Achieving Equitable Tourism Success in NYC:
Analyzing and evaluating the impact of economic and sustainable tourism trends
in POST COVID 19 New York City
(Formatted as a Memo to the incoming 110\textsuperscript{th} NYC Mayor in 2022)

By Paul Lindberg

Independent Research Course, EMPA 9044
Professor William Eimicke

Columbia University
School of International and Public Affairs

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From: Paul Lindberg, US Tourism Policy Council (TPC) Analyst

To: The Incoming 110th Mayor of the City of New York in 2022

Subject: Achieving Equitable Tourism Success in NYC: Analyzing and evaluating the impact of economic and sustainable tourism trends in Post COVID-19 NYC

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Executive Summary:
As the incoming mayor of New York City, you have a unique opportunity to position and brand the city as a leader on sustainable and equitable tourism policy by enacting internal reforms, sharing best practices, and taking on leadership roles in multi-city coalitions and public-private partnerships dedicated to this economic and policy issue. New York City, one of the largest and most diverse tourism and travel destinations in the world for U.S. domestic and international travelers with 403,200 travel and tourism job in the five boroughs in 2019 (NYCGO.COM 1), set against the backdrop of the most significant seismic shift in travel, tourism, and hospitality with the COVID-19 pandemic public health lockdowns. With a Democratic presidential administration having already re-signed the Paris Agreement upon assuming office in 2021, you can expect strong support at the federal level to demonstrate to the world that the U.S. The federal government is serious about mitigating climate effects; change is a significant factor in tourism's global impact. Aligned with climate change mitigation, using a new doughnut economics theory approach is a critical new way to advocate for city-level actions across interagency efforts and pilot programs that influence the more extensive national and international policies around fair tourism. New York City serves as the headquarters to the United Nations and more Fortune 500 companies than any other city globally. It is home to world-class universities, making it uniquely well-positioned to serve as a forum for convening policymakers, academics, and private sector leaders.

Issues:
The U.S. and World tourism economy has been severely affected by the pandemic and economic downturn across all organizations from small to large businesses with airline companies, the hospitality industry, culinary establishments, and cultural institutions. The rising tide of the tourism industry's future boom is vital to building back better on a national and local scale in New York City. One key component is sustainability and equity as an element to ensure the successes of tourism destinations are shared and benefit all NYC communities across groups instead of helping only a select group of investors and financial partners. Through some innovative policies, there are opportunities for New York City to supercharge the economy to more equitably distribute the incoming boom in a post-COVID tourism world. Many in the travel industry had predicted in a pre-COVID world that we would increase from 4.5 billion airline passengers in 2019 (Statista Appendix A) to 20.9 billion over the next twenty years in 2040 (Airports Council International). Tourism accounts for one in ten jobs worldwide and 10% of the World's GDP (UNWTO Appendix D). This world tourism expansion is another dynamic opportunity for New York City as a premier destination locally and globally. We suggest policies such as enacting internal reforms, sharing best practices, and taking on leadership roles in multi-city coalitions and public-private partnerships dedicated to this economic and policy issue. Over the last two decades, the NYC Job Growth is coming from tourism, with 291,084 jobs added from 2000 to 20016 and 403,200 tourism and travel-related jobs in 2019 (NYCGO.COM 2). Tourists drive growth in attendance to the city's cultural institutions, which fuels sizeable employment gains.

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The Doughnut economic theory by Kate Raworth is growing in popularity in Amsterdam, Portland, Oregon, and Philadelphia (Nugent 1). The doughnut economic approach is "the theory argues that 20th-century economic thinking equipped to deal with the 21st-century reality of a planet teetering on the edge of climate breakdown. Instead of equating a growing GDP with a successful society, our goal should be to fit all of human life into what Raworth calls the "sweet spot" between the "social foundation," where everyone has what they need to live a good life, and the "environmental ceiling" (Nugent 2).

To evaluate the key factors that make a sustainable and equitable tourism impact. There are the needs of the NYC people, the climate impact, having a performing economy. There are few economic trends and policy tools in the Post COVID-19 world to leverage sustainable and equitable effects. In Nagano, Japan, micro tourism is a trend to visit nearby tourist locations within thirty minutes to one hour away from where you live. In Venice, Italy, a tourism tax first gained traction in 2018 on all visitors not staying in the city at five Euros a day. (All About Venice 1) As NYC implements congestion pricing on vehicles, the Venice tourism tax is a revenue source and a way to find a revenue source to fund sustainable tourism policy initiatives. Tourism firm grades system similar the NYC's restaurant grading system based on their sustainable and equitable nature. Such as employee local New Yorkers, paying a fair wage, and green operations would ensure that tourism firms are motivated to create sustainable and equitable business models. The housing impact of tourism on NYC is a short-term and long-term crisis that grows more urgent in the aging housing stock of historic neighborhoods such as SoHo, Greenwich Village, and Chinatown. Airbnb data demonstrates the year-by-year impact of dramatic rental price changes in NYC due to Airbnb.

