A REVIEW OF THE EFFECTIVE PUBLIC POLICIES FOR EGYPTIAN TOURISM GROWTH

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Abstract

Egypt has been one of the most important tourist destinations worldwide. It is widely known because of its diverse tourism product. Tourism in Egypt is one of the main pillars of the economy. It is a main source of national income and foreign currency, as well as a major source of employment opportunities. In fact, Egyptian tourism is suffering since 25th of January Revolution, the revolution was followed by demonstrations and security disorders leading to a deterioration in the Egyptian economy. A key challenge facing the Egyptian government, therefore, is to understand how to strengthen the position of Egyptian tourism conditions in response to current global economic challenges and remain competitive with emerging destinations, within a sustainable development context. Generally, governments need to provide and promote a supportive physical, regulatory and social environment. The main objective of this research is to explore and analyze the impact of current public policies adopted by the Egyptian government officials and its economic impact Egyptian tourism industry. It also aims to investigate to what extent these policies can be implemented to develop tourism industry in Egypt.

Keywords: Egypt, Tourism, Public Policy, Policy Formulation and Policy Implementation

Introduction

Tourism in Egypt is one of the main pillars of the economy. It is a main source of national income and foreign currency, as well as a major source of employment opportunities. In fact, Egyptian tourism is suffering since 25th of January 2011 Revolution, the revolution was followed by demonstrations and security disorders leading to a deterioration in the Egyptian economy. During the years before the revolution, Egypt’s economic development was showing structural improvements despite a brief slowdown after the global financial and economic crisis in 2008. The government continued to pursue economic reforms begun in 2004. However, a majority of Egyptians have not benefit from economic reform efforts, as the strategy was a project developed within government circles and with the cooperation of a few major players in the private sector. After the revolution, the political instability of the transitional process from 2011 until 2014 has severely undermined an economy already approaching collapse. The economic indicators have dramatically collapsed. The GDP (Gross Domestic Product) growth rate has fallen from 5.1% in 2010 to 1.8% in 2011 and 2.1% in 2012, while the inflation rate has increased from 10.4% in 2011 to 13.4% in 2014 and finally the unemployment rate which increased from 9% to 13.2% (WTTC, 2017). Finding a solution that reconciles the expectations of the revolutionary movement with contemporary political and economic realities was the key challenge for Egypt’s political leadership in the future.

As a matter of fact, Egyptian tourism was not isolated from these turbulences influencing every sector of the economy. Egypt tourism sector peaked at 13.8 million visitors in the fiscal year (FY) ending June 2010, before the 2011 uprising (See Figure 1). The low point was in FY 2013–14, when fewer than 8 million tourists visited Egypt and revenues were half pre-uprising levels. The 2014–15 fiscal year saw a rebound to 11.6 million tourists, indicating the tourism sector was on track for a significant recovery (OECD, 2016). Indeed, the political upheaval, Russian airplane crash and fears over security at touristic places have devastated the country’s tourism industry. This has been reflected on the level of unemployment and foreign currency reserves. In Egypt, one in eight workers is directly or indirectly engaged in tourism, generating 11% of the GDP. The unemployment has reached 13% in 2016, the loss of tourism jobs has imposed a heavy burden on the Egyptian government, which is taking serious actions to combat unemployment. In addition to the remittances, foreign direct investment, exports, and Suez Canal receipts, tourism is
one of Egypt’s largest sources of foreign currency. The Egyptian Central Bank is struggling to maintain Egypt’s ability to import strategic goods while protecting Egyptian pound and guarding against inflation, steady flow of foreign currency is needed.

A key challenge facing the Egyptian government, therefore, is to understand how to strengthen the position of Egyptian tourism conditions in response to current global economic challenges and remain competitive with emerging destinations, within a sustainable development context. In fact, due to the fragmented natures of the tourism activities, in order to thrive, it must be planned, developed and managed in a sustainable manner. Generally, governments need to provide and promote a supportive physical, regulatory and social environment. The Egyptian government in particular need to create the most appropriate incentives for private sector investments, develop a good network of infrastructure, facilitate the administrative procedures for travelling and adapt the required policies for growth. For several years, tourism has suffered from lack of coordination between different parties directly or indirectly related to the industry. This was also reflected in lack of coordination between various governmental bodies. Thus, leading to a long span of conflicting policy decisions. Finally, it is important to state that tourism is seen be the Egyptian government as a national priority involving all area of the public policy.

