PUBLIC-PRIVATE INTERFACE

The purpose of my remarks today is to examine some of the foundations of public and private policy in tourism and recreation.

It is timely because of increased interest in establishing new or modifying present policy, particularly at the federal level. For example, there has been mounting interest in establishing national tourism policy, first through the work of the National Tourism Resources Review Commission and more recently through a Senate Committee on Commerce. And, since the first of the year, I have been involved in a task force study, sponsored by the Bureau of Outdoor Recreation, directed toward modifying federal policy toward the private sector.

I shall address my remarks to three areas of interest concerning the public-private interface.

First, I find it helpful to review who's involved in the private and public sectors and how their backgrounds influence today's policies.

Second, I want to present 13 statements of interface, not only between the public and private sectors but between some important ideologies that we seem to cling to.

Then, some conclusions, including several obstacles that need to be overcome.

Generally, when we speak of the PRIVATE SECTOR we think only of profitmaking enterprise, such as hotels and airlines.

However, if one speaks of the private sector in only a profitmaking context, he is only partially correct. In fact, we might identify as many as
six different categories of objectives for the private sector:

1. Major profitmaking—ex. commercial attractions, transportation companies, advertising agencies, guidebook companies, automobile and other product manufacturers and retailers.

2. Supportive or partial profitmaking—part-time vacation resorts, motels; seasonal lodging, food service, recreation services.

3. Social welfare—ex. organization camps

4. Preservation, protection—ex. historic sites, buildings, pageants, events

5. Personal—ex. private vacation homes

6. Business protection, promotion—ex. trade associations

So, when we speak of the private sector and its policies, we must recognize these several levels of objectives and policies, ranging from profit-making to nonprofit.

Generally, in spite of this diversity, the private sector does adhere to some consistent principles:

1. The freedom to organize, to acquire property and to develop it and manage it for stated objectives.

2. As much freedom from restraint and control as possible.

3. An acceptance of risk-taking for the opportunity of financial and personal rewards—or failure.

4. The acceptance of competition on the basis of "may the best product or service win"—that is a principle of the private sector.

5. The provision of a product or service in order to meet either profitmaking or nonprofit objectives.

6. The acceptance of social responsibility through setting aside funds for capital replacement and provision for pensions and other
fringe benefits.

The private sector is huge and important in this country.

It was the first to develop facilities, services and products for tourism and recreation.

The trolley car amusement parks, the early tourist courts, the mom-pop resorts and the privately built spas were extremely important in establishing the private sector as a major producer of recreation and tourism in this country. The private sector continues to provide a major role.

But, at the same time, the PUBLIC SECTOR has become increasingly powerful and influential. Without moralizing on whether it is good or bad, we must agree that today, government has taken on two very important roles in recreation and tourism.

The first is that of REGULATOR. For many people, this is the only legitimate role of government. When things get out of hand if left to individuals and businesses, the government steps in to provide a broader social welfare control—to see that the welfare of the general public is protected. As a regulator, much legislation and many agencies at all levels of government now control aspects of land development, planning and management for tourism and recreation.

Of increasing concern to the private sector—especially that of commercial operation—is the second role of government: a COMPETITIVE DEVELOPER. As a competitor, government owns vast amounts of facilities, provides many services, sells products and directs programs for the traveling and recreating public. Over 85% of all outdoor recreational land is owned and managed by the federal government. How did this happen?
As I see it, government, at least here in the United States, generally entered the land development and program fields of tourism and recreation through three separate doors.

First, over history, the several constituencies have increasingly given support to public funding for parks, reserves and recreation lands. This was (and is) based upon the principle that establishing these lands and programs is in the interest of the public at large. For example, the largest developer of camp and park sites in the country is the Corps of Engineers with 3,080 sites and nearly 750 million visits a year. TVA now owns 600,000 acres of recreational waters and 11,000 miles of shoreline with 108 state, county and municipal parks, 2 national wildlife refuges, 22 state game and fish wildlife management areas. The Bureau of Indian Affairs supports motels, attractions and souvenir businesses. The Bureau of Land Management, originally created to get rid of the public domain, now caters to 91 million recreational visits a year.

The second door through which government became a competitor was that of advertising and promotion. While other industries generally rely on private funding, the economic and therefore social value of tourism to communities and states has legitimized public funding of advertising in nearly all states and at the federal level.

And, third, the courts and custom have traditionally supported the government's role in the development of highways and airports, very important elements of tourism and recreation development.

