Pergamon

www.elsevier.com/locate/atoures

Annals of Tourism Research, Vol. 29, No. 1, pp. 165-182, 2002

Printed in Great Britain
0160-7383/01/$22.00

PII: S0160-7383(01)00029-9

THE "VICIOUS CIRCLE" OF TOURISM DEVELOPMENT IN HERITAGE CITIES

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Abstract: This paper explores the manifold relations among the spatial organization of tourism, the quality of tourism products in heritage cities, and the dynamics of the regional economies. The concept of "vicious circle" describes the self-feeding linkage between the emerging class of excursionist tourists in the later stages of a destination lifecycle, and the decline in a city's attractiveness. Reference is made to the case of Venice. According to this scheme, effective policies for sustainable tourism should attack the critical points where the vicious circle feeds, such as the quality and accessibility of cultural resources. **Keywords:** heritage destinations, life cycle, vicious circle, quality, policy. © 2001 Elsevier Science Ltd. All rights reserved.

Résumé: Le "cercle vicieux" du développement du tourisme aux villes patrimoniales. Cet article examine les multiples relations parmi l'organisation spatiale du tourisme, la qualité des produits de tourisme dans les villes patrimoniales et la dynamique des économies régionales. La notion du "cercle vicieux" décrit le lien autoalimentant entre l'émergence d'une classe de touristes d'excursion dans les dernières phases du cycle de vie d'une destination et le déclin du charme d'une ville. On fait allusion au cas de Venise. Selon le schéma de l'article, une politique efficace du tourisme durable devrait s'attaquer aux points critiques où s'alimente le cercle vicieux, par exemple, à la qualité et à l'accessibilité des ressources culturelles. **Mots-clés:** destinations patrimoniales, cycle de vie, cercle vicieux, qualité, politique. © 2001 Elsevier Science Ltd. All rights reserved.

INTRODUCTION

The very nature of tourism—its intensive use of the central space, its seasonal pattern, its "transversality" across industries—can greatly affect sensitive urban areas. Its pressure on the value of urban facilities and premises represents an incentive for citizens and firms to abandon central locations. In an era of increasing inter-regional competition, such dispersion of human capital and economic resources poses a major threat to the viability of local development (Bramezza 1996). This trend is exacerbated when the local economy highly depends on tourism. This is the typical case of the middle-sized heritage city, locked in by the sensitive and valuable nature of its built heritage. In such contexts, the negative effects associated with a "competitive centrality"

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(Cazes and Potier 1996), especially as boosted by tourist valorization of the urban space, are the harshest.

In short, tourism in heritage cities can prove to be unsustainable (Hunter 1997; Van der Borg and Russo 1999:3–5). It is not easy, though, to track down the prime cause of such unsustainability. Is it tourism that damages the other urban functions, or is it a poor score of the local economy in general that produces an uneven tourism development? This is not a pointless issue to policymakers who need to define a strategy for sustainable development.

The reduced later-stage attractiveness of a destination after stages of take-off and maturity, is commonly stylized in the evolutionary model of the lifecycle of destinations, which derives from the study of markets. According to that scheme, an unguided expansion of the industry is followed by decline, because high private and collective costs emerge and disrupt the economic and tourism performance of the city.

The scheme prescribes that policy should be proactive, anticipating, and smoothing the fluctuations of the cycle. Yet, it does not provide a sound economic explanation to the "self-feeding" nature of the cycle which creates decline. Therefore, methods of preventing such decline are generally poorly defined. Moreover, the related literature nearly ignores historical cities, whose peculiar features illuminate the relation among tourism spatial organization, the quality of its products, and the general dynamics of regional economies.

The goal of this paper is to remedy this weakness, examining more closely the determinants of the lifecycle for heritage destinations and deriving appropriate policy initiatives. The paper introduces a scheme of causative relations and dynamic properties called the "vicious circle" of heritage destinations, and applies it to the well-known heritage destination of Venice. This case serves as a benchmark to propose a structure for policy, presented at the end, and some suggestions for further analysis.

TOURISM IN HERITAGE SITES

According to a well-developed stream of research and reviews (Da Conceiçao Gonçalves and Roque Aguas 1997; Deprest 1997), the development of any site is cyclic. The lifecycle scheme provides a framework to analyze tourism dynamics in an evolutionary context, explicitly considering horizontal and vertical changes in the distribution of costs and benefits generated by this industry.

Its most popular formulation (Butler 1980), uses the absolute number of visitors as an indicator. In earlier stages of development, the city attracts those who are essentially "pioneers". The city may never become a destination for overnight stays. But if does, investments are started in infrastructures, services, and advertisement. The city eventually enters a stage of take-off, with the accrued material and immaterial benefits increasing dramatically and boosting the local economy.

