

Formation of China's First National Park: Interactions Among International NGO,
Prefectural Government and Local Communities

A Project Report Presented to

The Faculty of the Department of Anthropology
San José State University

In Partial Fulfillment
of the Requirements for the Degree Master of Arts

By

Jing Li

May 2013

SAN JOSÉ STATE UNIVERSITY

The Undersigned Graduate Committee Approves the Project Report Titled

Formation of China's First National Park: Interactions Among International NGO,
Prefectural Government and Local Communities

By

Jing Li

APPROVED FOR THE DEPARTMENT OF ANTHROPOLOGY

Dr. J.A. English-Lueck, Associate Dean, College of Social Sciences

Date

Dr. Chuck Darrah, Department of Anthropology

Date

Roberto Gonzalez, Department of Anthropology

Date

Abstract

This report analyzes the interactions among major stakeholders, which has resulted in the formation and the current operation of the first National Park in China---the Putatsuo National Park in Yunnan province--in order to make effective recommendations to the Yunnan National Park Management Office and the Yunnan Provincial Tourism Administration. Specifically, an international NGO, the Nature Conservancy, initiated the idea of a natural preserve, which later evolved into a more appealing proposal of a national park that was in turn taken over by the prefecture government in Shangri-la as a potential vehicle for economic development. This focus on economic development has largely neglected local residents' welfare and interest. More importantly, the implementation of mass tourism without effective local community involvement and governmental regulation has produced significantly adverse short-term and long-term impacts on the environmental quality of that area through infrastructure construction, environment modifications, and large-scale man-made destruction. This report uses Putatsuo National Park as a case study to illustrate the structural, cultural and political obstacles faced in establishing a national park system in China, which include contradicting the intent and international practices, and not being supported by consistent policy standards for national park development. By further analyzing the driving forces, including national economic policy, local government political competition, and government official business interests, this paper concludes that self-reform for environmental preservation is unlikely to occur in China in the near future, even though there is a gradual heightening of the awareness for the need of environmental quality both in the central government and among the

general public. By analyzing the interactions among major stakeholders and the economic and structural driving forces, this paper suggests three practical approaches for improving future national park formation and operation in China: 1) for the central government to provide incentives for the local government to find innovative ways for the formation and operation of national parks that are both economically and environmentally beneficial; 2) for concerned citizens to further organize and actively promote the development and implementation of environmental policies that can achieve a true balance between economic growth and environmental quality; 3) for international organizations to influence the Chinese government in accelerating the implementation its environmental preservation policies through both rational dialogue and moral persuasion.

Key words:

National Park development in China stakeholders driving forces

Table of Contents

ABSTRACT	3
INTRODUCTION	6
NATIONAL PARK SYSTEM ACROSS THE WORLD.....	16
LITERATURE REVIEW.....	21
DESCRIPTION OF THE PARK LOCATION	24
PROJECT STUDY METHODS.....	28
THE PUTATSUO NATIONAL PARK IN CHINA.....	37
THE ORIGINATION OF NATIONAL PARK IN YUNNAN.....	38
THE BACKGROUND FOR TOURISM DEVELOPMENT IN DIQING PREFECTURE	41
THE NATIONAL PARK IN PLANNING AND EXPERTS' PLANNING WORK	44
THE NATIONAL PARK IN PRACTICE.....	49
DIFFERENT OPINIONS ON PARK PROJECT FROM LOCAL RESIDENTS AND THE PARK	53
TIBETANS AND NATURE	58
THE PLACE	70
THE CONSTRUCTION OF A STATE-LEVEL TOURISM ATTRACTION	74
TOURISM INDUSTRY DEVELOPMENT IN YUNNAN	85
THE DRIVING FORCES BEHIND LOCAL GOVERNMENTAL COMPETITION..	88
ECOTOURISM, A NEGOTIATED STRATEGY	97
CONCLUSIONS AND SUGGESTIONS	101
REFRENCES.....	112
APPENDIX I.....	126
APPENDIX II	128
APPENDIX III.....	130

INTRODUCTION

This report analyzes the interactions among major stakeholders, which has resulted in the formation and the current operation of the first National Park in China---the Putatsuo National Park in Yunnan province, in order to make effective recommendations to the Yunnan National Park Management Office and the Yunnan Provincial Tourism Administration. Specifically, an international NGO, the Nature Conservancy, initiated the idea of a natural preserve, which later evolved into a more appealing proposal of a national park that was in turn taken over by the prefecture government in Shangri-la as a potential vehicle for economic development. This focus on economic development has largely neglected local residents' welfare and interest. More importantly, the implementation of mass tourism without effective local community involvement and governmental regulation has produced significantly adverse short-term and long-term impacts on the environmental quality of that area through infrastructure construction, environment modifications, and large-scale man-made destruction. This report uses Putatsuo National Park as a case study to illustrate the structural, cultural and political obstacles faced in establishing a national park system in China, which include contradicting the intent and international practices, and not being supported by consistent policy standards for national park development.

National parkswere first introduced in the U.S. in mid-19th century and later spread to many other parts of the world. They are key bureaucratic units for preserving natural, cultural, historical, and recreational land resources by national governments. Specifically, Yellowstone National Park was established in 1872 in the U.S. as the world's first truly national park, encompassing 2.2 million acres. It is

known for preserving biodiversity and natural scenery. However national management of such resources was an innovation; local, and often destructive, management preceded central bureaucratic control. In the mid twentieth century, international coordination emerged. In coordination with the national park developments throughout the world, the most established and largest environmental network, the International Union for Conservation of Nature (IUCN), has defined six categories of protected areas, with national parks being Category II (see Appendix I). It specifies guidelines for developing national parks, which are widely accepted by countries in the world. The U.S., Australia and Japan, represent three major types of national park management systems that conform to IUCN guidelines and standards that prioritize biodiversity protection.

National parks, as a new concept, have been fast growing in China. Yunnan province is the first province to put a national park system into action in this country. However, as demonstrated in several pilot projects in Yunnan province, national parks in China may fail to adhere to principles set up by IUCN and are inconsistent with practices in major representative countries who have exemplary systems of management style, funding system, function of the park, resource protection system, and community relationships. Nonetheless, this province has made ambitious plans to construct 12 national parks within the province by 2015. This report uses Putuoshan National Park, the first pilot national park project conducted by Yunnan province in a Tibetan community in Diqing Tibetan Autonomous Prefecture, as a case study to illustrate the key structural, cultural and political obstacles faced in establishing a national park system meeting international guidelines and standards in China. The goal

of this project is to make concrete policy recommendations, within the Chinese context to establish an infrastructure to administer future national parks in China.

In China, a central government agency has not yet been set up to develop and manage national parks. The establishment of Putatsuo National Park was announced in November 2005. Less than one year after the park began construction, it was opened for soft opening in 2006 and officially declared as the first “national park” in mainland China by the Yunnan Provincial Government to meet IUCN standards. It has become one of the newest tourism attractions in Yunnan province and serves as a model of innovation of local government in revenue generation. Putatsuo National Park has experienced a long process of conceptual evolution, location selection, project initiation, and integration with local communities. However, since its operation in 2006, the Park has continued to be a source of conflict among various government agencies, local communities, and tourism companies. In both research strategy and suggested interventions, I am using an interdisciplinary approach, including policy and economic analysis, but fundamentally based on two frameworks used in the anthropology of tourism.

The first framework looks at the relationship of guests (Han Chinese and international visitors) and hosts (Tibetans), which has been one of the most important anthropological approaches to study tourism. In my project, assumptions about management, power and competence are revealed by examining discourses drawn from interviews and observations. Essentially, Putastuo national park is a tourism attraction designed by planners whose work was authorized by Diqing prefectural government, aimed at attracting the mass tourists who desire to visit natural scenery

and experience “authentic ethnic culture” as part of the large state project of industrialization in China. However, the planners do not assume responsibility for monitoring and enforcing regulations protecting the environment and local culture. Using such a state logic, this tourism activity should be introduced as a new product and a national park is an appropriate form for it. This is how local prefectural government bureaucrats understand tourism and market share strategies. Scholar planners (refer to those scholars invited by government from universities to the planning work) reinforce these assumptions. However, this interpretation only represents the government’s imagined tourist demand; these notions are widely held to be true for the Han Chinese and international visitors in China, the “guests” in the tourism dyad. Han Chinese, the largest ethnic group, accounts for 90% of total population in China, and is the dominant ethnic group in China. Its values dominate not only official views or policies in China, but also affect a large number of minority cultures. The other fifty-five ethnic groups are perceived as minorities and their livelihoods are labeled “primitive” or backward (Xia & Melick 2007) in official discourse. The governmental interpretation has trumped vision held by an important stakeholder, the Nature Conservancy (TNC) who proposed this project initially. TNC expected the park to be a real national park in which low volume tourism would be developed for backpackers or eco-tourists, who presumably would value minority cultural experiences. While ecotourism is conceived to be a sustainable practice that minimizes damage to the biological and cultural ecosystems, mass tourism is large scale, and often imposes guest cultural norms on the tourism hosts. The prefectural government views local Tibetan communities and the park’s location as lucrative resources to generate mass tourism revenues. This attitude is demonstrated by a series

of measures taken on the site by its representative, the Tourism Service Company (TSC). The local community is perceived a resource for profit generation for the prefectural government, which does not necessarily mean residents are inextricable partner in developing the park project. Tibetan cultural norms conflict with mass tourism. The religious worldview of the Tibetans and the attitudes of local residents about themselves and the place are in sharp contrast with bureaucratic expectations and discourses. The integration of nature and the community, exhibited by the local system of sacred-sites, contains continuing dynamic interactions between the human and nature. A nature-based religious system reinforces community ties, and residents' worship practices reinforce the sacredness of nature. By comparing and contrasting perspectives held by different stakeholders on the relationship of hosts and guests extracted from interviews, I can identify competing sources of power and how diverse power affects the management and the nature of the park.

The second anthropological framework I am using is to view the park as an organization and doing a structural stakeholder analysis, which is intended to understand the power relationships among stakeholders. In China, the dominant discourse is to create a harmonious social order managed by the Chinese government through a process of culture control. Constructing a "Socialist Harmonious Society" is a socio-economic vision of growth and the ultimate goal of the national government as posited by the Chinese Communist Party in 2006. However, as indicated by Laura Nader (1997), the dynamic nature of central values, such as the promotion of harmony, is a strategy for constructing power. As anthropologists, we can analyze the discourses of control to reveal competing sources of power. In this report, local prefectural government is directly influenced to accept and value the dogma of

the central government. The goal of achieving economic growth while remaining stable social order, as set by the national government, has been a conviction reified and internalized by various levels of local government. Therefore, voices from other stakeholders and interest claims by local community are subtly suppressed in implementing the park project. Even though the park is not a “national” park by international standards, stakeholders contest their various definitions to assert that Putatsuo is an exemplary national park. This definition depends on the intimate association of power and knowledge as argued by Laura Nader, “What we see depends on what we know. What we know depends in part on how knowledge or knowing is produced and by whom and when and how it is filtered by experience” (Nader 1997). By using their expertise which was cultivated to produce common norms, scholar planners are also involved in subtle coercion aimed at creating collective harmony. They helped the prefectural government design the park to accomplish the task of turning the park into an attractive mass tourism destination. Local levels of government in Yunnan endorse the pattern of developing national parks, even knowingly ignoring economic and cultural interests of the local community. The Putatsuo park project may run counter, especially as a mass tourism venture, to the long-term interest of local community or the sustainable development of the park. Definitely, controlling processes are working throughout the national, provincial and to the local bureaucracies. The worldview is tightly intertwined, various levels of government in the local area are convinced ethnic culture transformation and environment degradation is inevitable. National parks developed through this pattern are also normative products on “the market” controlling people’s

understanding of national parks and tourists' consumption. My recommendations are made with this dynamic in mind.