**Options:**
Scale up the approach across the Office of Interagency of Tourism Affairs (OITA) and start a Doughnut Economic Action Lab (DEAL) focused on tourism. The "all-in" approach to create a tourism information dashboard for more big data-driven approaches with OITA and DEAL. The big data will allow the OITA to make a long-term strategy and build more sustainable models of dispersion of tourism into different parts of New York City, along with an improved housing policy to limit Airbnb's impact on affordable and moderately priced housing.

**Implementation:**
Tomorrow, establish an Office of Interagency of Tourism Affairs (OITA). Next week, create a top-level tourism dashboard similar to economic research such as healthcare and finance for outsourcing data by OITA as the lead. Next month, implement a grading system for tourism firms in NYC and strategize a long-term tourism recovery plan for ten to twenty years to maintain 65 million tourists each year the 2019 peak with a policy such as Tourism tax. In the next three months, start to roll out improved experience at ports of entry, airports, subway, and port authority bus terminals to create a more tourism-friendly environment to improve education awareness of sustainable and equitable tourism approaches.
NYC Tourism Policy Background:
One of the key concepts is the Doughnut Economic theory, which will be discussed later in this paper with Amsterdam’s efforts to implement Doughnut Economic concepts into its policies and infrastructure. There are also various strategies to maximize impact, from Social Media dispersion initiatives, Airbnb housing zone restrictions for owners of multiple listings to sustainable and ecotourism education policies in all schools and arrival zones from Port Authority Bus Terminal Airports. Social Media companies such as Instagram continue to drive tourism to particular local destinations creating overcrowding in different destination locations worldwide and NYC. New Zealand developed a social media influencer's campaign called the social observation squad. The social observation squad drives visitors to less popular destinations to disperse the country's impact outside of the top locations. They are creating housing policies with a more targeted approach to distributing Airbnb's use across more outer-borough cities. There is also the climate impact with ecotourism and sustainable tourism awareness in your local and global impact through schools and entry ports. Finalize advocating for a carbon tax on travel providers to increase travel costs to fund sustainable tourism policies.

Doughnut Economics in Amsterdam:
In 2020, Amsterdam's city worked in implement in a city level the principles of Doughnut Economics from reclaiming land with low carbon techniques and changing the blue jeans industry, and sourcing of cocoa from West Africa to the Netherlands (Appendix A). The Doughnut economic theory is focused on human life activities and work in the sweet spot on the donut. The idea is to find a healthy middle-ground approach to all aspects of the financial world for a sustainable and equitable environment (Nugent 2). For example, in the pandemic, there were some
residents in Amsterdam without computers and internet devices. The city refurbished over 3,000
machines from people who were no longer using the devices and had other technicians fix the
devices for use (Nugent 3). If the city had purchased new items, the environmental impact of
creating new devices is not as economically sustainable as refurbishing older devices. These
concepts are not connected to tourism, but Amsterdam uses these approaches in all aspects of the
city, which will impact the tourism industry. For housing, there is a growing increase in rents that
are impacted by tourism and connected to international real estate investors driving up prices
locally, which makes it more and more difficult for locals to afford to rent in their communities
(Nugent 4). The doughnut theory is an excellent example of a new holistic approach to the
intersectionality of economic and social principles, making a more equitable and sustainable
environment.

**Micro Tourism in Japan:**

In Japan, Yoshiharu Hoshino, CEO of Hoshino Resort Co., has been reintroducing micro tourism.
Micro tourism in Japan was a common way to travel local destination, thirty minutes to an hour
away from home, to discover some new items (Shoji 1). In New York City, the micro tourism
initiative will be an excellent opportunity for the twenty million-plus New York metro population
to discover locations nearby where there is an opportunity to find new ways. In a recent holiday
week in Japan, there were many local regions near Tokyo that had a large arrival of local Japanese
tourists, which helped maintain Japan's struggling tourism industry (Shoji 2). Mr. Hoshino also
worked with double-decker bus companies in Tokyo, operating at low capacity to take the buses
to nearby scenic and nature locations in the mountainous areas near Nagano prefecture (Shoji 3).
Mr. Hoshino's company also introduced specialty local food delicacies to be offered in a unique
presentation that appealed to the Japanese clientele from Japan. The Japanese culinary activities served typically to international tourism, and micro tourism provided an opportunity to update their appeal. In the Hamptons in Long Island and the Hudson Valley, New York, there is a significant increase in New York City tourism. It only benefits New York City as a leader in developing part of NYC such as City Island, the South Bronx, and Staten Island as micro tourism destinations.