As the maturity stage is reached, the industrial organization of tourism changes, as non-local actors come to dominate the production of goods and services. Different interpretations exist for the emergence

of the stagnation and decline stages. Some are based on the evolution of the markets (Plog 1973; Prideaux 2000) and corresponding corporate strategic behavior (Debbage 1990); others are more concerned with the changes in the spatial organization of production (Gormsen 1981; Miossec 1976; Van der Borg 1991). The latter argument is preferred here, both for its endogenous nature, and for the richness of implications in terms of strategic planning and policy action. The model can be accordingly extended by introducing a qualitative element, that is the tourist type that is attracted into the town (Van der Borg 1991). Close scrutiny of the characteristic tourist flow in cities at different lifecycle stages suggests that both their absolute number and their *mix*, change with major consequences in associated costs and benefits.

According to this view, the negative effects of development accompany the enlargement of the tourism region, and the emergence of a class of "false excursionists". These would-be tourists facing high prices and the limited capacity of central facilities, choose a peripheral site for their visit to the main destination. A regional scale conflict arises between the center—which still bears the costs of tourism activity despite retaining a decreasing share of the benefits—and the neighboring communities. While these "free-riders" profit from proximity to the center, main destination, this core is pushed to impose higher taxes and to shrink the budget for heritage maintenance, cleaning of the city, and marketing. In the end, preserving and marketing the cultural supply requires external sources of income, like special laws or governmental transfers, increasing the rigidity of the context in which tourism policies operate. At the same time, the industry imposes a new tourism-oriented valorization dynamic, damaging the less competitive sectors of the urban economy (Sassen 1994). The destination is transformed into a tourism "mono-culture" and lacks any other economic activity that may balance a possible decline of the local industry (Van der Borg 1991).

In this approach, each stage of the lifecycle is associated with a specific spatial distribution of the costs and benefits arising from tourism. In the first stage, the area that intercepts the benefits extends well over the new-discovered destination. As development proceeds (for example, with the building of hotels) the two regions almost come to coincide. Later on, tourism revenues spread again to the rest of the region, while costs remain concentrated. If the core enters the declining stage, such costs may diffuse to the rest of the region. This spatial-economic interpretation of the lifecycle dynamics is relevant because it makes it clear that the origins of the stagnation and decline are to be sought in the expansion pattern of tourism itself.

The lifecycle model suggests that management should be proactive, smoothing the fluctuations foreseen by the cycle and favoring a balanced relation between the costs and benefits originated by tourism. Martin and Uysal (1990) and Canestrelli and Costa (1991), among others, suggest that the challenge for managers is to keep flows under the threshold of carrying capacity. This concept, widely used in research, is defined by the former source as "the number of visitors

that an area can accommodate before negative impacts occur" (1990:329).

However, this simple description of the lifecycle dynamics does not capture the economic nature of the linkages that make the cycle self-propelling, and thus is of little help in creating an integral strategy for sustainable development. Moreover, the greatest part of the literature focuses on applications regarding beach resorts and other "new" products (Debbage 1990; Holder 1991; Knowles and Curtis 1999; Prideaux 2000). Little attention is given to urban, especially heritage, tourism (Garrod and Fyall 2000). The impression is that many main elements of the lifecycle hardly extend to urban historic environments, especially those relating to the psychology of tourists, and those that foresee a proliferation of competing resorts throughout the region.

As a remedy for this lack, the process of "tourismification" of historic cities and its most direct effects has been described at length by such authors as Ashworth and Tunbridge (1990) and Cazes and Potier (1996:107ff). This paper attempts to extend the analysis to the expected impacts of the process on tourism sustainability, and to deriving guidelines for policy action. In so doing, it addresses Haywood's (1992:353) point: decision-makers need to know which strategic moves are appropriate in each specific situation, and the lifecycle has no immediate prescriptive implication unless it explicitly considers the characteristics of places and resources.

Operation Stages of the Vicious Circle

Tourism attractions in heritage cities are hardly reproducible and remarkably concentrated. The quality of the experience enjoyed visiting them deteriorates with the physical stress imposed by tourism, with declining quality of environment where the act of consumption takes place, and with the quality of the auxiliary facilities. It is argued here that these features—and the typical urban institutional context of administrative boundaries seldom corresponding to economic or functional ones (Bauer 1997)—make the lifecycle development of heritage cities a distinct one, as spatial-economic dynamics within the region determine the extent of the catastrophic state foreseen by the general scheme.

Of course, this argument may well be extended to other destinations of cultural tourism, such as historical neighborhoods in large metropolitan regions or isolated monuments and sites. However, it is in middle-sized European heritage cities that the full developments of the cycle may be most significant. Ashworth and Tunbridge (1990:77) point out that such cities are not sufficiently large to spread tourism over a large resource base, and not so small that this business is self-contained in a "museified city" structure, so this growth does represent a threat to other urban functions. Therefore, the analysis will be limited to such mid-sized contexts.