Based on my previous study of tourism in China as a scholar, I have a unique position to conduct this project, and I understand that scholarly recommendations do help during the course of policy generation and implementation in China. I identified stakeholders in this project through literature (including public media) as well as interviews. I have been to the destination area in Putatsuo and have done preliminary fieldwork to gather information of the evolution of the park both in Chinese and English. As each interview was completed, a more complex organizational structure, including a timeline, could be inferred. Stakeholders' comments and assessments allowed me to draw inferences about what worked and what did not work. From those inferences, I am making recommendations in this report. Moreover, different discourses used by a variety of stakeholders, including bureaucrats at various governmental levels, scholar planners and project consultants with international non-government organizations (NGOs), are analyzed in this report. Different stakeholders have various points of views. Governmental stakeholders have largely adopted a value that views economic growth as uncritically equated with progress. Utopian modernism underpins the state's discourse (Scott1998). The NGO has a different set of values, and is often at odds with the assumption of GDP growth promotion as the primary criterion for success. Instead, they pursue a future that conserves environmental and cultural diversity. As an anthropologist, I understand that each stakeholder is making certain assumptions about what is important. At the same time, as an applied practitioner, I need to use arguments that are comprehensible

and persuasive to the stakeholders. Therefore, my recommendations are framed for particular stakeholders, using arguments salient to their worldviews.

The final piece of work for this project is to disseminate the knowledge generated through this project, so that this project would create practical effect in improving national park system in China. From strategic level, I would submit this report or summaries of my recommendations to two major venues in China, expecting this would produce top-down actions to improve national park system. The first venue is Yunnan National Park Management Office under Yunnan Provincial Forest Department (YPFD). Although some of recommendations made in this report must be advocated by more senior provincial governmental agencies, and this office currently still lacks power in enforcing policies or regulations, it has several advantages in implementing these recommendations. First, this office is the designated organization by Yunnan provincial government to be the regulatory authority for the advancement, coordination and supervision of the establishment of national park system in Yunnan (ROPGYP P.39). It is a suitable venue to advocate for the development of national park system in Yunnan on a provincial level from political perspective. Second, recommendations can be submitted to Yunnan provincial government through this office, to lobby governmental agencies on state levels, such as State Ministry of Environment Protection to advocate for realizing those recommendations, or to advocate establishing Ecological Compensation Mechanism in Yunnan province.

The second venue to distribute this report is Yunnan Provincial Tourism Administration. Recommendations such as the Standard Authentication of Eco-tourism, are made to be advocated by State Tourism Administration. Submitted

through provincial tourism administration, recommendations can be more persuasive in terms of representing the reality that Yunnan has in constructing national park. In the meantime, the Yunnan Provincial Tourism Administration can encourage the State Tourism Administration to work with State Ministry of Environment Protection in addressing conflicts between national park system and ecological protected areas system extant in China.

In addition, I would also focus on stakeholders at the local level for potential improvement of the national park system in Diqing prefecture and Yunnan province. Involved stakeholders differ in their various perspectives and interest claims; nonetheless, this project could be useful in getting them to work together by improving the communications among these stakeholders to develop a common perspective and objective. Although stakeholders are directly involved in the park project, it does not mean that they are fully aware of what actually happened in the park or they understand each other's perspectives. I would translate knowledge generated through this project in forms that it could be used as practical resources for various stakeholders to improve park projects in Yunnan or in Diqing prefecture. Main stakeholders would include prefectural government, scholar planners, TNC, along with the Yunnan National Park Management Office. A common key perspective I would adopt in these reports is the possible negative impacts if current way continues. In the meantime, for prefectural government, I would focus more on community involvement analysis, which would be conducive to persuade prefectural government to organize community training programs. For scholar planners, their role in participating and improving policy formulation in China would be a key point to encourage them to take more responsibility in advocating the interest of local

residents as well as biodiversity conservation. For TNC, who has been playing a vital role in helping national park projects and conservation in Yunnan, the report would emphasize improving the quality of personnel as well as project management, so as to raise its influence in China's context.

NATIONAL PARK SYSTEMS ACROSS THE WORLD

A Brief History of National Park Development

The concept of national park is generally credited to the painter George Catlin, who, in his travels through the American West, wrote during the 1830s that the Native Americans in the United States might be preserved “(by some great protecting policy of government) ...in a *magnificent park ...A nation's Park*, containing man and beast, in all the wild and freshness of their nature's beauty!” (Catlin 1841).

The first effort by any government to set aside such protected lands was in the United States, on April 20, 1832, when President Andrew Jackson signed legislation enacted to set aside four sections of land around what is now Hot Springs, Arkansas, to protect the natural, thermal springs and adjoining mountainsides for the future disposal of the U.S. government (Shugart 2004). It was known as Hot Springs Reservation. However, no legal authority was established and federal control of the area was not clearly established until 1877 (Shugart 2004). In many ways, this is similar to the situation currently experienced in Putatsuo.

The next effort by any government to set aside such protected lands was, again, in the United States, when President Abraham Lincoln signed an Act of Congress on June 30, 1864, ceding the Yosemite Valley and the Mariposa Grove of Giant Sequoias (later becoming Yosemite National Park) to the state of California (Sanger 1866). In 1872, Yellowstone National Park was established as the world's first truly national park (Mangan N.d.) When Yellowstone was established, Wyoming, Montana and

Idaho were territories, not states. For this reason, the federal government had to assume responsibility for the land, hence the creation of the federal-level park.

Even with the creation of Yellowstone, Yosemite, and nearly 37 other national parks and monuments, another 44 years passed before an agency was created in the United States to administer these units in a comprehensive way — the U.S. National Park Service (NPS), through the passage of the National Park Service Organic Act on August 25, 1916.

Soon other nations followed the example of the structure established in Yellowstone. In Australia, the Royal National Park was established just south of Sydney in 1879, becoming the world's second official national park. The Rocky Mountain National Park became Canada's first national park in 1885. New Zealand established Tongariro National Park in 1887. In Europe the first national parks were a set of nine parks in Sweden in 1909; Europe has some 359 national parks as of 2010. Africa's first national park was established in 1925 when Albert I of Belgium designated an area of what is now Democratic Republic of Congo centered around the Virunga Mountains as the Albert National Park (since renamed Virunga National Park). In 1926, the government of South Africa designated Kruger National Park as the nation's first national park. After World War II, national parks were founded all over the world. The Vanoise National Park in the Alps was the first French national park, created in 1963 after public mobilization against a touristic project.

The world's first national park service, a coherent bureaucracy designed to manage the park system, was established May 19, 1911, in Canada (Irish 2011). The Dominion Forest Reserves and Parks Act placed the dominion parks under the

administration of Dominion Park Branch (now Parks Canada). The branch was established to "protect sites of natural wonder" to provide a recreational experience, centered around the idea of the natural world providing rest and spiritual renewal from the urban setting (Parks Canada). Canada now has the most protected area in the world with 377,000 km² of national park space (Parks Canada). In 1989, the Qomolangma National Nature Preserve (QNNP) was created to protect 3.381 million hectares on the north slope of in the Mount Everest Tibet Autonomous Region of China and across the border into Nepal. This national park is the first major global park to have no separate warden and protection staff—all of its management is done through existing local authorities, allowing lower cost and a larger geographical coverage, but also not addressing the problem of coherent administration.

Guidelines of International Union for Conservation of Nature (IUCN)

With worldwide interest in the conservation of nature exploding in the second half of the 20th century, the International Union for Conservation of Nature (IUCN) established a set of guidelines in 2008 for applying protected area management categories.

IUCN defines 6 categories of protected areas, with national parks being Category II (see Appendix I). It also specifies the governance of these protected areas, including governance by indigenous people and local communities, and private governance. These categories can then be used as tools for conservation planning and policies. In other words, today, there is a set of clearly agreed international guidelines for the development of protected areas in general and national parks in particular.

National Park Management In Three Representative Countries In The World

There are three representative types of national park management systems around the world: the U.S., Australia and Japan. The U.S. type represents a more Federal-based management system, and Australia is a more local-based management system, while Japan has a combination style. The following table explains features of national park practices in these countries in terms of the ownership of resources, planning organization, management style and business type.

	U.S.A.	Australia	Japan
Legal framework	The Organic Act; enabling legislation; Wilderness Act; Wild and Scenic Rivers Act; National scenic and Historic Trails	Environmental Protection and Biodiversity Act and state-issued laws or acts; Aboriginal Land Rights Act	National Parks Law; laws relating to conservation of nature and endangered species of wild.
Ownership of Resources	Mostly owned by federal government	96% owned by local state governments	61.8% state-owned; 25.7% privately owned; 12.59 % public land
Planning Organization	Denver Service Center & Harper Ferry Center as main organizations.	Planned by individual state	Park Plans
Funding System	Federal governmental budget for construction and operation; social donation	Mostly funded by department of national parks in states governments	Budgets from Ministry of Environment Protection; National parks foundation (from park facility users)
Business Operation	Limited Concessionary business	Limited Concessionary business	Limited business controlled and approved by MOEP

Management Mode	Vertically managed by non-profit organizations; Volunteers	Managed by States and Territory of Australia & Australian Government & Joint management with aboriginal people	Nature Conservation Bureau of MOEP; Regional Environmental Affairs Offices; Park ranger and auxiliary Rangers; partnership between MOEP and local governments; volunteers
-----------------	--	--	---

Table 1: Comparison Of National Park Systems in Representative Countries

Sources:

National Park Service of U.S.A.: <http://www.nps.gov/index.htm>

Australian Government: <http://australia.gov.au/about-australia/australian-story/national-parks>

Ministry of the Environment of Japan: <http://www.env.go.jp/en/nature/nps/park/>

Resources may be publicly or privately owned in these three countries, but they share some common characteristics: 1) they are funded by government budget rather than by in-park business; 2) they have strong legal system to protect resources within the park; 3) they are directly managed by government, volunteers or indigenous people in partnership with government; for example in Australia, national parks are co-managed with aboriginal people; 4) business is limited in the form of concessions. Practices in these countries are mainly aimed at protecting natural resources through an integrated system, promoting public education and recreation, and preventing national parks from being used as a pure tourist destination to generate income.

LITERATURE REVIEW

Putatsuo National Park attracts increasing academic attention in both China and other countries in recent years, partially because Putatsuo National Park has been advertised heavily since its inauguration, and partially because Putatsuo is the first national park on the list of Yunnan province's plan for a national park system. Because it is the first national park, Putatsuo has attracted scholars' interest in how it will be managed. Chinese scholars Tian and Yang (2009) have examined management system changes in Putatsuo area since 1984. With four major changes in the management system from 1984 to 2003 before this area was developed into a national park, they have argued that every institution evolves with changes in external environmental conditions and stakeholder interactions. As a place for conservation, Zhou and Brumbine (2011) compared Putatsuo and Laojun Mountain National Park (a new national park established one year after Putatsuo in Yunnan) to evaluate whether this park model has offered improvement to existing nature reserve regulations and implementation. They concluded that these two national parks, when imbedded in China's institutional settings, may not be as useful for conservation as they were in their original context. Reasons for this include low community involvement, little funding from central government impeding parks from serving as true protected areas, and the political complexity of competing bureaucracies in China. For example, the lack of cooperation between provincial and prefectural government agencies has meant that some regulations specified for provincial level could not be implemented on the local level. The prefectural government acts in their own way to manage the park. John Zinda (In press and 2012) conducted extensive research on the founding of

Putatsuo, analyzing different stakeholders' interactions during this process. He argues that different governmental agencies contest their jurisdiction, and notes that the park is used by local government as a tourism attraction to generate revenue. The role of the international NGO, The Nature Conservancy, in promoting IUCN's standards to develop an effective national park system in China was gradually effaced in a political power play during park's development.