The main objective of this research is to explore and analyze the impact of current public policies adopted by the Egyptian government officials and its economic impact Egyptian tourism industry. It also aims to investigate to what extent these policies can be implemented to develop tourism industry in Egypt. The research problem is; what are the policies in existence in tourism sector, and to what extent these policies can be enforced in Egypt economy to improve tourism sector returns.

**Literature Review:**

**An Overview of Tourism Public Policy**

Governments are the key actors of tourism in worldwide, and they often use tourism as a tool for gaining economic and political power, and creating a positive image of their country. Additionally, governments are increasingly recognizing tourism as a resilient activity with the capacity to stimulate economies and help achieve many national economic objectives (OECD, 2016). Due to the fact that tourism involves steady movement of people between countries, it is considered to be one of the major global political activities. However, governments might act as a salient fact in tourism nowadays. Although there are occasions when they appear unsupportive; unimaginative; uncooperative; discouraging; or preoccupied with other strategic sectors, the industry could not survive justifiably without them (Kerr, 2003). It is important to mention that, tourism is an economic activity that needs regulations to adjust all forms of such activities (Hall and Jenkins, 2004). Tourism allover the world, mostly relies on government
Policy is defined as a position, strategy, action or product adopted by government and arising from contests between different ideas, values and interests (Lawrence and Dredge, 2007). Nevertheless, Hall and Jenkins (1995) view tourism policies as more than what governments do. They emphasize that policy-making is a political activity, which is influenced by the economic and social characteristics of society, as well as by the formal structures of government and other features of the political system. In the tourism context, besides being a declaration of intent policy provides guidelines for tourism development actions. An overview of national tourism policies indicates that often they encompass objectives such as socio-economic development, employment creation and development of peripheral areas, and are increasingly directed towards achieving sustainable tourism development in the long term (Scott, 2011).

Furthermore, tourism policy is a public policy. This means that it is generally formulated by the public sector. The public sector in this case includes the central government, local authorities as well as, public business (i.e. government productive sector). Additionally, public policy is made within political and public institutions which structure and constrain its nature and dimensions. Dredge and Jenkins (2007) highlight the complex characteristics of policy making, drawing attention to the environment, which is characterized by organizational fragmentation, with policies being framed simultaneously within different areas. Government is the principal actor in tourism policy making process (Bramwell, 2011) and has always adopted an interventionist approach in tourism development than in other sectors (Ruhanen, 2013). Government controls the industry through formal ministries, other institutions, legislations, and various programs and funding initiatives (Elliot, 1997), and intervenes in tourism for environmental, political, and economic reasons (Nyaupane and Timothy, 2010). According to Hall (2005), government has seven functions in tourism development: coordination, planning, legislation and regulation, entrepreneurship, stimulation, social tourism, and public interest protection roles.

Furthermore, the policies need to be drafted in a simple manner that is easy to understand and interpret (OECD, 2003). In fact, policies are long-term guidelines (i.e. guidelines lasting for decades), and therefore, they should be easy to interpret by any individuals who should be involved in the implementation process. In the process of formulating tourism policies, it is an important to set realistic and attainable policies easily implemented. Sometimes, not all formulated policies can be implemented and this is due to various factors (Shoraiki, 2002). These factors include among others; unclear of goals proposed in the formulation stage, lack of corporation among stakeholders, lack of adequate information on the goals to be met, as well as, the means of achieving these goals, and lack of commitment from some stakeholders. Finally, there are other factors that might affect policy implementation are misappropriation of resources, and lack of transparency in decision-making (Yuksel and Yuksel, 2000). Setting priorities that are inconsistent with the intended development, also leads to poor implementation of policies. Finally, policy formulation sets up the framework of tourism development and gives detail of the specific activities to be conducted within the scope of the stated policy.