The first visible sign of excessive tourism growth is the saturation of the central supply of facilities. Resources (land, buildings, roads, parking places, etc.) in the proximity of the central attractions are limited,

but continue to be used. When the capacity of the central facilities gets saturated, parts of the complementary industry will grow more dispersed, especially those for which centrality becomes increasingly costly, like new hotels, recreation areas, and transport terminals. At the same time, tourism activity remains concentrated in the central district, which houses both cultural attractions and those "direct consumer services" which continue to favor centrality (Ashworth and Tunbridge 1990:96).

The first phase of the vicious circle [Figure 1(A)] springs from the incapacity of the heritage city to limit tourism growth to accord with its physical resources. The complementary product is much more mobile than the primary assets, and city administrative boundaries are largely insensitive to these dynamics. The tourism region (the area where visitors to central attractions are hosted) tends to enlarge, overcoming the boundaries of the municipality (Miossec 1976). However, if the city is very attractive (like main European cultural destinations such as Venice, Bruges, or Salzburg) it may even overcome regional or even national boundaries. The "metropolization" of tourism advocated by Marchena Gómez (1995) occurs in an unplanned and unmanageable way, lacking a complementary decentralization of the cultural infrastructure, with two main consequences.

First, the share of day-trippers among the overall flow increases. More tourists spend a high share of their budget outside the central area, but continue to impose costs where the main attractions are. Second, the flexibility of the visits decreases. For example, day trips are typically more sensitive to weather conditions and "special occasions", so that their seasonal pattern is more pronounced. Moreover, those who commute have less time for retrieving "tacit" information about the cultural and the complementary products. Consequently, they tend to be less aware of the qualitative content of the tourism goods and less reachable by traditional information tools (guides, signals, press). Therefore, they also concentrate in space, as the centrally located attractions are reached (and experienced) with a minimal level of information (Towse 1991:3–4). A further phase of the vicious circle is now entered [Figure 1(B)]: day trips produce more

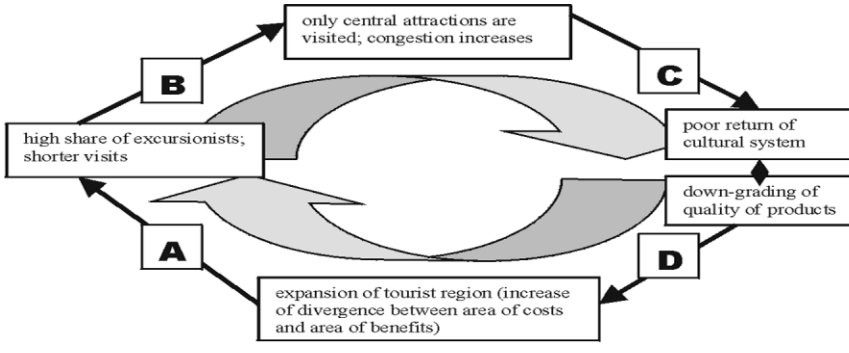


Figure 1. The Vicious Circle of Tourism Development in Heritage Destinations

congestion than overnight stays, and in this stage their share of the total number of arrivals increases.

The incapacity of the heritage city to benefit from tourism in proportion with its growth is at the basis of the next phase of the vicious circle [Figure 1(C)]. The excessive concentration of the visits and the dispersion of the "selling points" associated with the emergence of day-trips negatively affect the performance of the attractions. In fact, the resources needed for maintaining the heritage, for innovations in the products, and for implementating information and marketing strategies are largely no longer under the control of the local institutions.

But another, subtler mechanism is at work: as the share of day-trippers increases, tourism demand becomes less elastic with respect to quality. Because tourists on the whole are less informed about quality, the suppliers of goods and services in the city center will be able to curtail the quality content of their products increasing their market share. They may lose some "sophisticated" customers, but they appeal to those less concerned with quality and much more sensitive to prices. In the end, in a typical process of adverse selection, only low-quality suppliers are left in the market. Whereas in the initial stages of growth the economic strength of tourism caused the displacement of other economic activities, in this later stage this business tends to crowd out itself, replacing high quality products with cheap and standardized ones. At this point, the tourism space undergoes a process of "McDonaldization". Not only is the capacity of products to match the demand of a certain market segment compromised, but the whole aesthetic quality of the landscape and the system of cultural values embodied in the city is at stake.

The consequence of this decline in quality is a strong feedback to the very origin of such a mechanism. In the fourth and last phase of the vicious cycle [Figure 1(D)], one can observe the full implications of the dispersion of tourism activities that occurred in the first place. With products growing increasingly banal, and congestion making it more costly to choose the central accommodation facilities, the convenience of consuming non-central facilities increases as well. The users evaluate the cost of distance against the prices and quality of the complementary facilities. An increasing number of them will then choose a peripheral location, thus feeding the dynamics of the vicious circle.

The circle is now complete. The expansion of the tourism region beyond the "natural" boundaries of the city center, which first occurred from growth of demand, is in the end causing this very expansion to continue floatingly. The question is now whether this process of relocation of tourism activity from the city center to the region has an end, in a steady state.