Putatsuo area is inhabited by Tibetan people; therefore, past research tends to focus on understanding the park's impact on the Tibetan community as well as Tibetan culture. Chinese scholars Bai and Lai (2011) study Putatsuo's influences on community's resource management and utilization as well as community participation in tourism development, in order to understand the park's influence. Using the concept of a community forest, they conclude that the park economically benefits the locals, but constrains community involvement, and reduces consensus among protecting actors in the park. Luo and Xue (2010) analyzes residents' participation in tourism in the village of Luorong which is located within Putatsuo National Park. They argue that the park improves villagers' lives and in-village infrastructure, but also negatively impacts the Tibetan's lifestyle. Their local culture has been commercialized, enlarging income disparity. Wang and Hu (2009) argue that tourism development in Putatsuo is a double-edged sword which leads to the negative changes of local ecological civilization when tourism brings economic benefit to local villagers.

Although still lacking abundant research on Putatsuo national park itself or national park system in China in general, several problems could be identified and generalized from the research conducted about park development in China. The

management system of national parks, especially the involvement of commercial tourism is mostly discussed and debated. The inconsistency of decrees among various levels of local government, along with unclear administrative authority among involved governmental agencies has complicated the park's management system, resulting in a fragmented even conflicting management rather than an integrated or comprehensive one. The minimal involvement of local communities in shaping the park as well as tourism development has impeded local residents benefiting from the park project. In summary, national parks in China generally do not conform to international standards. In addition, the community-park relationship, specifically the community compensation system, and the conservation system within the park have not been comprehensively studied. This project intends to understand these issues and to identify reasons in China's settings, which made national parks different from international intention and practices.

Because this paper involves many Chinese government agencies, it is necessary to clarify the administrative ranks among these agencies.



Figure 1: The Administrative Ranks of Various Government Agencies in This Report

DESCRIPTION OF THE PARK LOCATION OF THE PUTATSUO PARK

Geographically, Putatsuo National Park is a part of the Three Parallel Rivers (namely Yangtze River, Mekong River and Salween River) of Yunnan Protected Areas World Heritage Site. It is located in the northwest of Yunnan province in southwest China, covering an area of 602 KM² lying 25KM from the Shangri-la county township, which is under the administration of Diqing (Tibetan: *bdechen*, means 'great fortune') Tibetan Autonomous Prefecture. The park comprises two parts: one is an important wetland preservation area, the Bitahai Lake nature reserve; and the other is Shudu Lake, a part of the Three Parallel Rivers World Heritage Site, protecting alpine and mid-alpine marshland, wetlands, lakes and the wild species having these areas as habitats (Zhou and Chen 2006). A map of the park is given below.

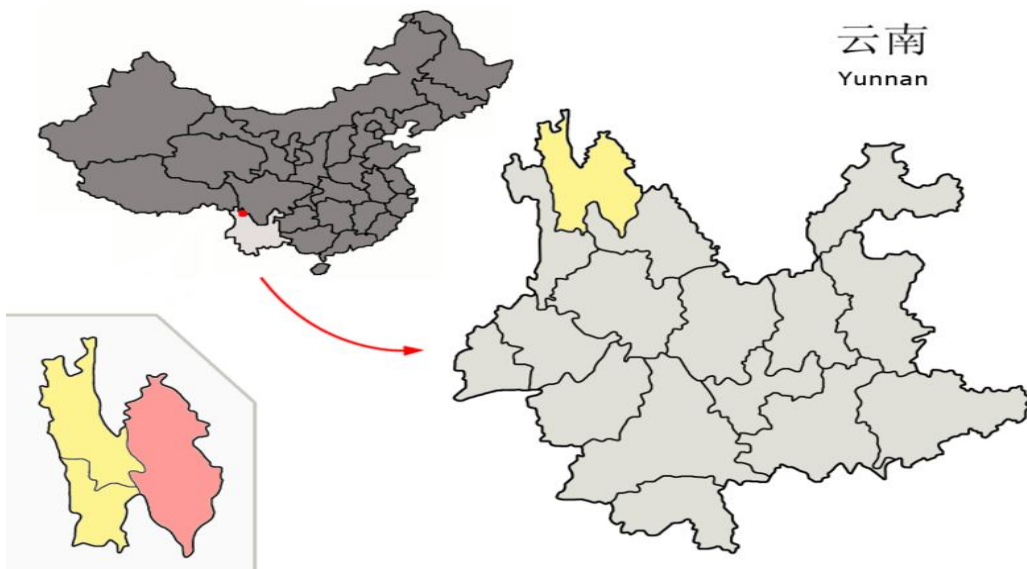


Figure 2: Map of Yunnan Province and Shangri-la Prefecture



Figure 3: Location for national park selected by TNC and Diqing Prefectural Government

Ecologically, this area is the highest elevation and the highest latitude wetland nature reserve in Yunnan province. The park has very strong species, genetic and ecosystem diversity. However, it is a region with extremely vulnerable ecosystems. Most northwest Yunnan's species in this area are endangered or on the brink of extinction (JPO, 2001). Most places in this area are surrounded by steep mountain peaks and are in a cold climate, with thin and barren soil layer; therefore, any destruction in the environment will make the ecology recovery process slow.

Economically, starting in the late 1960s, timber served as the largest industry for this area, generating more than 80% of the prefecture's GDP by mid-1990s

(Hillman 2003). Sedentary agriculture (barley, potatoes, turnips and corn), pastoralism (moving cattle from the village to upland pastures during the summer season), and mushroom harvesting (most important is matsutake mushroom which sells at high prices in the Japanese market) were major activities for local people before the introduction of tourism. Like many other Tibetan areas in China, Diqing Tibetan Autonomous Prefecture used to be a relatively closed area and central government imposed strict regulations to restrict business and other social exchange activities for the sake of social stability. In 1992, the State Council announced that Zhongdian county (the original name for Shangri-lacounty before 2002) would open to foreigners. In 1994, restrictions were partially lifted and were completely removed by 1997 (Hillman, 2003). Moreover, Bitahai Lake nature reserve, which was later incorporated into the national park was a tourist attraction only for domestic visitors before 1994, but then it opened for international tourists.

Administratively, this area consists of two townships, with five village committees and 43 natural villages, and a total of 6600 residents, largely from two major ethnic groups: Tibetan and Yi people who generally have very low education levels. These five village committees, 43 natural villages are located in natural environment with different physical features. Some are in the mountainous area and others are in plains among mountains. All villagers rely on income generated from farming, pastoralism and forest products. The annual per capita income in 2011 was 3400 RMB (540 USD) (YNSZXC). Compared with the national level of 23,979 RMB (3,806 USD) per capita and 6977 RMB (1,107 USD) per capita for rural households in the same year (CPG), villagers in this area have very limited income.

In terms of education, 64% residents received elementary education, 25% with high school education, and less than 2% has college education background. There are also 8% people who have no formal education. Tibetan is the main language, supplemented by limited Mandarin Chinese, so local people have little exchange and communication with outside world. Tibetan Buddhism is the major religion practiced by local people. There are two major Tibetan monasteries and several sacred mountains and lakes worshiped by local people. One of the major monasteries, which is located outside of the park and on the sacred mountain Jiewaren'an (*gnasrirgyalbarigsalnga*), Dabao temple, has a significant position in the great Tibetan area in China. According to a Tibetan scholar Zhang, this temple critically influences the ups and downs of Tibetan's lives in Shangri-la area (Zhang 2006: 90). The other temple is located in a central island in Bitanhai Lake in the park. This temple is religiously important to local Tibetans, remaining inaccessible to outsiders.

PROJECT STUDY METHODS

Several basic questions needed to be answered to proceed with my project. What are the basic problems that exist in national parks in China? This information was generated from literature review and previous scholarly studies. How do exemplary national park systems minimize gaps between accepted standards and practices? How might their practices inform the development of national parks in China? To know why national parks in China differ from international principles, it is critical to understand the initiation of this national park project in China, the stakeholder composition involved in advancing the park project, the evolutionary process of project development, interactions among stakeholders, and the geographical location of Putatsuo. How do the various factors interact? Using these framing questions, the dominant stakeholder's interest, as well as the driving forces behind this interest can be identified. The final goal is to reveal larger structural in the organization and management of the park in order to develop practical suggestions to address real problems.

Media reports have shown that this national park project developed under the cooperation of an international NGO----TNC (The Nature Conservancy) and Diqing prefectural government. I then contacted people associated with the project for their different points of views. Through preliminary contact with TNC, other major stakeholders, including planning team for the park, the tourism company in the park, other levels of governmental agencies as well as local Tibetan scholars were identified. In addition, through literature review, I identified scholars who have

published ethnographic research in this destination. These stakeholders and scholars identified even more people I could contact to interview.

I conducted interviews in order to understand the development history of national park system across the world, representative countries' national park practices, and Putatsuo's place in that context, as reflected in the relevant Chinese and English language literatures. The case study relies on (1) secondary research focused on existing public data sources and (2) field research based on first-hand data collection and in-depth interview of major stakeholders.

Secondary Research For Case Study

In order to have a thorough understanding of official attitudes and plan on this park project, tourism industry as well as cooperation among these major stakeholders known to the public, this case study reviews two major types of data sources, including aggregated data and reports prepared by local government officials and published academic papers.

The first form of literature consists of aggregated data or reports prepared by local government regarding long-term and short-term tourism development, project policy, statistical data, local demographics, etc. Analysis of these data facilitates understanding of:

1) How different governments were involved in the development of Putatsuo National Park;

2) How TNC, Yunnan Provincial Government and Diqing prefectural government have worked together on this project as well as their respective visions;

- 3) Tourism industry development history in Yunnan;
- 4) Government's future plan for tourism industry in Yunnan and plan for national park systems;
- 5) Provincial government's preferential policy on tourism development in provincial economy;
- 6) The park's current status and contribution to the prefecture government.

The second source of literature includes published academic research papers and books related to targeted community and the national park project. This literature review facilitates understanding of:

- 1) Target community's demographic, geographical location, socio-economic background and human-nature relationship, cultural traditions, gender roles;
- 2) The significance of sacred sites cult in Tibetan culture and how social relationships are reinforced through sacred sites cult, as well as the ecology-protection function played by sacred-sites system;
- 3) The development history of Putatsuo National Park and influences brought by the park on local communities;
- 4) Community's response to the compensation system.

These syntheses are located on information gathered from direct interviews conducted by other researchers.

Field Research For Case Study

Information that could not be acquired via secondary research, I obtained through direct interviews to fill this gap. These domains include: interpretations of this park project by each group of stakeholders, park-community relationships, details of the community compensation system, difficulties in cooperating with other stakeholders, and the functioning of the managerial system on-site. The interview goals were to form a straightforward understanding of how stakeholders interact with each other, and what might impede cooperation. Interviews external to China could identify obstacles in developing a national park in China that met international principles.

In-depth interviews were conducted among major stakeholders including TNC project officers, prefectural government officials, park planners, the in-park tourism company administrators, Tibetan scholars and other scholars who have done ethnographic research in destination community. A number of interviews were conducted on site in Mandarin Chinese, and other interviews were conducted through telephone, email, Skype or QQ (a popular instant messaging computer system in China) either in Chinese or English due to the long distance between interview participants. Interviewees were identified among the park project-related principles. Specifically, for each major stakeholder group, one to two people who were leading participants of the Putatsuo National Park project were recruited for this study. The following is a table explaining characteristics of interviewees.