Social Media Initiatives in New Zealand:
The New Zealand government created a new media campaign for tourists to take more unique photos outside of the standardized influencer popular photos (Diskin 1). The rise of Instagram and other social media influencing platforms has pushed tourists to specific photo spots, creating a high overcrowding level in particular locations. The new campaign, traveling under the social influence, urges tourists to stop taking photoshoots at tourism hotspots and find unique places to explore within New Zealand (Smith 1). Playing a social observation squad's role, a series of short videos make fun of people taking classic influencer-type photos. In New York City, there are many hotspots such as Times Square and the Brooklyn Bridge where the "New York Tough" tagline to push people to discover their definition of New York Tough photos outside of the standard locations.

Tourism Tax in Venice, Italy:
The Venice tourism tax was connected to the 25 million annual tourists who visit Venice, with most of them coming from cruise ships for one-day visits (All About Venice 1). The 2018 tourism tax will start in 2022, and the recent downturn in tourism for a further delay in the tax.
implementation (All About Venice 2). A similar tax model would be complicated to implement for New York City with so many entry points from airports, train stations, bridges, and bus terminals.

**Airbnb Housing Zone Restrictions:**

In key historic districts of Europe, there has been consistent erosion of housing stock being converted into full-time Airbnb housing for tourism in desirable communities (Summer 1). New York City is experiencing a similar effect in some neighborhoods in Manhattan and Brooklyn, with rents increasing and housing stock being taken off the market to serve tourism (Summer 2). With zoning, targeted housing restrictions of Airbnb in specific historic neighborhoods would potentially disperse the use of housing stock in a variety of communities around New York City.

**U.S. Tourism Policy Background:**

We will look at three different types of initiatives that would help move the needle in equity. Now, we are connecting the tourism industry to these types of wealth inequalities because there is a direct impact on many communities with these wealthy or moderately wealthy travelers who economically impact major US cities and locations around the neighborhood. The concept offers more system equity assistance to even out the difference to create a genuinely equitable economy through one industry. These policies may be extended across many sectors. Still, tourism is on the front line of the crisis. It is pivotal to distribute the successes equitably, so when we have another economic downturn, people can navigate these challenging times to bounce back quicker.
**Baby Bonds:**

As we continue to deal with systemic racism, there is more robust and more vital advocacy for a unique policy to give all community members equity based on their financial standing. The babies with fewer means will receive $50,000 equity when they are born, and the more resourced babies will receive smaller equity, which they receive when they become young adults (Zewde). This type of financial equity will allow them to invest in housing or educational opportunities and avoid the need to be in debt for an extended adulthood period. The U.S. government could finance these baby bonds, but it also could be augmented by the employers in the tourism industry to create more equity in their employees.

**Neighborhood Stock Ownership Plan (NSOP):**

In European companies, there are opportunities for the workers to invest in the companies as part of the salary to receive benefits from the company's success in the long term. With many tourism industries relying on one public and private add, the industry standard is to have a financial partnership with their works. It could be directed to the employee, or it could be to support local nonprofit organizations in their community to better assist with education or financial adult educational classes (Goodman). Individual or community support is a crucial component to ensure success is felt across the larger neighborhood.

**Tourism Royalty of Bhutan:**

As the world reopens in the post-COVID world, the U.S. will continue to be a destination for travelers from around the world. These travelers are welcome to enter the U.S., but we could look at a tourism model similar to Bhutan, which charges a tourism royalty fee upon entering the country.
country, which is $65 per person. This tourism fee goes to education, healthcare, infrastructure, and more. With the baby bonds, as mentioned earlier, the tourism fee could go directly to the baby bounds program's equity, which could be called the Tourism Equity Fee. Bhutan has many other fees and required accommodations and guides, which is not realistic for the U.S. to implement. Still, there is an advantage to a visit to the U.S., and the visitors could help combat rising inequality. Bhutan also tracks their gross national happiness (GNH) as an essential metric for success. GNH's nine domains are health, education, time use, cultural diversity and resilience, good governance, community vitality, ecological diversity and strength, living standards, and psychological well-being. Bhutan has leveraged its tourism economy to help its entire population and promote equity (The Official Institute for GNH).