Long-Term Properties

The vicious circle scheme displayed in Figure 1 suggests that, in the end, the location of tourists within the region depends on prices and quality. The price gradient is determined by the distance of the facili-

ties from the central primary attractions (Rispoli and Van der Borg 1988). Quality can be proxied by congestion, and it is determined by the extension of the region. If the market does get saturated (that is, as the rate of growth of demand approaches zero), then there might exist an equilibrium in prices and quality/congestion that corresponds to a certain extension of the region, where spreading forces (congestion, prices) and agglomerating forces (proximity to central attractions) are exactly matching each other. A further expansion would not be justified, and the flow is "optimally" divided between tourists and excursionists.

However, there are two reasons for which such a steady state is unlikely to emerge. First, it is questionable whether the growth rate of tourism for a heritage destination of prime importance would "exogenously" decline to zero. New origin markets continuously develop, new target groups are addressed, and technological and economic progress makes it easier for people to travel. Therefore, one can assume that the increase in the demand will persist to some extent. Second, the pattern of dispersion of the tourism activities in the medium-term equilibrium is generally not matched by adequate revision of administrative boundaries of the central municipality. In other words, if in the central areas the balance is on the side of costs, the leakage will be permanent. Even if there is a temporary equilibrium in the sense that the industry has no incentive to relocate further (with a growth rate approaching zero), in the absence of redistributive policies the social costs from tourists will still be borne by the residents.

Consequently, one can figure out that—if uncontrolled—the vicious circle will determine a continuous decline of the attractiveness of the central area, that may turn into an absolute decline in the performance of the industry if/when the quality content and the accessibility fall below some critical threshold. If the spatial dispersion of the activities in the "steady state" is such that insufficient resources are channeled to maintain and upgrade the primary product (the cultural heritage), then the demand for tourism in the region as a whole is expected to decline. In practice, this catastrophic outcome depends on the structure of the industry system: namely, the structure of mobility, the quality of information, the pattern of location of the primary products, the structure of local finance, and the like.

This argument represents a spatial-economic rationale for the assertion that

> … the damage caused in this way to the image and the reputation of the city may well be irrecoverable. And since these resources do play a key role in the initial stage of the cycle, it could reasonably be doubted that the city might be able to recover its position as a tourism attraction in a later stage (Van der Borg and Gotti 1995:28).

The vicious circle scheme provides an explanation for the decline stage foreseen by the lifecycle model. Is this a common story for destinations of cultural tourism? Whereas there is a vast literature in connection to lifecycles on islands, seaside resorts, rural areas, mountain destinations, and natural parks, the documentation on heritage cities

is scarce and, anyway, does not yield unequivocal indications. Many destinations did experience stagnation or decline after stages of take-off and maturity, but the peculiarity of the contexts might have heavily influenced the events.

In most cases, it is probable that the socioeconomic threshold of carrying capacity has been overcome and the perverse dynamics of tourism have started to be experienced. In such cities as Salzburg, Toledo, Venice, and Bruges, the tourism pressure is perceived as a source of conflict between the tourism stakeholders and the rest of the population. Yet it is also true that the explosion of mass cultural tourism is occurring now for the first time in history, so that little can be said about the possible consequences of the present patterns of growth.

The Case of Vicious Circle in Venice

Venice is a well-known international attraction, possibly the most famous tourism city in the world; yet few people could imagine that its historical center in the heart of the lagoon is a "problem area", whereas the peripheral inland city is well integrated in a booming regional economy. With young households pushed out of the center by inaccessible housing prices and lack of specialized jobs, the population in the historical center declined from 170,000 to 70,000 in about half a century, and is still decreasing at about 0.5% per year.

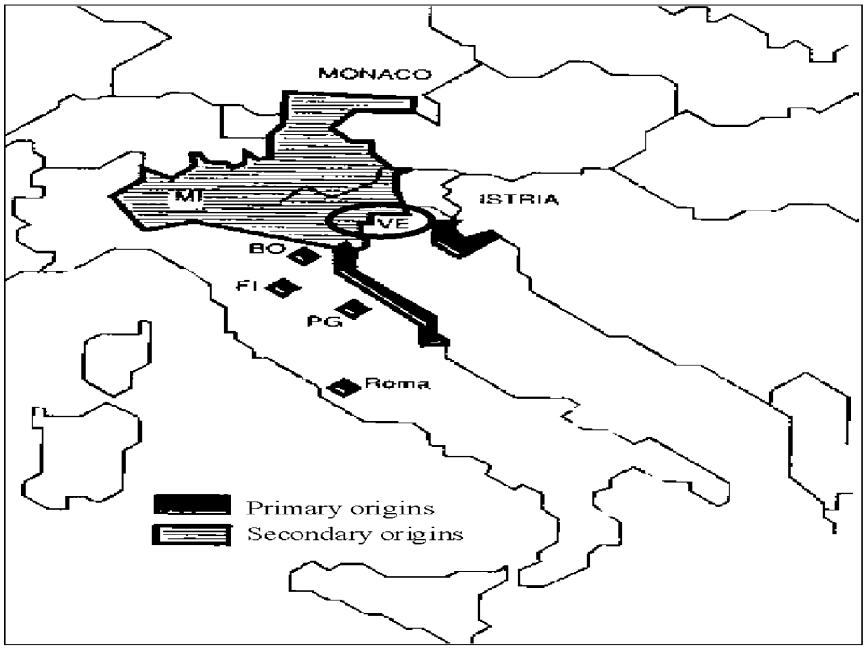
The physical characteristics of the isolated central town provide further reasons for moving outside and following the jobs. The reoccurring floods are a source of economic uncertainty. At the same time, the pressure on the city from tourism increases steadily. The overnight tourist/resident ratio now reaches a peak of 50 to 1 in the historical section (175 to 1 if the excursionists are considered as well, on the assumption that each tourist wants to visit the area at least one time during their vacation).