Table 2: Interview Population by Stakeholder Groups

Stakeholder group	Duty	Number of Interviewee	Location
(International NGO) The Nature Conservancy	National park projects participant in Yunnan	2	Kunming, Yunnan
TSC (Tourism Service Company)	Company administrators	2	Putatsuo
Planners	Leading figures in planning team	2	Kunming, Yunnan
Prefectural government	Project participant	2	Diqing prefecture
Scholars	Tibetan culture researchers in Yunnan	2	Kunming and Diqing prefecture
	International scholars who did ethnographic research in Shangri-la county	2	U.S. and Norway

Because the interviewees' backgrounds vary from organization to organization, and because the exploration of each major stakeholder requires different questions, no general questionnaire was developed. Instead, all discussions with interviewees followed a guideline of discussion topics. Six major discussion topics were comprised in interviews. They include:

- 1) Stakeholders' interpretations regarding the national park project (status, significances) and key factors stakeholders considered when mapping out the project.
- 2) Organizing work conducted in order to implement the project and the formed partnership among stakeholders when implementing the project.
- 3) The management system of the park and community relationship (community compensation system).
- 4) Stakeholders' interpretations regarding the land (or resources) within the park and the neighborhood community.

5) Stakeholders' understandings and evaluation in terms of the project's contribution in socio-economic as well as ecological aspect.

6) The constraints of the national park project and future plan for the park.

Limitations

There are several limitations in interviews regarding stakeholders' perspectives about the national park project.

First, I was not able to conduct interviews in local community and thus community's perspectives were acquired through secondary resources rather than from direct interviews. There are two reasons for this limitation. First, local residents are Tibetans, and most people cannot understand Chinese, and fewer can speak it. It is very difficult to sample and interview in local communities without the help of a Tibetan translator. Second, without extensive interaction, it is hard to build the trust necessary for deep discussions. I recognize that I could not, because of time constraints and distance, spend the time needed to overcome such social barriers. These constraints impeded on-site sampling and direct interviews. As a result, community perspectives presented in this report may be biased or less complete when using secondary resources.

Second, there are many government agencies involved in national park projects and due to the complicated government structures in China, only major governmental perspectives were obtained in this project. Constrained by the access to official participants, perspectives on the provincial government level could only be

acquired through official documents and policies. In this regard, official opinions on this national park project may not be comprehensive enough.

Critical Conflicts

All interviews were transcribed into Chinese and then English. As I read the interview transcripts critical insights emerged that expanded on the literature by providing information relevant to the site. In some cases the interviews, particularly of scholars and NGO stakeholders contradicted the opinions of Chinese planners and managers. These potential conflicts include: 1) different kinds of tourism industry; 2) overlapping and ambiguous function of governmental agencies; 3) different dedication to resource protection in the park project; 4) diverse interpretations of community involvement; 5) state versus entrepreneurial business models for tourism development in Yunnan.

Almost all interviewees mentioned “tourism,” however they have various perspectives on this topic. Governmental stakeholders expect the park to be a new and attractive tourist destination featuring natural scenery and authentic Tibetan culture in Yunnan province. They believe it will become a flagship in tourism industry in Diqing prefecture, which will also propel mass tourism industry across Yunnan. The international NGO, TNC worries that the large population of tourists would negatively impact ecology conservation. Planners and scholars in China assert that tourism would improve the lives of local residents.

Participants mentioned the overlapping functions of governmental agencies that led to confusion about jurisdiction. TNC participants expressed that the overlapping function of governmental agencies is one of the most disturbing factors in

this project. Ambiguity about responsibilities kept protective measures from being carried out. Interviewees from the in-park tourism company said that complex bureaucratic structures increased their pressures in dealing with decrees and regulations from a variety of governmental departments. Planners further stated that governmental structural barriers made it hard to have a unified action.

Outside participants were especially concerned about resource protection in the park project. Interviewees from TNC and scholars believed that the weak resource protection resulted from bureaucratic obstacles. The in-park tourism company and official participants believed that the park project has nicely kept the balance between development and environmental protection.

TNC staff, scholars and tourism company administrators did mention the role of residents in shaping the park. However, participants defined community involvement in different ways, especially as participation in tourism activities. Community involvement did not include participation in planning or implementing the plans. TNC participants believed that the exclusion of the local residents in this project was one of the major reasons that they could not continue to work with the prefectural government on this project. Scholars and planners mentioned that low education and low skills of local residents hindered community participation. In other words, inability to speak Mandarin and have a formal educational history would bar residents from being viewed as eligible employees. The in-park tourism company and official participants stated that the community compensation system has brought local residents into the park project's benefit distribution. However several external

scholars who have done field work in Diqing mentioned that residents have numerous criticisms about this compensation system.

Interviewees also mentioned the creation of “Second Pioneering of Tourism Industry” initiated by Yunnan provincial government. Tourism industry in Yunnan experienced two major development periods, namely from 1988 to 2005, and from 2005 to present. The former is called the “First Pioneering of Tourism Industry” which fostered increasing investment, resource exploration and preferential policies to accelerate tourism development. Different from the first effort, the “Second Pioneering” was more entrepreneurial, focusing on innovation in managing or providing services, officials emphasized raising efficiency of resource utilization in order to propel tourism development, to achieve GDP growth. Participants from government, planners and the tourism company referred to the park project as part of this macro development plan. This initiative undermined resource and community protection.

Understanding these underlying structural conflicts allows me to put the experience of Yunnan province into China’s larger political and economic context, to understand the significance of making the tourism industry entrepreneurial, the “Second Pioneering of Tourism Industry” for Yunnan province. Together, these potential conflicts led me to identify the driving forces in creating such a national park. That understanding directly influenced my recommendations.

THE PUTATSUO NATIONAL PARK IN CHINA

Different from practices in these representative countries as well as guidelines established by IUCN, national park in China have being developed in a space absence of legal framework. Furthermore, influenced by its complicated socio-economic structures, national parks function not only as a pure destination for tourists, but also as a vehicle for generating revenue for local government. This following presents a detailed account of the developmental history of Putatsuo National Park, and its evolution under various forces of major stakeholders. Specifically, Putatsuo National Park, is totally different from national parks in these three representative countries in terms of management system, operational organizations and funding system.

THE ORIGATION OF NATIONAL PARK IN YUNNAN

The concept of national park was firstly introduced into Yunnan by an U.S.-based non-government organization (NGO), the Nature Conservancy (TNC) in 2001. TNC has long identified northwest Yunnan province an important area for biodiversity on the global level and was permitted by Chinese government to enter China in 1998. TNC's ecological assessment in northwest Yunnan province further indicated that several areas in this region are of high ecological significance. Since areas identified are very large, and it not possible to invest protective funds in all these areas in northwest Yunnan at once, we selected Shangri-la Gorge and four other areas as the priority areas for biodiversity protection. Shangri-la Gorge, 102 KM away from Shangri-la county township, comprises dozens of smaller gorges created by alpine rivers slicing through the limestone and red sandstone rocks, with many endangered plants and animals (TNC). According to an interviewee participant from the international NGO, TNC (The Nature Conservancy), "We first tried to persuade Diqing prefecture government to build a reserve to protect the biodiversity in the gorge, however, we later realized that this suggestion proved to be impractical in China's political setting, as little funding would be granted by central government if these areas were established as local level protection areas under the sponsorship of a local government. Because this was one of China's most impoverished areas, the prefectural government could not afford investment for environmental protection. Furthermore, the prefectural government was unwilling to restrict its resources utilization by designating it a nature reserve." (Interview at TNC in Kunming office, 27 December 2012)

Two years later, based on TNC's previous work with Yunnan Provincial Government on Yunnan Great Rivers Project, and through the help of many experts, TNC's research project culminated as the *Conservation and Development Action Plan for Northwest Yunnan* (JPO 2001). In this Action Plan, TNC recommended a national park system to Yunnan Provincial Government, a concept of protected area management to safeguard the integrity of ecological systems against any development activities or unlawful occupancies (JPO 2001). TNC indicated that a national park system, as a category II type of protected areas defined by the International Union for Conservation of Nature (IUCN) (See Appendix I), has been accepted and practiced by many countries around the world, and proven effective for large-scale nature protection. A participant from TNC said: "Moreover, the idea that a national park can be used for recreation, serving as a mid-point between the complete nature reserve and a pure tourist attraction, would be applicable to Diqing prefecture (Interview at TNC in Kunming, 27 December 2012)." This Action Plan further suggests adopting internationally recognized practices of national parks. These practices include separating management system from business operation, planning and managing the park scientifically, and merging the financing by central government with participation by the grass-roots public (JPO 2001).

Following the Action Plan, TNC staff spent several years promoting the idea of national park system and contacting different provincial government agencies, seeking their support without any success. According to Zinda (2012), "TNC's cooperating partners at provincial level changed like a merry-go-round: some government agency denied previously promised funds and some were not interested

in TNC's vision for national park in resources protection,"and one after another withdrew from cooperation with TNC.

THE BACKGROUND FOR TOURISM DEVELOPMENT IN DIQING PREFECTURE

In the meantime, timber logging has been declining in Diqing prefecture because valuable hardwood species are being depleted, and competition from South Asia is increasing (Hillman 2010). Since Diqing prefecture is far from China's major markets, it was difficult to build a new industry to support the timber-dominant economy quickly. In 1995, Yunnan provincial government announced that tourism would be one of four pivotal industries in Yunnan and tourism would be increasingly important in Yunnan's economy (Luo 2005). Additionally, Diqing is very close to two major renowned tourism markets in Yunnan, Dali and Lijiang, for travelers in China and around the world. Since the central government had opened up access to Tibetan areas after 1994, the NW Yunnan Tourism Planning Meeting announced tourism development in Diqing prefecture in July 1994. In 1997, a research project, *Development of Zhongdian* (later changed into Shangri-la) *Ecotourism Demonstration Area*, was created with the help of scholars from Yunnan University. In 1999, the International Horticulture Exposition was held in Kunming, and Shangri-la was appointed as a branch field of this event. Tourism in Diqing experienced a short-term burst of development. However, after the exposition, efforts began to fade away, partly due to poor transportation and other infrastructure, and tourism in Diqing began to decline. The Shangri-la county government leased Bitahai Lake and Shudu Lake, two major tourist attractions and important reserves, to two companies from other provinces.

In sustaining the recently acquired reputation of tourism, another major step in Diqing tourism development was the official renaming of the capital city, Zhongdian, a Tibetan name in use for several hundred years without a clear origin (Kolas 2004). The official name of its Tibetan area is Gyalthang which means Royal Plains. In 2002, Diqing prefecture government decided to give both the county and the township the new name, Shangri-la. The name was from the novel *Lost Horizon*, written by British author James Hilton in 1933, and filmed by Hollywood director Frank Capra in 1937, and it became synonymous with the idea of a heavenly place on earth after the promotion of the novel and the movie. After 1996, the Diqing prefecture government stated that it had been searching for this fictional Shangri-la for many years in the prefecture, while it was in reality a commercial branding exercise inspired by the suggestion of a businessman in Kunming (Renmin Daily, 2012). In 1997, the prefecture government invited anthropologists, linguists, historians, Tibetan Buddhists to conduct extensive “investigation” and discussions in Diqing. In 2001, the government announced that based on strong evidence, Zhongdian was the “real Shangri-la” depicted in the *Lost Horizon*, which successfully fended off other rival cities in China who also wanted to claim their regions as the real Shangri-la. In May 2002, approved by the State Council, Zhongdian County was officially renamed Shangri-la, although it remained contested. However, as a renowned Yunnanese scholar Yang Fuquan said later, “Whatever the argument is, Yunnan made it and Yunnan succeeded.” (Renmin Daily). It was further explained by local government that this renaming is not only beneficial to the tourism industry, but also indicative of the fact that all people there desire harmony between human and nature (Hillman 2010). Undoubtedly, local officials’ renaming strategy downplayed the fact that they were

driven by the potentially enormous economic benefit behind the image created by the idea of Shangri-la, but it proved to be successful in attracting tourists over next few years' tourism market.

In order to upgrade tourism in Diqing, which was also propelled by Yunnan Provincial Tourism Administration, a group of scholars from Kunming University were organized to draft the *Development Planning for the Northwest Yunnan Shangri-la Ecotourism Area*, which was approved by the Provincial Tourism Administration in January 2004 (YNTA). This plan states clearly that this new development was motivated by the project of Great Western Development Plan from central government, and the approval of Three Parallel Rivers Yunnan World Heritage by the UNESCO. Although this plan seeks joint development with other northwest cities, it stresses the tourism industry competition with Southeast Tibetan and Southwest Sichuan province.

THE NATIONAL PARK IN PLANNING AND EXPERTS’ PLANNING WORK

Change of Park Location

In seeking for support from government agencies to national park system in Yunnan, TNC , in 2000, 2004, 2007, and 2008, helped organized officials from various provincial government agencies, including Lijiang and Diqing prefectures, to visit national parks in the U.S., Canada, Mexico, New Zealand, Indonesia, Thailand and other countries. They sought to provide these officials a better understanding of national park systems and the idea of protecting biodiversity-concentrated NW Yunnan (YNPFTP). As indicated by participant in Kunming, “In 2004, a vice governor from Diqing Prefecture government, who participated in one of the visits, expressed his commitment to developing a national park pilot project in Diqing and making Shangri-la the pilot focus for national park. Soon after, Diqing prefecture government started applying for investigation and approval by Provincial Government.” (Interview at TNC Kunming 2012).

While tourism was being developed in Diqing, many planners were involved. Tourism planning in China focuses mainly on the identification, development, and utilization of tourism resources (both natural and cultural) for the economic benefit of the local government owning the tourist sites or investors developing the sites. According to the well-known Chinese tourism scholar, Bao, tourism planning in China always includes three major categories. First, conceptual or strategic planning aims at identifying for government officials how local and regional resources can be developed and used for the growth of local tourism; second, physical and socio-

economic planning, including actual site planning, needs to make tourism resources more attractive to tourists as well as profitable to government agencies; third, tourism market analysis must reveal assets that enhance the drawing power of tourist sites (Bao and Ma 2010).

However, before the project was to be formally conducted, the Diqing government decided that this national park should be built on existing tourist attractions, Bitahai Lake (a provincial nature conserve) and Shudu Lake, rather than the location of Shangri-la Gorge suggested by TNC. The new location encompasses a large area beside these two lakes, and in consultation with local Tibetan scholars, a new name for this national park was created, Putatsuo, meaning boat lake in Tibetan. Shangri-la Gorge, the location with high biodiversity for the park that had been envisioned by the TNC was abandoned by Diqing prefecture government. According to Zinda (2011), a local official explained that Shangri-la Gorge is too far from Shangri-la township and requires a large investment in infrastructure, unlike Bitahai Lake and Shudu Lake with already-influential market. Diqing prefecture government followed the 2004 setup of Bitahai and Shudu Lake Management Bureau and established Putatsuo National Park Management Bureau (NPMB), a governmental organization with 20 staff members. The Management Bureau's responsibility includes: protecting natural resources and environment in the park, supervising construction activities and commercial operation, providing tourists with safety and fire protection, as well as coordinating relationships with local communities (Putatsuo National Park Management Bureau). It was through NPMB, that the planning work and construction of Putatsuo National Park began to advance under the direction of Diqing prefecture government.

Park Planning and Emphases

Expert teams invited for the planning of the park were formed by professors and scholars from Kunming-based Southwest Forestry University, along with designers from an art decoration company. The team spent half a year to complete both the master planning and detailed planning. Based on their work, a book titled *The Eyes of Shangri-la: Planning and Construction of Pudatso National Park* was published in 2008. According to the book, planning work focused on three aspects in Pudatsuo: 1) resource assessment and evaluation, the orientation of development, function zone mapping and land-use planning; 2) analysis on resources development in relation to market's prospect; 3) security system design, including management system, environmental protection measures, commercial plan and infrastructure planning (Ye, Shen and Li 2008).

There are two notable points in the planning book: one is the focus on the commercial promotion strategy, involving brand promotion, market orientation, products designing and image construction, which added strong commercial elements on this ecotourism based destination with clear strategic directions to counter competition from nearby tourism areas; the other is the emphasis on developing mass ecotourism. Planners discussed extensively the design of ecotourism products, but did not mention the ecological carrying capacity of the park, and the most appropriate number of tourists for the carrying capacity which is critical for a fragile nature-based destination. Planners explained that mass tourism and ecotourism are compatible so long as they achieve the sustainable development goal through scientific and sound planning and management. Therefore, a new concept, Mass Eco-Tourism, was created

in this project, and the planners indicated that the Putatsuo National Park provides China with a good platform to practice this concept (Ye, Shen and Li, 2008). This is an innovative development of ecotourism theory in China, but it also reflects the reality in the difficulty and constraints of developing ecotourism as accepted by Western countries. China's tourist market, considering the large tourist population with growing purchasing power, represents a compromise between the development and resources protection of tourism in China.

Adopted and Non-adopted Suggestions by Experts

According to interviews conducted in this study, suggestions in the planning book adopted by Diqing prefectural government in implementing the project include zoning for tourism activities. Among these zones, an 8-shaped mass ecotourism belt connecting Bitaihai Lake and Shudu Lake has been built. The only Tibetan village within the park is planned to open to tourists in the form of a Tibetan household style hostel in 2013. Over the next few years, the park would follow the planning book to build hotels in ecotourism resort area, and to construct trekking trails in professional ecotourism and trekking areas. There would be areas for driving-in tourists as well as scientific research in the park. Currently, the park management board believes that much work is yet to be done in the first stage of construction, and plans to gradually complete it.

On the other hand, some suggestions have not been adopted by the government for the park. Specifically, planners suggested use micro-finance loan, tourism-introducing industries, community capability building program, culture conservation program and community benefit-sharing system to enhance community

THE NATIONAL PARK IN PRACTICE

The Establishment of Management Organizations

Since the planned Putatsuo National Park encompasses a large area other than just Bitakhai Lake and Shudu Lake, the prefecture government purchased the land from the community who originally collectively owned the land to start the project construction, beginning in late 2005 (Interview at the park on Dec. 20, 2011). As for this purchase, interviewees from the on-site tourism company said villagers were informed beforehand and agreed to sell the land. However, in a preliminary interview at an earlier time in community, some residents said they were informed beforehand and some said they didn't know that the final decision of this sale was made by village committee. In February 2005, Diqing prefecture government established Diqing Tourism Investment Corporation (TIC) and an official from the government assumed the general manager's position. This corporation is responsible for raising funds and tourism investments in Diqing prefecture and has the same administrative rank as other prefecture government agencies. More than ten tourism companies are affiliated to this corporation across Diqing. Putatsuo National Park Tourism Service Company (TSC) is one of them. This Company is responsible for the construction and daily operation, mainly for Putatsuo National Park. In addition, the third organization is National Park Management Bureau. As a result, three organizations are directly involved in the management and operation of new park: NPMB, TIC and TSC. Among them, NPBM has the same administrative rank as TIC, and TSC is the representative of TIC. However, according to TNC, John Zinda (2010), as well as Zhou and Grumbine (2011), due to limited funding from the prefecture government,

little nature protection work in the park can be undertaken by NPMB, which functions mainly as a liaison and moderator between local community and the park. Therefore, TSC, representing TIC, effectively becomes the only enterprise operating the national park.

Community Compensation System by National Park Project

The park occupies a large part of local people's land, and Bitahai Lake has been a popular tourist attraction since the mid 1990s. Nearby Tibetan people had spontaneously organized tourist services, such as horseback-riding, which were abolished by the government once the park project was initiated. As a consequence, TSC launched a community compensation project, which developed into a compensation system.

Based on interview at TSC in December 2011, which is corroborated by Zhang et al. (2012), Putatsuo national park launched the first round of financial compensation to local community members from June 18, 2005 to June 18, 2008, but only to households who provided horseback-riding program to tourists before park construction, as compensation for abolishing the program. Each such household was given 5000 RMB (794 USD).

As indicated by interviewees at TSC, "in 2008, Diqing prefecture government set up Putatsuo Community Working Committee to coordinate the compensation from the national park project to the local community." (Interview at Putatsuo in 2011) First, the area of Putatsuo National Park was reduced from 1313 KM² to 602 KM², due to conflict of the proposed area with the scope of the Three Parallel Rivers Preservation program. Furthermore, starting in 2008, two townships and three

village committees were involved in this park project, and they were categorized into three types of community for the compensation system based on their distances to the park.

Table 3: Community Compensation System at Putatsuo National Park
(Based on interview on site and Zhang et al.)

Types of Community	Administrative Scope	Location related to the Park	Monetary Compensation to farmers household	Monetary Compensation to village committee
1 st -class community	4 village committees	1 village: in the park 3 villages at the park entrance.	2000RMB(317 USD) / year /person+5000 RMB/year/household ;	1) 25,500RMB(40,476USD) paid to 3 village committees/year as compensation for land occupation; 2) 300M RMB (0.476M USD) paid to 3 village committees for infrastructure construction (drinking water and road pavement);
2 nd -class community	16 village committees	5: in the west main path; 11: in the south of park	500RMB/year/household + 500RMB/year/person	200,000RMB(31,746USD)/year for 9 of 16 village committees for village environment construction
3 rd -class community	3 village committees	Located in the new planned area of park according to master planning	300RMB (48USD) year/household+ 300 RMB/year/person	150,000RMB (23,810USD)/year/3 committees for village environment construction

In addition to the direct monetary compensation, each year, TSC hires villagers from the first-class community as temporary workers to collect trash and keep the park clean. In the meantime, if children from first-type of community are admitted by high schools or universities, the TSC would provide a portion of tuition.

Therefore, based on this compensation system, every year, Diqing Tourism Investment Corporation would allocate several millionsof RMB from the revenue submitted by national park Tourism Service Company, to National Park Management Bureau, and compensation would be distributed to community households (or members) through the Management Bureau (Zhang et al.). Community Working Committee will coordinate and moderatethe process, especially when dissatisfaction or conflicts occur.

DIFFERENT OPINIONS ON PARK PROJECT FROM LOCAL RESIDENTS AND THE PARK

According to Tian et al.(2009), Zhang et al. (2012) and Zhou et al. (2011), local residents hold ambivalent attitudes to the national park project. Based on Zhang et al.(2012) survey, degree of satisfaction among three types of communities are 57%, 42% and 42%, and direct monetary compensation accounts each households' yearly economic income in the first-type community is 87%, and 58% in second-type community and 40% in third-type of community. Based on these, the TSC's response was: " We believe that most of community members are satisfied with our compensation. Especially, residents don't need to do anything and they can have more income than before. This is a win-win situation." (Interview at Putatsuo December 2011). The first-type community has the highest degree of satisfaction and their tourism income accounts the largest portion in family revenue compared with other two types of communities. When asked why they are provided compensation by the park, there are three major answers from residents: 1) compensating the lost income due to abolishment of horseback-riding program and the park is actually protected by "us"; 2) the park is our land; 3) we have collectively-owned forestry and pasture in the park. Residents also believe that compensation is unequal among communities. According to an interview at Putatsuo, an participant from TSC responded that: " When tourism in Putatsuo is flourishing, tourism revenue increasing, residents want more from this project. The more you give them, the more they want. Anyway, we still believe that everyone of them have a balance within their heart. " (Interview at Putatsuo December 2011). In addition, residents' criticism also incurred response from

TSC. The following is a figure exhibiting different perspectives of community residents and TSC. Criticism from local community in this figure was partially reflected through my interviews at TSC on site, and partially was generalized from other scholars' research. Local community may not be homogenous in terms of residents' perspectives due to the heterogeneity of the composition of members or other features. Nonetheless these ideas still can offer references in understanding community's perspectives.

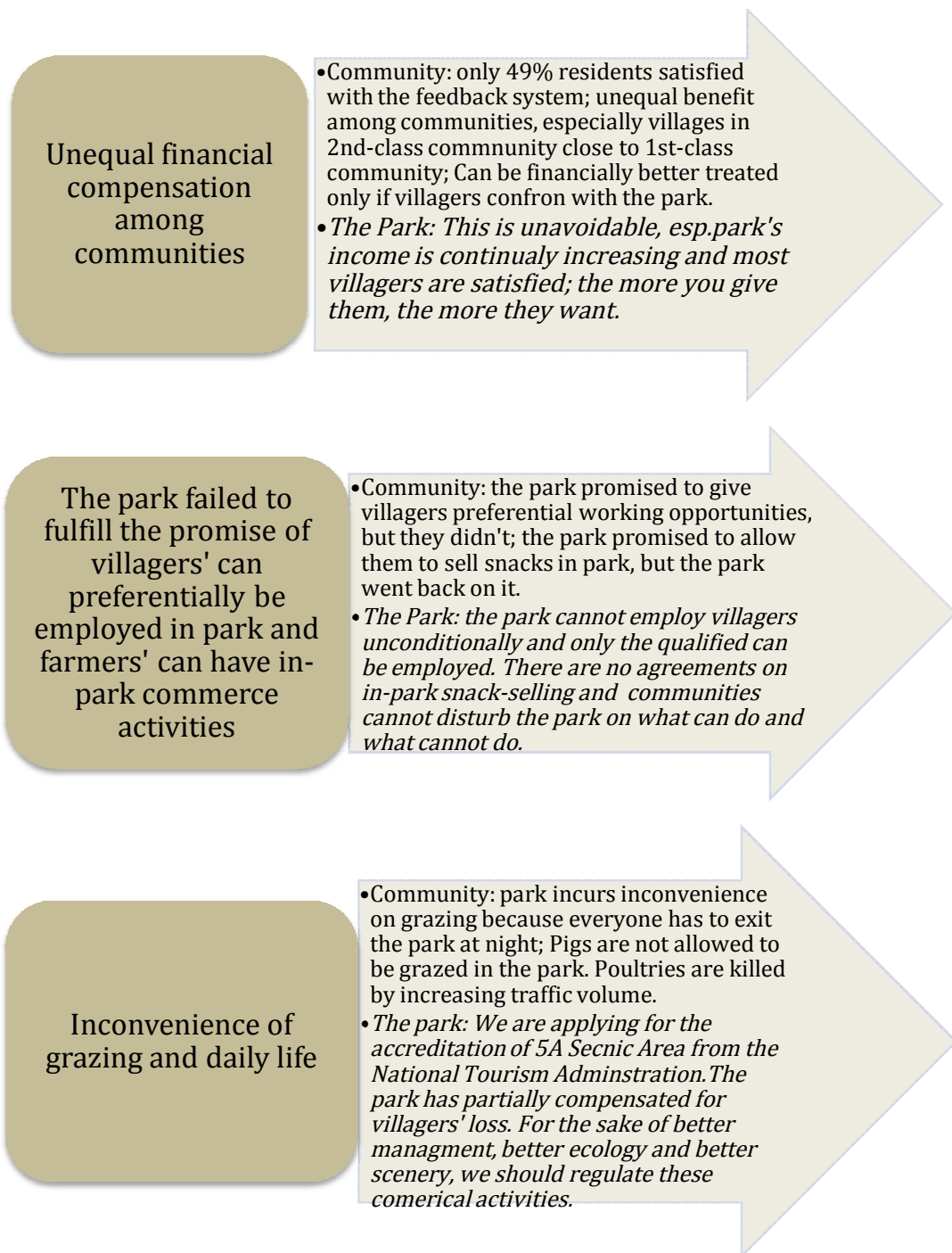


Figure 5: Community VS. Park On Community Compensation System

Based on On-site Interview and Zhang et al. (2012)

Moreover, according to Luo et al. (2010), community residents have ambivalence about the park because they need to culturally compromise with tourists' requests, such as allowing tourists to visit their sacred mountains for a longer stay. The ambivalence comes from, on the one hand, local people needing financial compensation to be lifted out of poverty by tourism; on the other hand, cultural compromises that they had to make are changing Tibetan people's relationships with the nature, with deities residing in sacred sites, and also changing Tibetan's view of life as a cycle.

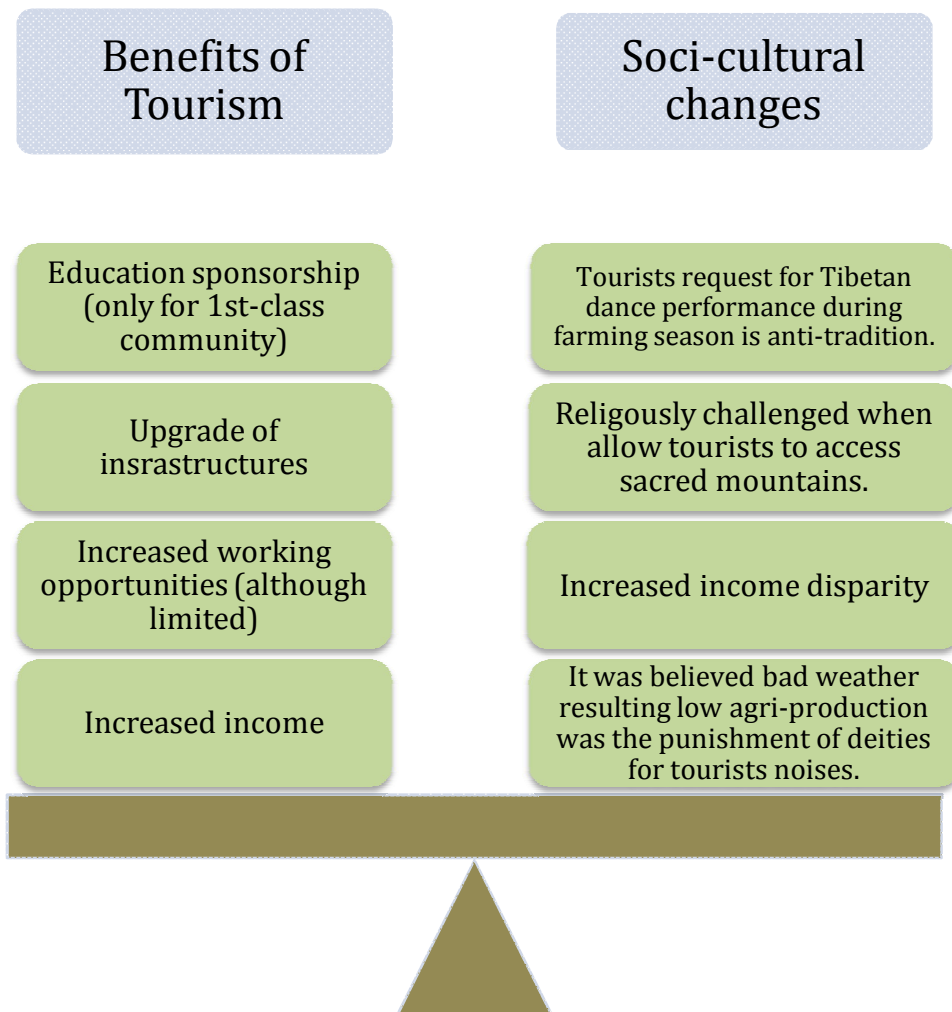


Figure 6: Benefits and Cost of Tourism

TIBETANS AND NATURE

Tibetans' Understanding of Nature-Related Concepts

Traditional Chinese philosophy values the harmonious relationship between humans and nature, viewing humans as an integral part of nature. When practicing nature-based developmental projects by governments, there is a clear division between nature and human. When compared interpretations on nature-related concepts between Tibetan community and government, Tibetans' interpretations on nature and biodiversity can be well understood.

Drawing on Xu and Melick's research (2007), the government understands nature as wilderness, while the local people usually view it as a cultural landscape. Biodiversity, is usually valued for protecting gene pool for government, educating the public or engaging scientific research. However, local people are more focused on using plants for food and medicine, or identifying trees and forests for religious worship.

**Table 4: Nature-related Conceptual Understanding Comparison Between
Government and Tibetan Community (Excerpted from Xu and Melick 2007
P.10)**

Perception of Nature	Wilderness	People are part of nature or the cultural landscape
Biodiversity	All living organisms: at genetic, species, and ecosystem level	Mountains, water, plants, and animals have their own spiritual and material lives
Perception of local people	People are threat and subjects of study	Citizens of ancestor's lands; Enhancing biodiversity
Value of biodiversity	Wild biodiversity is of high value, ecosystems distributed by humans have less value	Value of biodiversity for ecological and cultural services, production, and livelihoods is equally important.

These differences in understanding may influence local government's attitudes and measures towards indigenous people in designing development projects. They do not see interactions between local people and nature. By excluding indigenous people, the government will fail to see development projects' negative impact on nature, or fail to understand how indigenous people view nature through a very different cultural lens. For example, in the case of Putatsuo National Park project, the government criticizes villagers for organizing horse-riding programs, claiming they caused ecological degradation around the Bitahai Lake area (Interview in 2011). While this is true to some extent, banning them and developing the project along on "Han" cultural model (Han Chinese is the largest ethnic group in China, accounting for 90% of total population in China.) disrupts the relationship between the natural environment and local Tibetans. This disruption may lead to even greater ecological hazards in the long run. Many people in China view Han culture as technologically advanced, while other ethnic groups are stereotyped as backward. Modern Han values dominate and affect a

large number of minority cultures in mountainous regions. However, many studies argue that indigenous people have shown that local livelihood practices can be advantageous for achieving long-term conservation goals, realizing comprehensive sustainability, low cost, strengthened local governance and so on. (Xu and Melick 2007) (Zhu 2002). All the proposed parks in Yunnan's twelve national parks are located within ethnic territories. It is imperative to work with indigenous people to incorporate local strategies and systems for protecting biodiversity and natural resources. There have been many successful examples of conservation projects that have incorporated indigenous strategies for biodiversity stewardship. For example, Uluru Kata Tjuta National Park in Australia became the second national park in the world to be listed as cultural landscape under the UNESCO World Heritage ranking. Indigenous knowledge within community benefits management of the reserve, as illustrated by the case of fire management. Local Anangu are taught from a young age about the proper way to burn bush according to the Tjukurpa, a system of religion and philosophy of Anangu. Anangu often burn in the cool weather or after heavy rains so that the fire can be controlled. Their traditional way of burning was later incorporated in the fire management for the national park, which greatly curbed the uncontrolled bush fire since the arrival of non-indigenous people (ICEM 2003: 95).

Human and Deities Coexist In Nature

Traditionally Tibetans practice Buddhism teachings throughout their lives, interacting with nature and communities to develop a harmonious relationship between human and nature. The sacredness of particular sites is one of the most important parts of this belief system.

“Sacred sites are viewed by indigenous people as geographical objects with great religious significance and they can be found in many cultures” (Bhagwat 2006). They can be in many forms and at various spatial scales, such as a well, a tree, a grove, a lake, or even ranges of mountains (Xiao 2012). For generations, many indigenous people have placed high values on protecting forests, landscapes, and water catchments, and these values are maintained through religious beliefs, hunting taboos, and the protection of sacred sites. Many scholars have recognized the ecological conservation values provided by these sacred sites, advocating increased attention should be given to incorporating these sacred sites conservation system into official environment protection system.

Like many other Tibetan areas, sacred sites (Tibetan: *gnas*) in Shangri-la have been worshiped and protected by local residents for centuries. They have been part of the practice of Bon religion which was grounded in the animistic and shamanistic practices that predated Buddhism. Bon was largely marginalized by the introduction of Buddhism during 7th century. Tibetan understandings of the world and human life are rooted in Bon religion synchronized with Tibetan Buddhism. They believe that humans live in a world full of various deities, co-existing in space and time. Gods universally co-exist in the sky, under the ground, or in previous-life, present-life or after-life. For Tibetans, sacred sites (mountains, lakes or groves) are places where deities reside, and these deities were said to be former guardians in Bon religion. Many Buddhist literatures record that, after Buddhism gained control over Tibetan areas, Indian Buddhist masters, particularly Padmasambhava (PemaChungnye), subjugated territorial gods and mountain deities (Tibetan: *yullha*, *ribdag*) and turned them into ‘protector deities’ (Kolas 2008:40). All these deities attach to the nature, inhabiting in

the mountains, lakes, in the air or within living creatures. They co-exist with the nature, so the nature is the carrier of deities, and deities are the spirits of the nature. Therefore, horizontally speaking, every group in Tibetan area has their own deities, distributing across Tibetan area; vertically speaking, the universe is filled with various deities from the heaven to underworld (Nan 2001).

