plans are part of the planning/budgeting process.

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- Spending of promotional dollars has shifted from promoting the natural resources to promoting urban, convention, and commercial attractions.¹²



Exhibit 36: Spouting Horn, Kauai. (Courtesy Hawaii Visitors Bureau; William Waterfall, photographer.)

Finally, the organization of tourism at the local level will be dealt with in the chapters dealing with the development and management of tourism.

Private business firms and organizations

In most countries the private sector plays an important role in the development, marketing, and management of tourism.

The primary industries involved in tourism are the transportation companies: air, bus, rail, automobile and cruise lines; the lodging industry; the food service industry; attractions, shopping, tour wholesalers and travel agents. The role of the various transportation industries has been covered in the chapter “how do tourists travel?”. Lodging, food service, shopping and attractions will be dealt with in the chapter “the management of tourism”. The importance of tour wholesalers and retail travel agents is covered in the chapters “travel distribution systems” and “the future of tourism”, respectively.

Study questions

- What were the four major provisions of the Bermuda Agreement?
- What are the principal functions of:
 - World Tourism Organization?
 - International Airlines Travel Agent Network?
 - International Civil Aviation Organization?
- National tourism organizations (NTOs) tend to take one of three forms. What are they?

¹² Robert Christie Mill and Alastair M. Morrison, *The Tourism System: An Introductory Text* (Englewood Cliffs, N.J.: Prentice-Hall, 1985), pp. 260-261.

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- What are the major functions of a national tourism organization?
- What five factors must be present for a national tourism organization to function effectively?
- What are the major functions of the United States Travel and Tourism Administration?
- What are the three common forms of state involvement in tourism? Give an example of each.
- List the characteristics of states with the most active travel and tourism programs.

Discussion questions

- What kinds of agreements between countries are needed to ensure the rights of international travelers?
- What accounts for the different ways in which a national tourism organization is organized?
- Compare the development of tourism administration at the national level in the United States, Canada, and Mexico.
- What are the major functions of state tourism offices in the United States?