A signal of the "fragmented" destiny of the different areas composing Venice is given by the reoccurring proposals to split it into different municipalities. After a referendum held in 1998, the seaside neighborhood of Il Cavallino, hosting half of the yearly overnight stays, is an autonomous municipality. Other proposals of this kind have been rejected at polls so far. Political instability and interest groups have dominated the local scene for years, though recently a directly elected mayor started a wide-range program for urban recovery.

The Venetian Tourism Region. At the end of the 70s, the structural changes in the Italian economy and a renovated interest in urban planning brought a reflection about options for developing Venice. One result of this debate was the accepted necessity of quantifying the city's tolerance of tourism, as it seemed clear that its costs could become unsustainable and compromise the endurance of the city's functionality and economic soundness. Canestrelli and Costa (1991) estimated the optimal level and composition of arrivals compatible with full functionality of the different subsystems used by citizens and tour-

ists alike (transports, waste collection, access to cultural institutions, etc.): the *socioeconomic carrying capacity*. This attempt indicates that Venice could absorb a total number of about 22,500 daily arrivals, but no more than 10,700 of these should be excursionists. These limits were surpassed in 1987 for 156 days in the year; the number of yearly violations has been increasing since then, despite attempts to smooth the peaks through regulation and planning. The tourism region has grown far beyond even the provincial scale, extending in some cases to foreign countries like Austria and Slovenia. In Figure 2, *primary origins* identify residence locations of day-trippers; *secondary origins* are chosen either as alternatives to Venice for a cheaper stay ("false" excursionists) or are the main destinations of holidays but originate indirect visits to Venice ("indirect" excursionists).

An examination of the composition of the flow evidences the extent of the economic leakage provoked by the expansion of the tourism region, with high-budget tourists counting only for the 35% of stays and day-trippers progressively increasing their share in the last ten years. Estimates (Manente and Rizzi 1993) suggest that the expenditure of an overnight tourist is on average 30% higher than that of an "indirect" excursionist, and almost three times as much as that of a "real" day tripper. Overnight stays still increase at a yearly rate of 3%, saturating the hotels supply in the historical center for prolonged periods of the year. Yet, the growth of day trips is even higher.

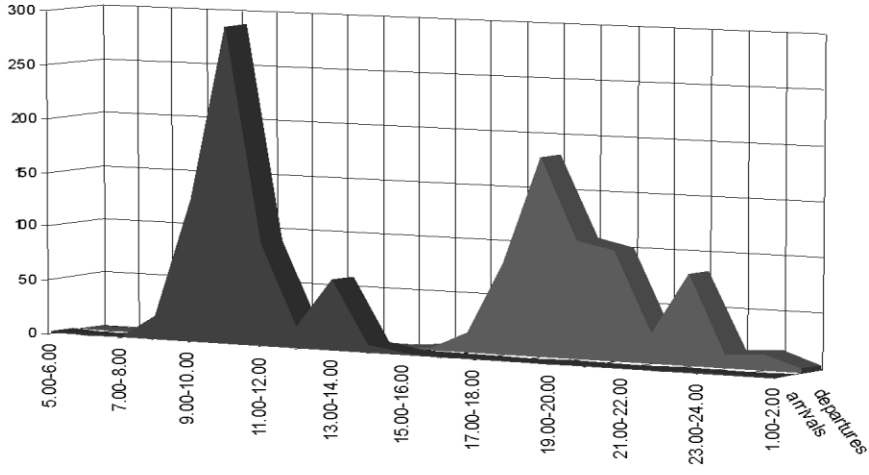


Source: Costa and Manente (1995)