In practice, two major rituals are practiced in worshipping sacred sites in Putatsuo area: burning *bsang* and circulating the sacred mountain clockwise. Burning *bsang* (means smoke and fire for sacrifice) means incinerating certain plants or medicine. This practice is the most popular ritual in Tibetan areas, along with reciting Buddhist scriptures to worship Buddha as well as deities. It can be practiced at home, sacred sites, temples and etc. In Shangri-la, plants used for burning *bsang* include wormwood and twigs of juniper or pine, closely related to local biological species (Li and Xu 2007). For every Tibetan family, the ritual of burning *bsang* would be practiced twice a day. The first time is in the early morning, and it is the first thing for the family to do for the whole day. When houses are close to sacred mountains, this ritual also should be practiced at the mountain in the morning, and before 9:00am, the ritual should have been finished. The second time is in the evening, being practiced before the family going to bed (Li and Xu 2007).

Circulating the mountain clockwise is another ritual practiced related to in sacred mountains, especially during Chinese New Year and Tibetan New Year. Circulating clockwise, according to Tibetans' understanding, reflects the deities, who also circumambulate the mountain clockwise. Walking counterclockwise will risk meeting gods, which may be detrimental, especially for those wrathful gods (Kolas

2008:59). Therefore, Tibetans respect spirits residing in sacred sites by observing certain rules, forming a set of taboos working as a conservation system.

A Sacred-site Reserve System

Sacred sites are presented mostly in the form of physically existing objects, such as a tree, a cave and so on. However, the worship of sacred items is extended to the habits that are culturally associated with them (Luo et al. 2003). From this perspective, sacred sites serve both as cultural landscapes and ecosystems, by combining the cultural practice and ecological processes to maintain the balance of energy as well as material exchanges with the external world, contributing to biodiversity conservation. Zhou et al. compared the species number of flora between sacred-mountains and non-sacred-mountains in the Shangri-la area, and demonstrated that sacred mountains have higher number of species and higher coverage of biotic communities than non-sacred-mountains. Furthermore, sacred mountain systems not only contribute to protecting the fragile ecological environment in Shangri-la, but also providing many other non-timber products, such as rich herbal medicine and matsutake, a valuable mushroom in Yunnan with high popularity in the Japanese market.

After interviewing Tibetan scholars in Kunming and consulting Kolas' research in Shangri-la, I determined that major sacred sites worshipped by communities in Putatsuo area including:

Table 5: Sacred-sites system in Putatsuo Area and Taboos

Types of Sacred Sites	Name	Taboos practiced in Sacred Sites
Sacred lake	Bitahai Lake	Fishing and Boating Prohibition
	Shudu Lake	
Sacred mountains	Jiewaren'an Mountain (gnasirgyalba rigs lnga)	Protection line drawn on mountains
	Jiemo (<i>rjemo in Ciciding village</i>)	
	Zhendui Mountain and Qugong Mountain (in Luorong village)	
Pilgrimage routes	Around monasteries or on the way to a pilgrimage route	
Other	Several family-based or individual family-based sacred sites	

The designation of sacred sites does not follow rigid regulations. They can be designated by individual family or by several communities, or after a big historical event or a small single case in the local. In this vein, in addition to traditionally designated sacred sites, sacred sites in Putatsuo communities can have been changing, accounting a large portion area. It is hard to accurately estimate the areas of sacred sites.

A set of rules or taboos serve as the basis for public morality, guiding local people to interact with sacred sites, disciplining local people's social life and economic production, securing moderate resources utilization and conserving biodiversity.

On sacred mountains, any behaviors such as animal killing, hunting, plant harvesting or timber logging are strictly prohibited. Even picking dry wood is not

allowed. Anything in the sacred mountain is part of the deities' family (Yu 2010) (Guo 2011). For regular mountains, Tibetan communities traditionally draw a line at a certain level around the mountain, and timber logging above this line is strictly prohibited. Under this line, local residents can log timber to meet their daily life needs, such as cooking, heating and building houses. In 1959, 10 years of after the establishment of People's Republic of China, in order to define the forestry property rights, the government defined that forestry above the protection line belongs to the state, and forestry under the protection is collectively owned by local communities. According to Tibetan scholars' introduction, generally, timber production under the protection line can meet villagers' daily life, and be moderately used by Tibetans (Interview in Kunming 2012).

In addition to designating a protection line, local residents voluntarily organize to patrol in sacred mountains, to protect trees from being logging or stolen by outsiders. This tradition has been kept as a rule in local villages and residents strictly observe it. When violation occurs, if offenders were captured by local villagers, and usually punishment may include oral warning, monetary fine, or sent to local government (Shen et al. 2012).

Both Bitahai Lake and Shudu Lake are two major sacred lakes in Putatsuo area. Biologically, Bitahai Lake is the habitat for precious fish, more than 170 types of protective birds and many other amphibians in China. Local residents are not allowed to fish or hunt around the sacred lake, even in 1960s, a time of famine in China, no residents went fishing or hunting around this lake. In the center of the lake, there is an island, on which a small temple was constructed. It was believed that this

island is where Tibetan hero Geser conquered the devil adversary and trusted the devil's ghost in this island. Therefore, Bitahai Lake is of highly religious significance for Tibetans around Putatsuo National Park.

According to Tibetans' understandings, deities are gods who are still in Samasara of six destinies (Interview and Nan 2001). They can marry and also have feelings like human do. Not being human, however, they can be very free like ordinary humans. If humans respect them, deities will bring them happiness, health or assistance. If people offended them, deities would bring disasters, like famine, drought, flood, or illness to people (Yu 2010) (Nan 2000). Deities can be either wrathful or angerless. Local residents should be very careful in maintaining the relationship with them, not daring to violate any traditional taboo. Sacred mountains can be male or female (Nan 2001), and for some male mountains in Shangri-a, females are not allowed to access. For most sacred mountains in Putatsuo area are not allowed external people's access.

Community-Nature Ties As Well As Ties Within Community Cultivated Through Sacred Sites Cult

Tibetans believe sacred sites are inhabited by the gods who there before humans came (Yu 2010) (Kolas 2008:58), and they will continue to live in this place in the future. Therefore, deities in sacred sites are spirits connecting the time and space of local residents' past, present and the future. Deities connect human's ancestors and offspring. In this sense, nature is not only what has been passed down by ancestors, but it is also owned by offspring. According to Yu's research, into Tibetan history and folk stories, deities residing in sacred sites have the same "lineage" as

humans, which creates the topophilia or place attachment connectedness between people and land (Yu 2010). According to Shen et al., in most cases, one family would worship the same sacred mountain throughout several generations, or a village would have their own sacred mountains, or several communities would share a sacred mountain. Therefore, a spiritual connection is believed to exist between the family or community and the mountain deity (Shen et al. 2012). The connectedness between residents and the mountain is invisible. However, this spiritual connection can be a reference for kin identity for an individual family, a village or even several villages. In this regard, deities and the habitat culturally associated with deities are part of the local families or communities.

Based on Norwegian scholar Ashild Kolas's research, the people of Shangri-la engage in place-making through ritual practices and narratives that reiterate vital links or continuities between persons and places. She states that "the important tasks of safe-guarding the household and reaffirming community require the performance of rituals to maintain harmonious relations between the people who live from cultivating the land the powerful deities and spirits who also 'inhabit' the land, some of them as its 'owners', others as 'protectors' of Buddhism" (Kolas 2008:55).

Explicitly recognized sacred mountains and lakes are worshiped by local residents. Villagers also perform rituals such as ritual purification at sites associated with local deities or spirits of several kinds in Shangri-la area, including *klu* (spirits of the underworld), *brtsan* (mountain spirits) and *ribdag* (deities known literally as 'mountain owners') (Kolas 2008:57). The worship of *ribdag* is one of the most important occasions in which the community ties are enhanced. For example, as

Kolas described, when performing rituals for the *re bdag*, the men in each household go together to the ridge or slope of their local mountain to plant ritual arrows (*rtse sheng*, also known as *mda'rgod*) in a cairn (*rtsephung*), lighting juniper or pine twigs for ritual purification, and throw barley wine (*a rag*) and roasted barley flour into the air. Several affiliated households cooperate in maintaining a cairn. As suggested by Kolas, this ritual serves to confirm and strengthen communal affiliations. In the meantime, men in Shangri-la area may participate this ritual either with his relatives or with his wife's relatives, or at a cairn maintained by his maternal relatives or paternal relatives, therefore, both patrilineal and matrilineal kinship ties are maintained through participating this ritual (Kolas 2008:59). This may not only enhance the connections within a community, but the connections among several communities linked through marriage. There are several other occasions in which the whole village would perform rituals at sacred sites together, acting on concerns, such as the wellbeing of the whole community, or for the good rebirth of deceased relatives and so on. For example, illustrated by Li et al. (2007), the first day of Tibetan New Year, all households in the village would burn *bsang* together at the sacred mountain, praying for the wellbeing for whole village for the coming year.

Although it is still unclear how this sacred mountain cult specifies the family kinship or community relationships, it is certain that rituals performed to worship sacred sites are means that local people used to claim their relationship to the nature and their kinship identity, which helps reaffirm their ownership to their territory. In this regard, sacred mountains have been significant in defining local people's perceptions of "self" and "other."

For centuries, Tibetan community in Putatsuo area interacts with the agent of nature, sacred sites system, in a mutually beneficial and mutually dependent way, integrating the people and nature into a whole. Either of them comprises the other. However, this invisible connection can be undermined or changed by way of tourism effects.

THE PLACE

“The Place” And The National Park

The demarcation of the land and construction of tourism facilities on the land was the visualized changes brought by national park project. However, the new classification of community centered on different economic compensation, had one of the most far-reaching impact on the place.

For local Tibetans, the national park is a place with tremendous significance on social dimension and temporal dimension. Socially, this place is the integration of all local social relationships. It is the product of Tibetans' relationships, and also the determinant their relations (Bremer 2006: 26). The holiness of sacred sites in Putatsuo endows local people with a degree of social prestige, which has been promoted as exoticism possessed by local ethnic people to attract tourists by local government. Local residents' ritual-practicing and religious activities enhanced the special character of the place. Therefore, sacred sites and its people are mutually dependant and mutually reinforced. However, the introduction of tourism and a three-types-community-based compensations system, may put local residents into different interest groups, to contest the meanings of the place. Under this circumstance, the meanings of place can be very vulnerable. Simply based on villages' spatial location, the external feedback system differentiate villages by giving them different economic interests, without considering the people sharing the same understanding of social relations which are tied into the same sacred sites system in that place. When people's interests are at odds, the place may become the focus of conflict. Then people's struggle may lead to the contest over ownership of the place or the control of the place,

which necessarily will undermine local communities' relationships. Many similar cases happened in other countries, including in sacred sites in Hawaii in the U. S. (Childester and Linenthal 1995: 1-42). Once the place is under contested for its ownership or meanings, new interpretations will be given, not by local villagers, but usually by people who actually have the power to redefine the place, making it the basis for a political power play. On the side of the Diqing government, the place is the symbolic showcase of harmonious relationships between local people and the nature, which can be used to attract tourists and generate tourism income for the government. What meanings or interpretations will be granted to the place may not be their concern. For local Tibetans, tourism disrupts their common understanding of the place and how they relate to other community members.