**GNH versus GDP:**

The U.S. will not adopt all of its policies, but there are many aspirational qualities to prioritize GNH over Gross Domestic Product (GDP). Bhutan's government has seen the opportunity to leverage the tourism economy to create equity across many countries' systems. There is a successful model for public-private partnerships in the U.S. to leverage resources and support communities. In the current government system, the local organizations have to work toward very concrete social welfare support goals versus a larger goal of building equity in the community (The Official Institute for GNH). We can create strong community organizations with endowments that are as large as higher education institutions. The community organizations would then focus on larger community goals versus putting band-aids on different ongoing issues within a community without supporting it holistically.
Secular Stagnation of GDP and GNH:

From a political economy Lena's, there has been a secular stagnation with slow growth in many OECD countries. By approaching systemic racism created by political institutions and economic institutions, there is an opportunity to unlock a new development level in a society where we may want to look at the GDP and GNH as a key to a booming U.S. economy. The U.S. unemployment rate is a key metric used to understand the economy's state, but the employed with a living wage in an equitable community is not viable in these myopic numbers.

Harlem Children's Zone:

Geoffrey Canada and the Harlem Children's Zone (HCZ) have taken a cradle to college approach of their work with their community with Baby College 101 to focus on the equity of the least resources individuals have access to the early education support, which are pivotal. HCZ has moved from government support to 80% of its funding from private donors, with 20% funding from government agencies. HCZ is focused on long-term goals and needs to leverage its endowment for more significant long term goals (Johnson). The U.S. quarterly approach to business reports is not an excellent method to focus on the community's growth over the long term.

Restoration Brooklyn:

With financial education and community support, restoration has leveraged their access to some of the most eatable African-American artists, actors, and musicians to create community support and cultural offerings for communities (The Billie Holiday Theater). As we think about tourism, there is a culture concentration to be a commodity to be sold to visitors. Still, there is an essential element in equity for less-resourced communities to access cultural institutions (Restoration). The
restoration organization is working to distribute financing to other minority-led cultural institutions that have been significantly affected by the COVID pandemic. The tourism industry needs to with NSOP model or Tourism equity fee to finance more community developed attempts similar to restoration work with their theater and the high profile African American community. In the future, restoration is interested in creating an equal endowment to the Harlem Children's Zone. With Brooklyn's well-known worldwide profile as a hip and artist destination, there would be a unique policy to funnel some of this tourism to directly support these types of communities clearly and efficiently (The Billie Holiday Theater).

**NXTHVN in New Haven:**

In the same vein as Restoration, NXTHVN is working with the local community to develop the next generation of artists to teach them art and business skills. NXTHVN has used government support to create a world-class art gallery and studio, a welcome part of the community (Reid). There are eight artists and interns who work in the community and to create their work. With close relationships of young students, they build a neighborhood by being an incubator for local businesses and supporting growth and development. With Yale University nearby, the organization connections are using the best minds to crest an inclusive community where they want to build more equity for the local community from business, artists, and others (Reid). With art and artists being a larger draw for a neighborhood's future development, NXTHVN uses a unique model that integrates the community's success with the organization's successes (NXTHVN).
U.S. Policy Implementation:

Tourism Equity Fee and NSOP: In 2018, there were 79.7 million international visitors to the U.S. (U.S. Travel and Tourism). With a proposed $65 tourism equity fee on all visitors, the fee would raise 5.1 Billion dollars. In a new approach to funding, the federal government could use this funding as seed money for Restoration and NXTVN. These organizations could leverage a larger share of private funders' funding to build endowments to build improved holistic services for communities. The Tourism Equity Fee can be used in tandem with NSOP as a way to integrate local institutions' successes to ensure neighborhoods receive the benefits for the anchor institutions' successes.

Baby Bonds: The baby bonds would be from $2,000 to $50,000 based on the families' net worth, so the individuals will have access to the capital in their young adult life to invest in education, housing, or other options. "By targeting bond values in this way, scholars intend to direct the greatest share of public resources to households with the greatest need and thus mitigate intergenerational inherited disadvantages of wealth. The proposed total public expenditure is $80 billion a year, spread across 4 million babies born in the U.S. per annum" (Zewde).

U.S. Policy Recommendations:
As new political institutions start their terms, there is an opportunity to use different policies and techniques. The Obama administration worked to expand HCZ around the country in the Promise communities. With some much need in the post COVID world, there will be not one magic bullet policy. Still, the travel equity fee and baby bonds are ways to build equity in communities to stop the economic inequality, which will prevent our society from prospering with more or of a focus on Gross National Happiness versus only focusing on Gross Domestic Product.
Appendix:

A. Amsterdam Doughnut Economics (Nugent)
Number of scheduled passengers boarded by the global airlines 2004-2021

(in millions)
C. (The Office Institute for GNH)

D. (United World Tourism Organization)
Sources Cited and Consulted:


