Study on the Faith Construction Issue under Economic Angel¹

ETUDE DU PROBLEME DE LA CONSTRUCTION DE LA FOI SOUS L'ANGLE ECONOMIQUE

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Abstract: Since the tourism faith default of China's tourism industry has become a fiercely harmful problem, strengthening the faith construction becomes an inevitable choice and the urgent issue. Seen from the economic angle, the tourism industry faith default in China is caused by three reasons. These are the asymmetrical information among the economic main bodies, limited gaming in this industry, and "the government failure". Therefore, the tourism enterprises, the government, and tourism industry associations should joint efforts to develop the tourism faith construction and build a good faithful environment.

Key words: Tourism Faith, Faith Default, Faith Construction

Résumé: Actuellement, un sérieux problème du manque de l'honnêteté s' apparaît dans le tourisme, c'est un certain choix et une obligation pressante d'intensifier l'édification de l'honnêteté du tourisme en vue de réaliser nos développements dans ce domaine. Au point de vue d'économie, la cause principale de ce problème est des informations asymétriques et des concurrences restreintes entre les parties principales d'économie dans le tourisme, ainsi que "le sans contrôle du gouvernement". Il faut que les entreprise touristiques, le gouvernement, les associations touristiques travaillent ensemble de pratiquer la construction de l'honnêteté du tourisme et de bâtir l'environnement honnête.

Mots-Clés: l'honnêteté du tourisme, le manque de l'honnêteté, l'édification de l'honnêteté

1. INTRODUCTION

With the socialist market economy being in-depth development, tourism industry unceasingly enhancing its status in the whole social economy development. Tourism industry in China is becoming one of pillar industries in national economy and our country also advances into the great nation ranks in the world. But the phenomena of faith default are becoming fiercely in recent years, and it finally damaged the overall tourism's image. This restricts tourism industry's healthy and sustainable development, and it also weakens China's competitive abilities and social prestige in international tourism market. And its harmful is not only restricted in the tourism domain, but inevitably ruins the social life and national market economy. So strengthen the faith

construction has becoming our inevitable choice and the urgent issue. It is also an important topic in tourism industry and theory circles. This article attempts to analysis and research the faith construction issue with the economic theories.

2. MAIN PERFORMANCES IN TOURISM FAITH DEFAULT

The tourism economy main bodies include three main sorts: tourism enterprises, tourists, and local governments in hosting and destination countries and areas. Therefore, the author thinks phenomena of faith default can probably lie in all of those three kinds of bodies. Not only tourism enterprises as a sole main body, but also the tourist in the traveling activities and

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government in managing affairs all have faith problems.

2.1 Faith problems in tourism enterprises

The concrete manifestations of faith problems are as follows:

2.1.1 Contract breaches and deficient services

This is the customers appealing hot point at present. The main performances are: casually changing traveling routes and adjusting the scenic sites, increasing shopping number of times, selling tourim groups and tourists and so on. Because they reduce the service standards, their services providing do not accord with promising to tourism in advance. Their attitudes cannot let tourists be satisfied.

2.1.2 Tourism commodities mendacious prices and counterfeits

Mendacious prices and counterfeits are common phenomena in tourism commodities markets where lots of fake antiques, calligraphies, paintings, jades, carvings, jewelries, china wares etc. Exaggerated with the irresponsible introduction, some tourism enterprises disguised the inferior products to be qualified ones and sold them to tourists. That makes tourism commodity market evil reputation.

2.1.3 Advertisements misleading and prices cheating

Some tourism operators provide the false information to the traveling consumers by imitating other enterprises' brands, and carry on the cheat or even extort to the traveling consumers. For attracting tourists some travel agencies sell the traveling products under the name the low price, but in the traveling process, they increase the number of shopping times or the traveling projects that should be paid by tourists without their permissions in advance to obtain the extra profits, which causes tourists to participate economy group with luxurious prices. "Zero Group Fees" and even "Negative Group Fees" which have the feature of the prices cheating appeared in recent years.

In addition, there is deficient credit behavior such as violation and not paying back the debt long term between the tourism enterprises.

2.2 Tourists faith problems

Tourism industry is facing a continuation to open after the development phase in our country, and in 2005 our country cities inhabitant annual mean net income and the farmer annual mean net income respectively are 10,493 Yuan and 3,255 Yuan. The economy level of development decides the development level for populace traveling staying in an initial period stage. The thought of most traveling people is just "reaching this resort", therefore they pursue excessively the low price.

Some traveling consumers are very picky in choosing travel agency services and even appeal maliciously in order to pay less the expense or the gain indemnity.

2.3 Faith problems on government

The current tourism faith default phenomenon is related with none accomplishments of some local authorities and departments on the certain degree. Based on ideas such as "Benefit is supreme", "the customer is God" and so on, many local authorities and departments had a more tolerant manner to the traveling consumers and even the traveling enterprises, and they didn't take corresponding restraint mechanism on their behaviors, which causes the faith flaw. The government neglects its own tourism faith construction, so that the government has the intense subjectivity in the traveling supervisory work, break market competition order, also creates the no symmetrical information among the traveling main bodies. Furthermore, the individual local governments carry on cheating to improve tourist spot notability and develop the unique tour product.

Because the government ignores tourism faith construction themselves, the government manages with intense subjectivity, arbitrariness, propagate sepsis. Those faith default behaviors destroy market competition and provide the possibility of faith default and cheating among the tourism main bodies because of information asymmetry.

3. ECONOMIC ANALYSES ABOUT THE REASONS OF FAITH DEFAULT PROBLEM

The Reasons about the tourism faith default problem are extremely complex, including many factors such as history reason, the society reason, the law reason and policy reason and so on. Researched from the economic angle, the major reasons for the tourism faith default problem have following two aspects:

3.1 Information asymmetry and limited game between the tourism economical main bodies

Asymmetrical information refers that in the transaction process both sides of a transaction have not the coordinated information quantity, a side has more information compared to another side, thus has the phenomenon of reversion choice. In the tourism market very big part of faith default problems are created by the asymmetrical information between the tourist and the tourism enterprise, even the local travel agency and the outside areas traveling market information. These kinds of asymmetrical information include not only market resources, price, but also a traveling enterprise's faith

default aspect.

The information asymmetry existence violated full hypothesis of information under the perfect competitive market condition. According to Akerlof's theory, before signing in the contract, the information asymmetry is easy to cause so-called "the reversion choice", that is, tourist does not believe the tourism enterprises, so he attempts to make up his shortness in information through the negotiations. If so, it increase the cost of the tourism enterprises performing the agreement, which causes it to be unable to provide the good commodity, finally a large number of inferiority commodities emerge in the market, and the high-grade commodities are actually pushed aside. Because the information is asymmetrical, tourists will be unable comprehensively to understand if the contract will be fulfilled by the tourism enterprise, and on the other side, according to own benefits, the tourism enterprises will adopt the opportunism behavior, in other words, they probably can not choose the faith management. Obviously, the tourism enterprises' faith default is under the information asymmetrical condition. The more this kind of asymmetrical information is used, more possible happening of moral risk possibility and the reversion choice and the more serious of the tourism faith default problems. So it appears the phenomenon of "bad currency banishes good currency".

After the contract being signed, information asymmetry will produce moral hazard behavior because of the tourism enterprise's information advantage. That is tourist has no way to know the enterprise' fulfill contract condition owing of information asymmetry. The tourism enterprises' behavior may be based on "Self-interest First" principle and they will adopt an opportunism action. That's mean that the tourism enterprises will choose dishonest action when they think that net proceeds by breaking an agreement is greater than by keeping an agreement. It can be seen that tourism enterprise default marketplace business behavior and behaviors for their benefit maximization under information asymmetry condition. The bigger information asymmetry's degree is, the more possibility the tourism enterprises producing reverse choice and moral hazard, the more serious faith default are.

The gaming between the enterprises and tourists belongs to limited game at the basis of incomplete information. Because the touring activity is of changing area and temporariness, tourists are limited in the traveling destination resident for a short time; the tourists have the deficient patience in game model with the tourism enterprise. These factors cause the tourism enterprise obtain consumers' surplus belonging to a tourist originally in the process of pattern game of haggling. The information asymmetry causes tourists to be in the inferiority in the gaming process, therefore they unable correctly distinguish the genuine and fake of traveling commodity. Because of the limited times to the destination, the tourists can not punish illegal enterprise's self behavior by themselves. Because of

limited gaming tourism enterprises tend to runs after the short-term benefit maximizes motivation by a variety of immoral means. These cause tourism enterprise's faith default behavior.

3.2 Tourism economy theory on "government malfunctions"

Tourism faith default problem reflects not only "market failure" under the uncompleted information condition, but also the government management ability is limited. That causes "the government malfunctions" or "the government defeat" phenomenon.

The main reason about faith default is serious information asymmetry condition. The information asymmetry also comes from the imperfect credit system. The credit system restrains the credit main bodies' standards and its property right structure rational arrangement, and enterprise's faith exactly maybe regarded as the reflection of this system arrangement. A rational business person in transaction, if he chooses the unfaithful management, his action proved our current credit system arrangement is not advantageous to the faith behavior. So long as the bad faith action is profitable, everybody does not want to keep the credit. On the contrary, so long as the bad faith enterprise runs difficult, everybody is willing to keep his word, and our credit system is effective.

Judging from our country realistic situation, our country tourism industry faith default condition is serious at present, As a result of the long-term history and the realistic reason, there is not a perfect credit system to restrain the transaction main body' behaviors, and the system innovation no to be insufficient in our Popularizing-law country. Because education deficiency and effect limited, rule concept has not yet to be deeply rooted among the people, most tourists are unable to and unwilling to defend personal lawful rights and interests by the legal weapon. And this kind of credit system caused the transaction contract not to be incompletely fulfilled and the gap and the leak in the contract and two sides of contract responsibility are possibly not mentioned clearly, which increased the probability to break a contract. In addition the tourism industry development history is comparatively shortly and the tourism legal system instruction is being perfecting. The imperfect legal system also reflects law blind spot and loose reforming by the law.

Some illegal enterprises study law intensively on law blind spot and their faith default behaviors can not be punished according to the law. This imperfect faith system also exactly leads to the imperfect of business contract further. The contract may contain breach and omission and not issuing every square responsibility in some condition, but rough or equivocal regulation in another condition. That will increase the probability of breaking a contract.

4. STRENGTHENING TOURISM FAITH CONSTRUCTION MAIN WAYS

Establishing tourism industry faith system in our country is the inherent requirement of the tourism industry development and important part of building a socialist harmonious society. Thanks to our attention and efforts in recent years, China's tourism has been a foundation in faith construction. But comparing with the foregoing issues ` its playing a role in the tourism industry, the tourism faith construction is still not in place and still lagging behind. The tourism industry must comprehensively and thoroughly develop the faith system construction to improve and perfect the tourism faith system. The Specific ways may include following several aspects:

4.1 Strengthen tourism enterprises own faith construction

4.1.1 Enhancing moral construction and fostering credit culture

We should strengthen moral education and raise the faith awareness of tourism enterprises. The social morals restraint is the premise and the foundation of legal restraint. Only when people have the moral restraint quality, they can abide the law restraint by their own initiative. Tourism enterprises should consciously use the moral behavior norms restraining their activities and do service work well. This will bring faith to the core enterprise standard of professional ethics. The tourism enterprises moral construction include leadership of the personal ethics and the staff's quality moral. First, the leaders need to have faith belief. The moral philosophy and individual quality of enterprise highest leader decide enterprise's development direction; the traveling enterprise's faith mainly comes from to the enterprise leader's management idea. Next, the tourism enterprise should carry on education training to the staff and form their positive enterprise culture. That will guarantee the staff having the good occupational ethics in working