Figure 2. The Venetian Tourism Region and the Excursionist Flow

Rispoli and Van der Borg (1988) provide an explanation for the sustained growth of the day-trippers segment. A fair share of them finds it more convenient to stay in the periphery of the tourism region. In fact, hotel prices for a given category decrease constantly with the distance from the historical area. A room in a four-star hotel in Padua costs about one third of that in Venice. The 40 km distance can easily be covered by train or auto in less than half an hour—the time that it would take to a tourist of Paris or Rome to get to the center from a hotel in the outskirts. Such enormous difference in prices explains the emergence of this curious character, the "false" day-tripper, whose aim is to visit Venice but prefers to spend the night in its environs. The information about the seasonal distribution of arrivals shows that while residential tourism accounts for a stable amount throughout the year, excursionists concentrate in the summer period, with highest shares in August and September. This pattern is driven by the "indirect excursionism" of seaside vacationers, and by the day-trips of those who come to Venice from their hometown. However, the presence of a fair share of excursionists also in off-peak periods (touching a minimum of 47% in December, 1989 data) is explained by the existence of "false" excursionists. Their flow is stable and possesses the characteristics and motivations of residential tourists.

Mobility, Congestion and the Character of the Arrivals. Figure 3 describes the pattern of inflows and outflows during a typical peak day in Venice. Of this enormous flow of people and vehicles, 60–70% is concentrated in a couple of hours in the morning and another couple of hours in the afternoon. The average duration of a daily trip is about 8 hours (60% being shorter). Moreover, the greatest share of this flow approaches Venice through its only road/rail connection to the main-



Source: ICARE (1997)

Figure 3. Daily Pattern of Visits to Venice in a Nonworking Day

land, provoking congestion in the main routes that connect that terminal to the central areas. In the limited time at their disposal, tourists crowd the central attractions around St. Mark's Square, where long queues are often found.

Tourists make use of urban facilities, subtracting a significant portion of them from use by Venetians, especially during peak days and during mega-events. Indovina (1988) estimated that the public space in the historical center of Venice, is 34% used by tourists (against 49.3% by residents, 12.6% by commuters, 4.1% by students). This figure increases to 56.9% if only the most central areas are considered, and to 66.9% in the period July–October.

The imposition of external costs to the residents is not central to the present analysis. However, since the excessive cost of urban facilities is a significant factor to explain the massive loss of population occurring in the last 50 years, it is not difficult to see how the problems of tourism development are exacerbated as the socioeconomic mass of the city gets thinner. An example of such "hidden costs" is given by the widening gap between per-capita technical costs and actual costs of waste collection, estimated by Van der Borg and Russo (1998).

More relevant to the argument of this study is the impact of inefficient organization of the visits on the performance of the cultural tourism business. As a result of the combined effect of congestion and lack of information, some cultural resources are under-utilized while others are over-utilized. On the whole, far fewer tourists enjoy the cultural heritage than the city could afford, and the quality of their experience is eroded by various impediments and time lost in queues. Apparently, the set of cultural resources in Venice is not working as a real "system", fragmented as it is between a host of management and ownership bodies, without a common strategy or a unique selling point. Zago (1997) counts at least 10 directly responsible institutions, public or private, for the museums of Venice. Only 1 out of 4 tourists comes to Venice to visit something in particular; the same percentage that pays to get in a cultural institution during their visit (ICARE 1997). The Accademia Art Gallery, possibly one of the main collections of Italian renaissance arts, receives only 1 out of 30 yearly tourists to the city. Such vast mismatch between visits to the city and to its cultural institutions indicates that even if Venice markets itself as an art city of major importance, the return of its cultural system is disappointing.

The Declining Quality of Tourism Products. Various analyses on the role of cultural institutions make it quite clear that a link exists between visits to such institutions and the length of the trip (Richards 1996). The question is quite simple: the Venetian cultural supply is so vast that it could satisfy the demands of a public with quite diverse preferences. If this public were adequately informed, it could book visits, improve their information content, and combine them with opportunities for leisure and entertainment. When access to the city grows problematic, the interest in its cultural supply decreases, as does the willingness to pay for it. Therefore, the capacity of the most central cultural institutions becomes a bottleneck to the whole network. A

yearly-congested Dukes' Palace may well cause a leakage of visits to some adjacent attractions (as it is shown by survey data in ICARE 1997), but it is even more likely to decrease the share of tourists coming—or returning—to Venice for a cultural visit.

However, it was not just the quality (actual or perceived) of the primary products that slumped in recent years: the declining quality of commercial outlets aimed at a less sophisticated demand is even more severe. The result of this process of reorientation (that could evade any control or regulation targeting specific goods or categories) is a dramatic simplification of the city's economic base. This is particularly evident in the catering sector, but also hotels and luxury shops are starting to feel the breath of cheap competitors. The process of crowding-out, already described by Prud'homme (1986), has recently gained a new complexity.