On the surface, these regulating and developing roles seem to be in the American tradition as perfectly legitimate for government. After all, if the legislation was developed by our governmental representatives it must
be indicative of the will of the people. But, is this necessarily true? The hearings of the recent survey by the Senate Committee on tourism policy showed both criticism and support for greater government involvement at the federal level.

The following six areas of need for improved policy were identified:

1. to increase the federal commitment to tourism;
2. to refocus the objectives of federal agencies because they often deal poorly with tourism;
3. to eliminate or revise policies that have negative impact upon tourism;
4. to simplify bureaucratic procedures;
5. to improve coordination both within government and with the private sector;
6. to improve channels of communication.

In these I sense a desire to both enlarge and at the same time to restrict the role of the federal government.

And now, in the realm of outdoor recreation, the Bureau of Outdoor Recreation is concerned over the need for improved federal involvement with the private sector, as evidenced by our national task force for the next outdoor recreation plan.

It seems to me that as we attempt to reshape the roles of the public and private sectors we are heavily influenced in our thinking by several philosophies and public attitudes as well as facts and logic. Logically, we may think that regulation, not competition, should be the only role of government. However, because of the background I have just outlined, we now have governments functioning in both ways. Much of this has stemmed from three ideologies which have become very strong in this country.

These are: CONSERVATION, RECREATION AND TOURISM. Notice I refer to these
as ideologies—movements, even sometimes religions.

In spite of the positive values of these movements, I find many fallacies and half-truths in our discussions of them. Therefore, we tend to add to, rather than clarify, the confusion over public and private roles. The following 13 statements have been prepared to identify some of the relationships between these ideologies and their influence on public and private roles.

Let's look at CONSERVATION for a moment—

1. CONSERVATION IDEOLOGIES CREATE DEMAND FOR USE.

   It is paradoxical that as a public agency sets aside land for conservation purposes, recreational use is induced. We have done such a good job of educating the public on the personal values that can be obtained with contact with the out-of-doors that visitor use is stimulated from the very beginning of the establishment of conservation lands. As the ideology of conservation is translated into land holdings, an agency must be prepared to receive many visitors.

2. CONSERVATION AREAS INDUCE TOURIST DEVELOPMENT.

   Not only do conservation areas induce visits; they stimulate tourism development. As the public visits conservation areas it demands a full array of services, such as hotels, food services and often to the dismay of the public area manager, a great many souvenirs and gifts as well as entertainment. No matter whether the conservation area manager wants to provide these on his land, they are in demand and, if the free market situation is allowed to operate, they will be provided.

3. CONSERVATION AREAS DEMAND MANAGEMENT.
Some proponents of conservation areas believe that identification by a public agency is all that is needed. Conservation also demands policy formulation, budgets, facilities and managerial practices to foster that conservation. For example, the National Park Service now faces a dilemma as it attempts to shift its forest policy from one of fire protection to letting nature take its course. The threat of forest fires around camp sites and roads has forced a softening of this policy change. Conservation areas cannot be left to the vagaries of nature.

4. CONSERVATION DEVELOPMENT IS BOTH PUBLIC AND PRIVATE.

While governments have accepted a heavy role in establishing conservation areas, the non-profit groups are very important. Historical conservation is carried out primarily by non-profit organizations. Youth camps provide strong conservation programs throughout the country. Many resorts, such as Sea Pines in South Carolina, are increasing their protection of conservation areas within their private complexes. Many park areas were possible because former private land owners practiced resource conservation.

5. RECREATION IDEOLOGIES ARE EXPRESSED AS ACTIVITIES.

The sociology and psychology of recreation and leisure suggest that recreation is a state of mind, not necessarily associated with activities or places. However, land development and management for recreation does depend upon the provision of opportunity for participation in leisure activities. It is through activities that the values of recreation are obtained. But, some public agencies are very narrow in the activities they will allow.

6. RECREATION REQUIRES PHYSICAL DEVELOPMENT OF LAND.

There prevails an attitude that if an agency purchases waterfront
Land or mountains or scenic areas, it has fulfilled its public function. So, when the public trampling of fragile forests and soils causes erosion, it is easy to damn the public and cry "overuse". For several years, public agencies have been sidestepping the real issue of developing the land so that it can withstand visits by people. Instead of turning to rationing—a totally unacceptable solution because of both social and political implications—design and development must provide the facilities needed.

7. Recreation controls are many.

Even though the recreation ideology emulates the free spirit of man, society often exercises considerable censorship over recreation activities. Society is in constant flux regarding its rules and what was once deviant behavior may now be acceptable. Some recreation leaders attempt to modify behavior while others take society as it comes. Recreation in all forms, therefore, is not a universally acceptable ideology—controls vary.

8. Recreation involves both public and private sectors.

Some agencies and some educational institutions promote the belief that only public agencies have a legitimate role in recreation. Others contend that it is the sole responsibility of commercial enterprise. In actual practice, neither has exclusive development responsibility. And, in many instances, their objectives and practices are quite similar. Many commercial establishments are as interested in quality recreational experiences as are the government park and recreation agencies. Many public agencies are entering the marketing and revenue-producing arena in the pro-
12. TOURISM INVOLVES BOTH PUBLIC AND PRIVATE SECTORS.

Generally, tourism interests emphasize only the "industry" aspect of tourism. Equally significant is the public sector. Most of transportation is publicly supported--highways, airports, directional signage, ferries, mail subsidies. Many of the attractions are governmental--parks, forests, preserves, lakes, streams, mountains, beaches. Much promotional funding comes from public sources. Many facilities and services are provided by governments. The non-profit organizations are equally significant.

13. A FUNCTIONAL TOURISM-RECREATION SYSTEM PREVAILS.

No one segment of tourism and recreation is dominant. Without populations interested and able to travel and recreate, there would be no need for the services and facilities. Likewise, the attractions and transportation systems that provide travel and travel objectives are equally important. Travel and guidance information provides important linkage with all other components. Both private and public sectors are very much involved in all components in providing a very dynamic functional tourism system.

Personally, I believe that we can document support for every one of these statements.

My main conclusion from these statements is that there is an obvious need for greater collaboration and cooperation between and among the many segments of tourism and recreation--both public and private.

I see the private sector as missing many opportunities of bettering its position and bettering its service to tourists and recreationists
because it does not take advantage of the statements I just presented.

I also see the public sector as blind to opportunities for improving its own service by both sharpening its own focus and stimulating the private sector to take over more of the responsibility.

But, there appear to be several obstacles to the collaboration and cooperation that could meet these goals.

FIRST, there is a semantic obstacle. Common word usage fails to provide the definitive jargon needed for precise communication.

So, park planners and administrators do not see their visitors as tourists. Therefore, they see no relevance to tourism development programs. Tourism interests generally take a business or industry approach and exclude in their thinking the recreation users, the non-profit recreation organizations and public agency providers of recreational opportunity.

SECOND, the attitudinal obstacles are great.

These continue to be perpetuated by not only conventional wisdom within organizations and agencies but even by educational institutions.

Those who support ideologies of conservation and resource protection are generally pro-government and therefore anti-business.

Those who subscribe to recreation, especially by public agencies, believe in moral sanctions and disapprove many recreation activities offered by the private sector.

Those who aspire to the economic values of tourism look toward governments as over-restrictive regulators and sometimes subversive competitors.
THIRD, institutional allegiances foster isolation barriers.

Each private organization and public agency has its own special elements that demand protection.

Therefore, any collaboration with others is seen as an erosion of this boundary maintenance.

Furthermore, among federal agencies administering lands, not one has recreation or tourism as its main priority function--therefore these functions are very vulnerable.

FOURTH, a continuing barrier between the public and private sector is that of property rights.

The threat of government control and condemnation is ever present in mental attitude, even though not always in fact.

New park and recreation acquisition and expansion of existing parks continue to become embroiled in controversy over land rights.

Few obstacles are more critical in keeping the public sector apart from the private.

FIFTH, and finally, it appears that a major stumbling-block between the private and the public sector is the general lack of understanding of the strong interdependencies between all segments--public and private.

In spite of conflict and divisiveness between all the elements, both public and private, they are, in fact, tightly interrelated in a dynamic and functional system. But, this functional system has not yet been recognized in either policy or practice.

The highways, parks, recreation areas, cities, motels, souvenir shops, marinas, nature walks, interpretive tours, historic sites, organization camps, theme parks, national parks, government forests--all are elements of the same overall functional system.
The social and personal values of recreation and travel are as much of the contemporary human ecosystem as are the economic productivity values of other resource use. Perhaps this chapter of the Travel Research Association can stimulate better public-private interface in tourism and recreation.