4.1.2 Traveling enterprises practically fulfill the faith behavior

Today the enterprises are regarded as a series of contracts joint, the traveling enterprise are the main body in practicing the tourism faith and that is the cornerstone of tourism industry healthy development. All tourism enterprises need to join in good faith traveling construction with their own initiative and overcome three insufficiencies, which namely "the heavy benefit, the light faith", "the heavy management, the light management" and "giving a thought to at present, forgetting long term". The tourism industry is of service industry, the tourism economy is about serving economy, service industry is completely the

"humanist" profession. The tourism enterprises have the honest contents: the actual price and the genuine goods at reasonable prices with clearly marked price. The enterprise's code of honor question is about fulfilling and abiding the contract. The traveling enterprises which obtain the credibility in social can unceasingly get well-knowingness and promote their own status. Only that they can meet the business booming.

4.2 Governments leading perfecting faith system and the mechanism construction

The faith and harmonious tourism environment is of the typical public good and obvious positive exterior. The faith system's establishing in our country tourism industry will be helpful to the enhancement traveling environment positive exterior effect. This needs the government to display the correct leading role. As the later developing country, the market spontaneous adjustment is unable to realize the development guidance economy. So it is decided the country inevitably uses the development pattern which the government leads and intervenes economy. The government intervening may have different according to the economy development different time, the scope, the content, dynamics and the way. The government intervenes along with the actual condition unceasing change at the right moment and diligently makes up "the market to malfunction", and reduces "the government defeat" as far as possible.

As the later developing country, our country involved higher degree in the tourism industry in economy development initial stage. When the economy tourism is in maturity developing a stage, we should adjust interfering degree and range with tourism branch demand; change from mending a market failing to the expanding market. This will improve information level \(\) marketplace transparency and touring economy entirety operation efficiency. Under specific historical conditions excessive transaction costs may prevent a marketplace resource disposing effectively, so the government regulation has to become inferior excellent choose.

4.2.1 Establishing perfect laws system, increasing the traveling enterprise's breaking promise cost

Because of complete information, it is a limited gambling between enterprise and tourist, enterprise has a possible to cheat tourist. But if the legal system being perfect consummation, tourist is positive utilizes the legal instrument to maintain individual rights and interests on own initiative, the traveling enterprise does not dare to cheat tourist under the legal restriction, and willfully to break a contract. In other words the good faith economy realization needs to guarantee by the certain information and the system. The legal restraint is important to safeguard the good faith construction.

4.2.2 Building and perfecting legal regulations, enhancing the enterprise faith default cost

The tourism enterprise has a chance to cheat tourist because of " limited gaming and incomplete information". If the legal framework is perfect, the tourist may initiatively defend individual rights and interests with the legal weapon. And the tourism enterprise doesn't dare to cheat a tourist casually and break a contract arbitrarily. That is to say realization of faith economy needs certain information and system guarantee, and law restrains is important ensuring. Laws and regulations especially relevant to the tourism faith should be built and perfect as soon as possible. It also needed to reinforce institutional innovation. For instance, reinforcing building "Anti-monopoly Law ", "Tourism Law", "Tourism Faith Law", "The Tourist Rights and Interests Protection Bill" and punishing law about breaking the tourism faith system and regulation and so on. These laws should be cleared the tourism faith main body's behavior legal liability and provided the legal basis for the tourism faith administration.

At the same time, it need to reinforce intensity of law enforcement, strengthen tour legislation authority and the disciplinary which will enhance the tourism faith to have the formidable legal deterrent strength and enlarge the risk and the cost which not right competes. In addition, we should strengthen the legal education program and raises citizen's law consciousness, letting tourist and the faith tourism enterprise understand and dare using the legal weapon to maintain individual and enterprise's legitimate rights and interests.