To achieve the tourism public policy goals, all relevant sectors or stakeholders in tourism need to be involved in the process of implementation of the policies. All stakeholders must be involved. The stakeholders in tourism industry are diversified from different sectors of the economy. They are government officials, private sector principals, non governmental organizations and finally the local community itself. In the implementation process, they should focus on several factors. First, policies formulated by the government should be matching or fulfilling the needs of the local community needs. Many policies face obstacles during implementation stage because most of the programs developed by centralized administration of the national government do not consider the goals, and skills and knowledge of the local tourism stakeholders both in private and in public (Shoraiki, 2002). Second, the policy implementation should ensure clarity in roles of different stakeholders involved in the process. Thus, ensuring proper management of the interaction between different stakeholders involved in the implementation stage. Additionally, local government bodies need to be given the authority to deal with the local tourism development factors. Failure to involve local administration would lead to lack of commitment by the lower actors in the policy process, which would consequently lead to failure. Finally, there is a need to have proper coordination and
interaction between all members taking part in the implementation process (Yuksel and Yuksel, 2000)

Moreover, public policies help make decisions, allocate resources and solve problems in the country. Such policies are formalized by the development of plans, programs and agreements. In fact, tourism, public policies boost the growth of national income, generate employment, increase foreign exchange, help ease the flow of tourists to different areas, provide more tourist destinations (Velasco, 2005). This results in improving the quality of goods and services offered by the destination (Monfort, 2000). Public policies on tourism are responsible for planning, development and promotion, while tourism marketing is responsible for attracting tourists to a destination, develop goods and services to meet their needs and also is responsible for promoting the resources of a destination (Kotler, et. al 2008).

As a matter of fact, tourism public policy development is an increasingly complex process, with longer time-scales and a wider scope. Developing the necessary tourism and related infrastructure to meet expected future demand requires an integrated long-term approach across departments and levels of government, with input and support from industry. Indeed, a tourism public policy consists of a series of methods set in place to guide decisions pertaining to tourism. Tourism policies are essential in every country for implementation of planned activities in order to achieve the set objectives and goal. Without tourism policies, there is no distinct direction (Ismat and Abuhjeele, 2016). Worldwide, the main government role in directing tourism policy is to ensure that tourism can be a vehicle for transformation of the economy and society.

Tourism Public Policy in Egypt

Egypt, as many other countries, represents an example where the role of the government has been shaped by a belief in the guardian or nation state ideal (Salem 1997). In the past, the Egyptian government role in tourism can be considered an interventionist state. The Interventionist State is usually perceived as an autonomous actor-unique and relatively independent in its own sphere of activity. This perception sees the policy outputs of this autonomous state to be better conceptualized because of the state’s fairly unique interests and the fact that its organizational and administrative norms and procedures are generally independent of social force. In fact, the Egyptian government nowadays is taking steady actions to increase the level of private sector and local community involvement in the tourism industry. However, Egyptians are still regarding the government as the only source of power and services provision.

In Egypt, the Ministry of Tourism is responsible for tourism policy and for establishing a coherent legal and regulatory framework for tourism development. Both the Egyptian Tourism Authority and the Tourism Development Authority fall under the jurisdiction of the Ministry. The Tourism Development Authority works primarily on setting and implementing regulations for tourism projects and investments, by assisting with the provision of land and facilitating access to loans for developing infrastructure projects. The Egyptian Tourism Authority is responsible for promoting inbound and domestic tourism. It manages the development and diversification of the tourism product, both regionally and internationally. The Egyptian Tourism Federation is composed of five tourism industry business associations: The Egyptian Hotels Association, the Travel Agents’ Association, the Chamber of Tourist Establishments, the Egyptian Chamber of Tourist Commodities and the Egyptian Chamber of Diving and Water sports. It works closely with the Ministry of Tourism in areas related to tourism planning, and for managing the Tourism Workforce Skills Development Project (See Figure 2). By law, the Egyptian Tourism Federation’s views are considered before any new legislative measures (OECD, 2016).
Moreover, the Egyptian Ministry recognizes the need for an effective institutional framework to support horizontal co-ordination with other ministries and institutions for tourism policy development. In order to achieve this, there is a need to improve management structures and enhance co-operation between public agencies, the private sector and civil society at different levels; decentralize responsibility for tourism to improve relations between the government and private sectors; clearly identify the role of the government and investment sectors; sustain private sector participation, represented by Egyptian Tourism Federation and its five chambers, and strengthen relations between the Ministry and other tourism clusters; and provide regular, accurate and transparent data (OECD, 2016).

Tourism in Egypt, mostly relies on government policies to operate. In the past, funding was a government responsibility especially in infrastructure, and the private sector financing other activities such as accommodation, transport and leisure facilities. As such, most barriers to policy implementation arise out of government influence. However, nowadays the Egyptian government is encouraging the private sector financing of some infrastructure projects like power stations, airports, ports and others. This is implemented through Public-Private Partnership (PPP) approaches. Additionally, politicians focus more on short-term economic objectives that prioritize economic factors.
such as job creation, foreign currency earnings, and development that come up with immediate or short-term results, as opposed to those policies that take longer time to achieve such a tourism policy (Personal et al, 2012). Indeed, tourism sustainability policies often require more than ten years to be realized whereas, political sequence, flexible policies should be designed to cope with this speedy progress on all spheres of influence in tourism (Esenyel et al, 2003). This might not be attractive to the private sector to participate in it due to postponed gains.

In 2012 the Ministry of Tourism asked the Egyptian National Competitiveness Council (ENCC) to revise and enhance its tourism strategy for doubling tourism, from its former peak in 2010, to the point of generating 20 million visitors by the year 2020. The two main goals of this policy was to develop the overall tourism economy and to distribute tourism income and benefits through employment creation and enterprise opportunity as well as employment in food production, transport, host services, retail sales, and individual crafts, thereby creating social benefits penetrating all levels of Egyptian communities. Even though tourism is an ideal economic stimulant for Egypt, the evidence for its benefits will have to be advocated to the local community to refresh their awareness. Indeed, the main aim of this initiative was to provide the Egyptian governments with the guidelines necessary for tourism policy formulation (ENCC, 2013).

According to the ENCC report, refreshing Egypt’s tourism policies depends on adopting Best Practices, and on establishing strong competencies and capabilities in tourism product development, visitor experience, HR development, quality service delivery and marketing. The report points out that there are six main actions required to achieve tourism growth. The six actions must be taken and progress simultaneously. Gaps in the progression of these six actions will mean lost tourism dollars (ENCC, 2013):

- Achieving stability in Egypt’s political situation.
- Taking immediate steps to become globally competitive. These steps relate to air access, ease of gaining tourist visas, visitor experience and value.
- Implementing the new multi-destination strategy in line with the product- and experience- diversification objectives
- Improving the effectiveness of tourism organization, the institutional framework and the legal and regulatory environment.
- Creating the means and desire for both Public and Private Sectors to work in a result-driven partnership to achieve agreed-upon results and objectives across tourism, as a whole
- Ensuring that tourism benefits contribute to social equity and inclusiveness.

Moreover, tourism has a negative impact, especially on local community. This is because of local community’s resentment to accept tourism development. This means that governments’ roles in the sector have extended beyond economic considerations to address the environmental and social consequences of development. The diffusion of the sustainable development concept in the 1980s has also led governments to assume greater roles and responsibilities in tourism planning (Ruhanen, 2013). Governments now usually attempt to secure a balance between economic priorities, the environment, and the local community in order to gain political support for tourism development (Bramwell, 2011). Political economy suggests that a politically stable relationship between the government and the local community is important to maintain political legitimacy and effective authority (Purcell, Nevins, 2005). In general, political economy suggests that a key role for the government is intervention to encourage the conditions for capital accumulation and economic expansion (Bevir, 2009). In the context of Egyptian tourism, government often gives priority to economic growth over environmental and social concerns (Wang and Bramwell, 2012).

As a matter of fact, Egypt faces a number of challenges within the tourism sector, including: suboptimal infrastructure, with restrictions on charter airlines at Cairo airports, overcrowded roads in Cairo and Alexandria and outdated railways; quality of service and workforce qualification gaps and the need for on the job training and basic technology skills as well as a lack of certified instructors and guides; a complex legislative and licensing framework,
with a cumbersome project licensing process and a multiplicity of laws governing tourism investment and duplication in organizational responsibilities; safety and security and the need for enhanced marketing and promotion to deal with political and stability perceptions; environmental sustainability; and entry regulations and connectivity to Egypt (OECD, 2016). Finally, all these are problems that need to be addressed and resolved by all the tourism stakeholders involved in the industry.

Research Methodology

The main objective of this research is to explore and analyze the impact of current public policies adopted by the Egyptian government officials and its economic impact Egyptian tourism industry. It also aims to investigate to what extent these policies can be implemented to develop tourism industry in Egypt. The research problem is; what are the policies in existence in tourism sector, and to what extent these policies can be enforced in Egypt economy to improve tourism sector returns. In this research, the factors that are behind the tourism policies effectiveness are the independent variable; the potential implementation of tourism policies consider as the dependent one in this research. Here are the research hypotheses:

H0: There is no relationship between the factors that influence tourism policies formulated by different Egyptian governments and the potential implementation of these policies.

H1: There is a significant relationship between the factors that affect tourism policies formulation and the potential implementation of these policies.

In order to test these hypotheses, the research was conducted through a combination of quantitative methods (statistical techniques) and qualitative methods (interviews, discussion and written documents). Bibliographic speculative was used in the phase of defining the theoretical framework, and descriptive method for data processing and results interpretation. The collection of the data and information were extracted from the views and opinion of different classes of respondents, two different sets of questionnaire were prepared. The two sets are structured and semi-structured questionnaires. Additionally, the methodology involved the reading of official government documents available to the public. In fact, the subject of interest includes the incentives provided by the Egyptian for the economic development of tourism and tourism policy. All supporting documentation were taken from state institutions. Additionally, previous literature on the research topic was examined thoroughly.

Indeed, the research used quantitative methods due to its effectiveness in collecting data, and to get a wide variety of information. The data collected using structured questionnaire comprising of 20 questions to measure out both variables, independent and dependent. The questionnaire consists of three parts: the first part is concerned with the demographic profile of the respondents, including their gender, age, education, experience and occupation. The second part contains the four factors influencing the tourism policies formulation process. The last part contains the eight questions to measure out the potential implementation of these policies. Both, second and the third parts, were designed and derived from the literature review. The study used a 5-point Likert scale. The study population is stakeholder involved in tourism sector in both sectors; private and public, including the directors of tourism associations, directors and owners of travel agents, restaurants and hotels. The questionnaires were distributed by email. 500 questionnaires were sent to them. Egypt during the period from 1/1/2018 to 30/5/2018. The emails were collected from the organizations database. By handling the questionnaire in this way, time was saved, and the response rate is accepted. Respondents informed about the study through a briefing overview of the procedure and ethical issues. The purpose of the study and, specifically, the questionnaire was explained, and confidentiality and anonymity assured either. The participants completed the questionnaire independently, without any assistance from the researcher.

Moreover, the semi-structured questionnaire was designed to discover the opinion and different view of experts who are in the field of tourism. Experts are like travel agent, hotel manager, professor, senior officer in tourism governmental bodies. However, the objective of the semi-structured questionnaire was to examine the future
of how tourism policy industry could be developed and sustained in the country. 20 tourism experts who were in the field for years were also interviewed. But due to time factors and unavailability of the interviewees, the interview questions were sent out through the email and 20 responses were received. The interview questions were brief, detailed, and self-explanatory. 6 questions were asked in average, the questions were able to generate opinions and the views of the experts on the research subject. However, the responses were generated from different tourism sector principals.

**Result and Discussion**

**Structured Questionnaire**

A total sample of 387 participants responded out of 500. The results were analyzed using SPSS 19. 59.2% of the participants were males. This was a relatively balanced participation to give the data a significant representation. The participating respondents were divided into three groups based on their ages. Based on the productivity of each group and the response, the groups were for respondents under the age of 30, those between 31 and 50 then those above 50. The results indicate a significant dominance of the middle age group of 31 to 50 years who form the most active part of the population. From the 387, 26% were under 30 years whereas 57% were between 31 to 50 years. The remaining 17% were above 50 years of age.