Recent data (cf. Van der Borg and Russo 1998 for the full analysis) reflect the dynamics of and within the tourism industry in Venice, at different territorial scales. The municipality of Venice with its main administrative articulations is described in Figure 4. At the municipal level the data indicate a certain de-concentration of the industry, with a hotel/restaurant sector growing in the mainland city to serve a leisure segment which does not necessarily correspond to the cultural tourism flow. At a closer scale, the analysis provides evidence of a concentration of tourism activities in the most central historical areas of Venice (which correspond to the main routes), further reinforced in the last years. Most tellingly, in a noteworthy substitution activities related to the cultural, high-quality visits are replaced with others oriented to the low-elasticity segment of the flow.

Such tourism-driven reorientation of the supply ends up curtailing the welfare of the residents, who bear the decrease in quality of the products sold: another factor that may explain the persistent outflow of residents from the city center. A second consequence is that, in face

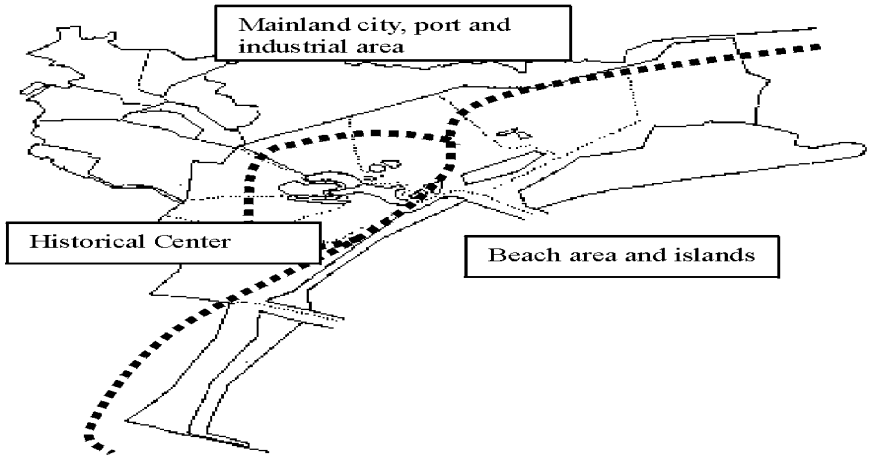


Figure 4. Municipality of Venice with Main Subdivisions

of the declining quality of the Venetian tourism product, an increasing number of potential tourists will be pushed to become commuters or to neglect the "cultural" motivation.

The data to validate the latter argument are scarce and fragmented. Yet, various sources (Costa and Manente 1995; ICARE 1997; Manente and Rizzi 1993; Scaramuzzi 1988; Van der Borg and Russo 1998) provide evidence that even at peak days, the hotel rooms are not fully occupied, and this occurs with increasing frequency; that the number of repeat tourists is decreasing; that the share of group tours is increasing in respect to individual tourists; and that tour operators are selling packages including a daily visit to Venice which foresee overnight stays at increasingly distant locations (Verona, Bologna, Ravenna beaches).

In particular, the analysis of Costa and Manente (1995:67) indicates that repeaters are the most likely to spend the night in the hinterland of Venice: those who have already visited the city, as they return, are likely to do it as "false excursionists". These "clues" indicate that the prevalence of day trips as a means to visit Venice is less and less linked to the saturation of central accommodation, but rather the result of a decision which takes into consideration some of the perceived "costs" of sleeping in Venice, of which poor quality and accessibility are increasingly important components. As the concept of vicious circle suggests, the elements of distortion in the tourist use of the city become self-feeding, creating further distortions.

In short, evidence suggests that the present growth (mainly pushed by day-trips) may eventually turn to stagnation and decline, to the extent that the declining quality of products reduces the city's attractiveness for tourism purposes. The lifecycle of Venice as a destination can then be interpreted as a historical evolution from a state in which tourists were mainly attracted to the central areas, to a stage in which there is a relative spread in the region, and eventually to a stage of absolute dispersion.

CONCLUSION

The vicious circle scheme suggests a succession of causative relations between events, with an initial point identified as the violation of carrying capacity. Clearly, the importance of each link is peculiar to the characteristics of a destination. Therefore, calibrating interventions on the most significant of those links yields an effective strategy to attenuate the effects of the cycle in that particular context.

Table 1 associates to each of the four stages of the vicious circle a typical context where it is likely to occur, and some policies that may reduce or prevent decline. Whenever the capacity of the city's facilities is easily saturated and the tourism region expands rapidly, policies to increase capacity or increase attraction potential are necessary, while placing access restrictions may yield counter-productive results.