4.2.3 Driving building-up tourism faith appraising index system

It is emphasized to strengthen entire industry faith belief construct faith information superintends mechanism and administrative faith system. Building up tourism faith administration, evaluation, public instructions, information disclosure system step by step. The tourism faith system includes five aspects. The first is to build the tourism faith data base, the record about entire industry, tourism enterprise and the practitioner are all known to the public. Second, the tourism faith records system will be built up. Third is the setting up of the tourism enterprise and their employee faith appraise system. The fourth is the stalling tourism enterprises and practitioners stimulating and punishing system. The last is to build the enterprise quality supervising mechanism, and perfect quality supervises network system.

4.2.4

Conformity management resources and strengthen the administration Tourism industry is of involving many aspects and the coverage very broad. It includes six essential factors such as "eating, living, route, loaf about, buying, amusing". The faith construction is influenced by many factors including more than 20 related functions departments and involved by local

outside and inside , outside the province, the domestic and foreign traveling regions. The tourism industry has characteristic of profession comprehensive and widespread. That make it impossible that the tourism faith construction only depends on the present traveling management system and the mechanism to do very much well, It should form a tour commonly enforcing the law overseeing organization, which consist of Tourism Administration , Price Bureau , Commercial Bureau , Commerce Bureau and so on, to enforce independently the law.

4.2.5 Strengthen government faith construction

Government is the main impetus in constructing tourism faith system, the government own faith construction and the restraint mechanism consummation is the essential link in tourism system construction, It may say that government faith is safeguard of the entire tourism faith system.

4.3 Developing sufficiently the effect of tourism industrial association intermediary organizations

Drawing support from highly developed social intermediary organizations harmonizing the economy is one of the characteristics of the developed country tourism management. Being intermediary organizations, the tourism industrial association is the link among the government `tourist market and the tourism enterprise.

Generally speaking that the industrial association has certain authority and be able to apply guild regulations to follow the behavior restraining and keep enterprise within limits to a certain extent. Therefore, our country should run effectively the construction of tourism industrial association organization in the various levels founds the perfect all of the various levels tourism industrial association, works out the tourism industry standard, the tourism industry autonomy joint pledge and announces the pledge to the society. The profession association provides the tourism enterprise prestige information of the association interior to the tour information data base, letting the entire tourism profession member accept the social public surveillance. That will realize tourism profession interior selfpurification and the standardized management. This also is an effective way which will promote the tourism profession faith development. It is suggested to cultivate the many levels social faith agency even special tourism faith agency at the basis our country national condition.

4.4 Consummates the social surveillance mechanism of tourism faith construction

It should standard retail sales department management and the tourism advertisement issue system by opening

tourism faith construction column to widespread propaganda in television, newspaper and website, and perfect society and news surveillance mechanism. Through the public information guiding tourism operator legitimately manages and the consumer understands the expense. This will encourage and support faith enterprise becoming stronger and bigger.

4.5 Cultivating mature expenses psychology and founding harmony healthy tourism market.

The tourism consumers should be cultivated the mature expense psychology which they are not far away the faith management and see through the false appearance about "zero party dues, negative party dues", not being deceived by the person. Traveling shopping Consumer should primarily buy the souvenir. When they purchase valuables articles, they must be prudent and vigilant the

few tour guide's clever speech to mislead. And before going out to travel, they must carefully examine the traveling contract, check the contract's standard · effective · comprehensive and accurate.

The consumer should study the legal knowledge, resist the violence threat unifying tourist group other members when they meet the force shopping and preserve the correlation evidence, promptly sues to the traveling quality testing department or all levels of Consumer Association, brings honor to the healthy tendency, defends own legitimate rights and interests.

We believe in: With tourism industry developing, tourist market's gradually mature and tourism industry faith construction ceaselessness reinforced, the tourism faith construction will be able to get more and more good effect, it surely will boost the tourism economy continuing for forcefully, develop speedy and healthy.

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