The education level of the respondents showed that most of the participants were bachelor’s degree holders and postgraduate. It is significant because the demanding tasks of tourism industry need high level of academic competence in critical decision making. The respondents whereas Bachelor’s and post graduate constituted 72 and 28 respectively. Additionally, the years of experience were considered in order to estimate the accuracy of the data collected in relation to the different seasons and exposure of the participants. Based on work experience, those with more than 31 years of experience were 22% of the total respondents, while those with experience of between 11 to 20 years of experience and those with between 21 to 39 years were 36% and 31% respectively. The remaining 11% constituted of participants with less than 10 years of experience in service in the tourism industry. Based on sector of occupation, private sector was found dominating the industry with 74.1% coming from the private sector, while the remaining 25.9% are coming from the public sector. It is statistically relevant compared to the tourism industry in worldwide. Finally, the job description of respondents was representing the market dominance of the respondents. On the study population, dominating were employees at a percentage of 68.3%, while managers constituted 31.7%.

The Cronbach’s alpha value of 0.851, which is an indication of relatively high internal consistency of the variables analyzed. Noting that in most social sciences a Cronbach’s alpha of 0.8 is acceptable, the data is therefore, statistically reliable with all the values fall in a confidence interval of 0.05 giving 95% confidence interval. The results are statistically reliable thus suitable for the hypothesis testing of the study data.

From the respondents’ feedback concerning the clarity and the transparency of tourism policies drafted had a clarity factor of a mean of 2.89 statistically significant for implementation. The standard deviation of 0.59 calls for further attention from the policy makers an all inclusion procedure in drafting of such policies. Indeed, the clarity and transparency are difficult to determine, because they are perceived differently by respondents. There is always varying perception. Additionally, the questions concerning tourism policies implementation, they pose a challenge to the players in the industry, the implementation of these policies seemed to be widely accepted by most of the respondents with mean 4.50 and standard deviation of 0.62. this is due to the fact that most respondents see that policy implementation is the miracle solution for tourism recovery and development. Finally, when comparing the above results, the difference was statistically significant in appreciating the importance of the policies in steering the tourism industry.

Moreover, the questions concerned with tourism policies formulation, the factor has a mean of 3.19 and standard deviation of 0.64. However, it indicates that 72.8% of respondents were satisfied regarding the tourism formulation and they have positive perception of them. Additionally, the findings support that all stakeholders in Egypt related to tourism business are engaged in tourism policies formulation. Indeed, the stakeholders vary among ministry of tourism, tourism planning department, local communities, as well as, private sector players including
owners and managers of all tourism facilities such as restaurants, hotels, and transportation companies must be involved in tourism policies formulation worldwide not only in Egypt. Accordingly, it is obvious that the key success in the formulation of updated tourism policies is the involvement of all stakeholders, organizations, local communities, and all other players related to the tourism development process.

For the questions concerned with the ability of tourism policies to enhance economy, the factor has a mean of 3.37 and standard deviation of 0.71. It is clear that Egyptian tourism policies are able to enhance the national economy. The Egyptian government recognizes the importance of finding new tools aiding the successful implementation of national tourism policy and development plans since the implementation process requires an organizational and an accurate level of coordination between all stakeholders involved in the development process. Furthermore, as the government is the major player in the formulation process, it should organize and create congruence and coordination between all players. In fact, the ability of tourism policies in enhancing Egyptian economy were significantly varying but statistically relevant. Finally, these two above factors show a significant level of confidence in the policies and the significance in relation to operations of the tourism industry. The variations of these factors correspond with appreciation that the policies are significant in successfully driving the tourism industry.

For the questions concerned with the potentiality of proper implementation of tourism policy in Egypt. The mean of respondents was 5.56 and the standard deviation was 0.78. The mean value of respondents’ responses’ show that they are satisfied regarding the potential implementation of tourism policies in Egypt. The respondents’ feedback showed that the “political instability was affecting the implementation of tourism policies in Egypt, and now there is political stability that could allow the process of smooth implementation. Especially that all governments efforts are directed toward increasing number of tourists.

Pearson’s correlations and analysis of Variance (ANOVA) were done. Both parameters indicate strong relationship between the tourism policies and the economy. Correlation coefficients show a strong relationship between the success of the industry and the potential implementation of tourism policies set by the government.

By focusing on the results of the mean of the respondent’s answers regarding the dependent factor, its mean is 4.98, which means that a majority of respondents approved the researchers point of view that; there was a significant number of obstacles preventing an effective implementation of tourism policies. Related to the same point, it has been founded that the most effective obstacle preventing the successful implementation of tourism policies was the political instability faced by the country for six years.

Moreover, it can be noted that the Pearson’s r value for economy, policies and proper formulation of policies are at 0.258, 0.341 and 0.385. they indicate a non-significant presence of relationship between these factors and policy implementation. Similarly, Economy, formulation and policy score significance values of 0.009, 0.000 and 0.000 respectively. This shows there is no statistical significant correlation between economy and policies whereas, there is statistical significance correlation between good policies and formulation and successful implementation. Additionally, when compared with each other, it can be noted that there is a very strong relationship between good policies and formulation with a Pearson’s coloration coefficient value of 0.789 which is biased towards 1. Good policies and clarity as well as economy as well score high with both results above 0.5 indicating the need to formulate policies that are relevant and adequate for the tourism industry. It is also important to state that correlation of implementation, Economy and formulation all had a significant score in comparison to the feedback of the respondents.

From the above given factors; it is clear that the Pearson correlation coefficient value indicates there a significant positive relationship between the four factors and implementation of the policies factor of 0.378 even though it is slightly weak. Similarly, from the correlation box the Sig. (2-tailed) value is 0.001. is value is used to show if there is a statistically significant correlation between the two variables. With a mean square of regression of
2.98, compared to the correlation significance of 0.01, sig value of 0.000a for that, a factor falling less than 0.005, confirms the H1: there is statistically significant relationship between the factors that affect tourism policies formulation and the potential implementation of these policies.

Therefore, the H0 is rejected, it states that there is no statistically significant relationship between the factors that influence tourism policies formulated by Egyptian governments and the potential implementation of these policies. This is because the Sig. value of 0.000a as well as the Pearson’s correlation coefficient value and Sig. (2-tailed) values all scored out of range required to rule out relationship.

Semi-structure Questionnaire and Interview

This section is used to analyze the results obtained from the interview conducted, four questions were set altogether for the interview. The questions were prepared to find out answers to the research questions which examine the necessary factors needed for the implementing and formulating the tourism policy needed for development of tourism industry in Egypt, to identify the benefits of tourism to the development of Egyptian economy, to identify the problems and challenges of tourism in Egypt, and to suggest ways of improving tourism in the country. For the purpose of these analyses, the questions are grouped into four questions and they are presented below;

Question1: Please share your view on the history of Egyptian tourism industry, and its economic impact?

The respondents agreed that Egypt has an extraordinary array of assets and potentials for tourism. It holds the keys to some of the most iconic and powerful attractions in global tourism. It is one of the world’s most unique and distinctive historic civilization, iconic heritage sites, unrivalled museum collections, the major marine and leisure potentials of the Mediterranean and Red Seas, Cairo and Upper Egypt. Egypt owns a diversity of landscape all set within a climatic context that is generally supportive of tourism. They also agreed that tourist numbers increased from 5 million arrivals in 2002 to 14.7 million in 2010. Before the current political crisis, tourism accounted for 11.3% of Egypt’s gross domestic product. It provided 49% of Service Export Receipts and generated USD 12.5 billion in revenues. Direct industry employment stood at 2.8 million jobs, while indirect employment provided another 2.4 million jobs. Together these jobs constituted 15.4% of Egypt’s total employment. If the industry achieves 20 million visitors by 2020, at least 200,000 more jobs could be created for Egyptian labor force.

Question 2: Which bodies are responsible for the management and supervision of tourism in Egypt, both in local and national level and how effective do you think they are?

Respondents agree that in order to meet this high-level need for coordination and integration of services, the concept of forming a “Ministry of Tourism Board” should be explored. The Minister of Tourism would chair this board. Members would include the Secretary General of the Ministry of Tourism, the Chairman and CEO of the Egyptian Tourism Authority and Tourism Development Authority, and the Chairman and CEO of the Egyptian Tourism Federation, together with three selected independent individuals with appropriate skills and experience. The board would deal with sector governance, policy development, high level planning, and target setting. Additionally, they agree that New, innovative approaches for tourism policy implementation and formulation must include partnerships among government, ministries, institutions, state companies, and the private sector. Although government is organized vertically, solutions to modern-day problems involve lateral partnerships through various ministries and extra-governmental entities. In its drive to develop the economy, the Government of Egypt has created a high level Economic Committee of Cabinet. The Minister for Tourism is a key member, underscoring its importance to the economy’s growth.
Question 3: What are your point of views about the level of tourism development in Egypt?

This question was proposed to get the full picture of the level of tourism development in Egypt. According to the interviewees, they all agreed that tourism in Egypt is developed. Indeed, Egypt has the necessary infrastructure and superstructure that enable it to be one of the top twenties tourist destinations. This is especially after the large pool of Mega Projects constructed in Egypt nowadays. This is also followed by a vast network of roads connecting all destinations and easing the transfer of tourists. They are also of the opinion that the industry needs lot of attentions from the government side in terms of marketing efforts, handling some minor obstacles to boost the number of tourists.

Question 4: What are the problems and challenges facing Tourism policy implementation?

The interviewees agreed that the past Egyptian tourism policies have been developed in isolation without taking into account policies developed in other sectors. As a result, some aspects of the various policies are mutually supportive while others have created conflict. The policy process in Egypt was depending fundamentally on conventional knowledge (statistics and reports, research and evidence), which has been legitimised by professional expertise and facts as published in official documents, legal standards as well as statistical material. With poor private sector and local community representation in associations there emerges an exclusive relationship between large business interests and tourism agencies which has restricted private sector participation in policy formulation. However, that the updated tourism policy was much more focused on the mutual benefits of all the stakeholder involved in the industry.

Conclusion

The main objective of this research is to explore and analyze the impact of current public policies adopted by the Egyptian government officials and its economic impact Egyptian tourism industry. It also aims to investigate to what extent these policies can be implemented to develop tourism industry in Egypt. The research problem is; what are the policies in existence in tourism sector, and to what extent these policies can be enforced in Egypt economy to improve tourism sector returns. Accordingly, it was observed that tourism is one of the main sources on national income and foreign currency in Egypt. It was affected by the political instability occurring in Egypt for six years. There is a unified opinion among all the stakeholder’s representatives that a clear and transparent tourism public policy should be formulated and implemented in an appropriate manner. However, the major concern is that it must be formulated and implemented by all stakeholder involved ranging from public sector principals, private sector representatives and local community representatives. This is in order to ensure diffusion of mutual benefits among the whole society. Additionally, the research observed that there is some obstacles facing the formulation and implementation process. This is due to the fact that the past tourism policy was set by government officials who did not take in consideration the other stakeholders. Thus, the objectives were not of common interest.

Moreover, tourism policy is a tool for economic development and job creation. It is becoming an instrument for destination development and for enhancing and preserving an area’s heritage. Tourism, through active promotion policies, can also become a tool for integrating less developed regions in Egypt or giving them equal access to opportunities of growth. Many Egyptian public sector bodies are involved in the planning, development, management and marketing of tourism at regional and local levels, but few of them have been specifically designed to work in this field. Therefore, they must be trained and collaborate with the private sector to get the experience. Additionally, one of first major challenges consists of setting up mechanisms to improve the competitiveness and quality of tourism at regional and local levels in order to ensure the sustainable and balanced development of tourism at national levels, improve the industry’s performance and make tourism areas more competitive at regional, national and international levels. A second challenge consists of reconciling local tourism development with the preservation and renewal of tourism resources. Finally, it is important to state that one of the specific aims of the Egyptian tourism
policies is to reduce inequalities between regions in order to increase a country’s economic and social cohesion.

Furthermore, The Egyptian Ministry of Tourism must contribute to the overall, forward-looking vision of tourism, using it to provide support and guidance for the initiatives launched at regional levels and to facilitate coordination between tourism policies and regional policies to ensure that they are consistent. Sustainable tourism development at regional and local levels requires a consistent approach at national levels in order to implement the necessary partnerships between regions, the central government and private actors. Regional tourism development objectives and national strategic objectives must also complement each other. For central government, the challenge consists of reducing the disparities in tourism development, in both quantitative and qualitative terms, in order to strengthen the competitiveness and overall economic performance of the tourism industry. National policy can do much, but it must be based on regional development strategies that focus on more targeted approaches. Finally, the Egyptian government is increasingly seeking to devise appropriate strategies that make it possible to enhance the value of natural and cultural resources, while at the same time preserving them and ensuring sustainable economic development.

References