On the other hand, these latter measures are appropriate when (due to the structural characteristics of the site) congestion occurs relatively easily. In general, "soft" controls based on incentives and pricing are preferred as cheaper, more flexible, and easier to enforce. However,

Table 1. The Four Links of the Vicious Circle: Contexts and Policies

	Causation	Context	*Hard* Interventions	*Soft* Interventions
1.	Increase of tourist demand⇒enlargement of tourism region, shorter visits	Difficult expansion of tourism supply, irreproducible heritage **(small centers, islands)**	Zoning, regional planning, enlargement of accommodation capacity in the city center	Entrance ticket, incentives based on adv. booking, discrimination policies, tariffs, creation of a supra-local "tourism authority"
2.	Shorter visits⇒increasing congestion costs, asymmetric information	Many cultural resources, difficult mobility **(medium-sized art cities)**	Zoning, access regulation, closing of portions of city center, infrastructure policy, decentralization of cultural supply	Information and discrimination policies, promotion, creation of "alternative routes"
3.	Asymmetric information⇒decline in the quality of tourism supply (primary and complementary)	Limited competition, low controls, scarce homogeneity of cultural institutions **(mature destinations, transition countries)**	Licensing regulations, law enforcement, police controls in central areas, interpretation and welcome centers	Integral management of the cultural system, incentive to start ups, quality labels, virtual access to cultural products, tourism e-commerce
4.	Decline in quality⇒incentive to commuting and disincentive to cultural visits	Sensitiveness to reputation, international attention, prevalence of tour-operated holidays, presence of alternatives in the hinterland **(mature metropolitan destinations, high accessibility)**	Regional-national planning	Reputation policies, promotion, diversification of tourism supply, fidelization, marketing, rejuvenation of products

in situations in which the heritage might be physically endangered by the tourism pressure, "hard" measures are required.

Cities like Venice, with significant problems at each of the four links, require an accurate and timely mix of such policies. In the case of the Italian city, policies based on "soft" interventions are the most adequate. In fact, these would be politically acceptable in a

stage with scarcely any non-tourism option at hand for city development. At such times, industry stakeholders make themselves strong on this basis.

Adequate forms of taxation on tourism need to be found, to attack the first node of the circle, the unguided expansion of the tourism region. The best example is the imposition of tariffs on those who do not book a hotel room, or other forms of "disincentive" to excursions. An advance booking system based on telecommunications could easily be integrated with the free issue of a City Smart Card to those who reserve, granting a series of benefits to their owners (Van der Borg and Russo 1998): a win–win solution that is recently gaining support in political circles. On the contrary, taxation on overnight stays (such as hotel-room taxes) would counter-productively discriminate against staying visitors.

To decrease the extent to which arrivals generate congestion, adequate information on the "peripheral" assets of the city must be provided, with possibile booking in advance and arranging of tailor-made itineraries. This requires diversifying the points of access to the historical center of Venice. Closely linked to this issue is the complex problem of quality. The cultural sector must be reorganized on the assumption that the value of cultural visits should be improved. Although guaranteeing full access to any potential visitor, the cultural system must become a self-sustaining entity with a coherent strategy and solid connections with other growth sectors, like services. It is expected that a high-quality primary supply will trigger a process of selection towards high-budget tourists that also enriches the commercial and economic viability of the city (Keane 1996; Vera Rebollo and Dávila Linares 1995).

Furthermore, forms of diversification of the supply and a fidelization policy with respect to the cultural assets are needed to attract to the historical center new market segments while keeping in touch with the repeat customers. These measures are obligatory steps towards the "metropolization" of Venice tourism, which is qualitatively different—both for the nature of products and for the territorial organization—from sheer expansion (Marchena Gómez 1995).

This approach must be grounded in a sound and wide-ranging planning strategy, which takes into account the impact of tourism development on the other sectors of the economy. A sustainable tourism cannot develop in a collapsing economy. Tourism management, though, can prove a phenomenal starting point. To establish the right synergies, to create value and to sell it, to act in accordance to the market and not against it, and to make sustainable tourism a good business for all the stakeholders of the heritage city, is the challenge.

This paper has introduced an instrument of analysis, the vicious circle of tourism development, which elaborates and specifies the evolutionary models of the destination lifecycle. This scheme usefully describes the spatial dynamics leading to a declining attraction capacity

of some tourism cities, and suggests the most appropriate policies to prevent full development of these dynamics.

The case of Venice illustrates how the vicious circle works in practice and suggests model policies. Despite its convenience as a support for policy, the vicious circle has limited accuracy; given the complex dynamics in the tourism region, this simple scheme can only approximate trends. Therefore, it is necessary to expand the analysis in two directions: the study of the long-term properties of a regional equilibrium, and the process of quality substitution in the city center. The developments exposed require the formulation of formal models, which can use the scheme of the vicious circle as a conceptual base. The gain in insight from such analysis might greatly improve the information set available to policymakers and city planners of heritage cities. ■

Acknowledgements—The author is grateful to Jan van der Borg, Myriam Jansen-Verbeke, Charles van Marrewijk for their suggestions and comments; and to the Portuguese Regional Science Association for supporting his participation at the 1999 Summer School. This work is dedicated to the memory of the author's father.

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Submitted 3 January 2000. Resubmitted 25 July 2000. Accepted 14 December 2000. Final version 10 January 2001. Refereed anonymously. ***Coordinating Editor: Georges Cazes***