Temporally, this place connects people with their history, present and the future, contributing to their perceptions of who they are and who others are. The term "social time," coined by Emile Durkheim (1965:23), refers to "a time common to the group," and more focuses on "sensations and images which serve to locate us in time." For Tibetans, the place associated with sacred sites is the recorder of local people's "social time." When people's social relations are changed under the influence of differentiated economic interests, the interpretive potential of sacred sites may change (Linenthal 1995) along with the change of villagers' maintenance of sacred sites. Once the meaningfulness of sacred sites is changed, villagers may risk losing self-identification.

During six years of implementation of Putatsuo National Park project, these issues actually have or partly are happening in local community. As reflected in

interviews and other scholars' research, although local residents don't need to pay fees when they access the park, they still feel the park brings constraints to them from using this place. For example, when they are not allowed to stay in the park at night, villagers complain that this hinders grazing, which actually prompts villagers to ask, "who owns this place?" When asked why they are financially compensated, more than a few people stated because the place belongs to them. When asked whether they are satisfied with the compensation, they said that they believe the compensation is unfair when three types of communities are mutually compared. Only when confronted with the park side, they can be relatively fairly treated. These issues center on the social dimension of the place, regarding relations among villages. This project has been changing local social relationships. Villagers are questioning the ownership of the land, the ownership of the resources and whether they are getting a fair exchange from the developer.

In the meantime, residents are concerned that deities may be angry because of the influx of tourists. They feel uneasy if sacred mountains are accessed by tourists, but they don't want to displease tourists. They believe the bad weather in recent years is deities' punishment for the noise and disruption brought by tourists and so on. When asked to perform Tibetan dances for tourists, they compromise to perform non-Tibetan dances. Traditionally, dancing is a taboo during farming seasons. Some even said that the park has already collected money from tourists, so the park should be responsible for the protection of sacred mountains rather than the villagers (Tang et al. 2009). Inferred from these comments, the sacredness and the meaningfulness of the place is challenged both by local residents, by tourism and also by the benefit sharing system of national park.

If both social and temporal dimensions of the place are changed, the place may be in the peril of being reconstructed and reinterpreted by people who has the power, leading to a political struggle. Although Putatsuo has not reached this stage, there are early signs.

The Traditional Protection System Under Threat

With the change of meaning of sacred site as well as the change of social relations sustained by these sites, the protection system can be undermined due to villagers' altered relationship with these sites. Sacred sites are part of Tibetan's lives, and they strictly observe a set of taboo to protect fauna and flora at sacred sites. Currently, in Putatsuo national park, local residents' voluntary protection plays a vital role in local's biodiversity conservation. If the local's protection is undermined by the discouraging tourism compensation system, it will bring tremendous biological costs as well as cultural loss, because there is almost no formal comprehensive protection system functioning on the ground once the park was established.

THE CONSTRUCTION OF A STATE-LEVEL TOURISM ATTRACTION

Tourism-Focused Operation

Since Putatsuo's inauguration, tourist arrivals in Putatsuo National Park have been fast increasing, bringing in huge profits to local government. The following table indicates tourist numbers and ticket income in Putatsuo National Park since 2007 through 2011. It is believed by the park and local government that increasing tourist numbers represents the driving forces on local tourism industry brought by this project.

Table 6: Tourists Arrivals and Tourism Revenue from 2007 through 2011 at Putatsuo National Park

(Made according to on-site interview)

Year	2007	2008	2009	2010	2011
Tourist Arrivals (10,000)	58	48	65	68	90
Tourism Income (RMB)	103,000,000	87,000,000	117,000,000	125,000,000	170,000,000
Tourism Income (USD)	16.3million	13.8million	18.6million	19.4million	27million
Per Capita (RMB)	178	181	180	184	189

An interviewee from TSC said: “tourist numbers in 2008 are lower than average level is because it was affected by Tibetan Event in March and the Olympics in August, but we are pleased with the current development trend, because it is a rare case in China in that being a tourist site, it can generate revenue more than fifteen million USD in one year since its operation.” (Interview at Putatsuo in 2011) In the meantime, the management board believed that the park also resolved the conflicts between development and protection, achieving the combination of economic efficacy, social efficacy and ecological efficacy. According to interviewees, the national park has paid more than fifteen million USD tax to local government. Chinese scholars Tian et al. explain that ticket sales from the park would be distributed among enterprise (the Tourism Investment Corporation), the Diqing prefecture finance department, and Shangri-la county finance department, based on the ratio of 6:2:2, therefore, 40% of gate receipts goes to government (both prefectural and county levels), and only less than 3% income is returned to the community in the form of compensation (Zhou and Grumbine 2011). In recent years, the Tourism Investment Corporation has raised 300 million USD which has been reinvested on tourism transportation facilities, city construction, tourism development and agriculture industrializing projects, in accordance with the prefecture government’s intention (Tian & Yang 2011). Inferred from this, the park has been serving as a vehicle for generating funds for supporting development on many other local government sites. Local government didn’t comply with the distribution proposal suggested by planners that government not benefit from distribution in first 10 years, but instead returned revenue directly to more park construction.

While I was conducting interviews, the park was in the course of applying for the accreditation of 5A scenic spot from the State Tourism Administration, the highest accolade in tourism scenic spot in China. “5A” represents a set of comprehensive quality index evaluation system in tourist reception in China, including transportation accessibility, landscape quality, reception facilities, tourism commerce, tourists safety. More importantly, it means yearly tourist arrivals must reach at least 0.6 million. The application of 5A scenic spot brought tourism experts and many government agencies both from provincial and prefecture level together again to give advice on park’s construction. The park undertook many reconstruction projects and Tourism Investment Corporation input more than thirty million USD (DQPG), mainly centered on upgrading tourist reception facilities, such as parking lots, road sign systems, restrooms and so on. In order to provide regulated and unified tourism commerce, the park abolished residents’ self-organized snack-selling booth in the park, which incurred conflicts between villagers and the park management. In a public speech in July 2013, the governor of Diqing prefecture said:

Putatsuo National Park is a brand scenic spot built up with the heart, efforts and feelings by several previous administrations, and we should continue to protect and construct it. Speeding up constructing Putatsuo National Park into a 5A scenic spot is an important act of tourism, which symbolizes tourism in Diqing has reached a new level, and it will greatly improve scientific development, harmonious development and leap-forward development in Diqing prefecture; it is of great economic and

political significance in promoting the reputation of Shangri-la at state level, even at world level.”

In October 2012, Putatsuo passed experts’ investigation and evaluation for 5A scenic spot organized by State Tourism Administration, which will infuse new energy to tourism industry in Diqing Tibetan Autonomous Prefecture.

The focus of this national park is to generate wealth, but also the park itself has become the flagship in Diqing’s tourism industry, symbolizing the successful transformation of local economy from “timber economy” to a more “scientific and more harmonious economy.” Although the prefectural government, the planners as well as Tourism Service Company, have been claiming that Putatsuo National Park should and would carefully protect local resources and promote ecotourism, the control of tourists and conservation of resources are barely satisfactory.

Overlapping Agencies In Management And The Failure In Conservation

In addition to TSC (under Tourism Investment Corporation) and National Park Management Bureau, two official established organizations directly involved in the park’s on-site management, there are actually many other government agencies exerting authority either in institutional regulation or business management in Putatsuo National Park, contributing to an extremely complicated management system. The overlapping administration makes the ecology monitoring and resources conservation difficult. As indicated by a participant at TNC in Kunming, “the most difficult thing in working on Putatsuo National Park we have encountered is the structural barrier in various levels of government, which means the overlapping functions of governmental agencies as well as the absence of overriding

organization hinders the advancement of resources protection in the park area. ”

(Interview at TNC Kunming Office in December 2012.)

Table 7: Government Agencies Responsible For Putatsuo National Park

(Made based on interview and Tian and Yang 2011)

Name of Organization	Jurisdiction
Diqing Prefecture Government	Administrative jurisdiction, Personnel management, resources disposition and Economic income
Shangri-la government & Jiantang Township government	Community affairs: family planning, social security and agr-pastoral development
National Park Management Bureau	Resources protection, supervising construction and commercial operation, tourists safety, fire protection and coordinating community relations
Diqing Tourism Investment Company & Putatsuo Tourism Service Company	Construction, facility maintenance, ticket sales, tourist commerce, sightseeing bus
Bitahai Lake Nature Reserve Management Office (Under Yunnan Provincial Forestry Department)	Conserving nature and patrol mountains in Bitahai Lake area
Construction Department	Planning and Managing Three Parallel Rivers World Natural Heritage (Putatsuo partly geographically overlaps with this World Heritage)
Forestry Department and Yunnan Provincial National Park Management Office	Forestry protection, park admission control, planning investigation and approval, project support
Tourism Administration	Managing 5A scenic spot and supervising tourist market

Many government agencies as well as enterprises are involved in the management of Putatsuo National Park, however, there is no single comprehensive and unified plan or act to protect the resources in Putatsuo National Park, and in fact, it is even difficult for these agencies to reach consensus in protecting resources.

Horizontally, government agencies overlaps on managerial functions, for example, forestry department, construction department, environment protection department as well as Bitahai Lake Nature Reserve Management Office are tasked with resource protection in Putatsuo. Specifically, forestry department has the responsibility of protecting state-owned forest in the park. The construction department is responsible for protecting the in-park area which overlaps with the Three Parallel Rivers World Heritage. The environmental protection department has the similar function with these two departments in this regard, but have less power to speak out on issues of prevention and resource protection in China. As for Bitahai Lake Nature Reserve Management Office, its jurisdiction only covers part of the park. Therefore, these four departments have their authority in their respective fields, partially influencing the conservation work, yet never coordinating in park conservation. For example, there are three groups patrolling mountain forest. Patrollers from TSC and patrollers from Bitahai Lake Nature Reserve Management Office, both are on site, but neither of them works with the other, contributing to very low work efficiency (Bai and Lai 2011). There is a widely accepted understanding over this multiple administrative leadership and some scholars depict it as: “When there is some interest, everyone claim, on the contrary, when there is the difficulty, everyone just shift responsibility to others and equivocate one another.” (ROPGYP P.23) (Tian and Yang 2010). Under this management style, the conservation in Putatsuo is far from being integrative and effective.

Vertically, in China, in a specific field, government or government agencies have same function even if they are on different levels, in other words, the arrangement of government or government agencies on each level (from state to

province to prefecture to county) is same with the arrangement on other levels, resulting that the higher level government may overstep the immediate leadership to have influence on lower level government, because they have almost the same responsibilities. Putatsuo National Park is such a case. Geographically and administratively, the park belongs to Jiantangtownship of Shangri-la county, however, its development has been tightly controlled by Diqing Prefecture Government. In the meantime, the relationship between a government office on provincial level with the upper levels of a given city government is never clearly defined in China and it is always in a negotiated situation (Zhou and Grumbine 2011). For example, in 2008, Yunnan Provincial Government designated Forestry Department of Yunnan Province (YPFD) to be the primary government agency administering national park projects in Yunnan province, and approved the establishment of Yunnan National Park Management Office under YPFD, to be the regulatory authority for the advancement, coordination and supervision of the establishment of national park system in Yunnan (ROPGYP P.39). This office, working with Yunnan Provincial Government Research Office as well as TNC, and many other academic institutes in Yunnan, has developed extensive regulations and rules regarding national park criteria, planning, management model and methods, and all these regulations have been approved by Yunnan Provincial Government. However, in implementation, Diqing Prefecture Government deviated these regulations as well as master plan (Zhou and Grumbine 2011). This office in fact has limited enforcement authority on the development of Putatsuo National Park. For example, according to the approved *Yunnan National Park Development Program Outline*,

National park shall apply the management model of “ the government in dominance, business operation separated from administration, concessionary right in business operation and various parties’ participation”..... In terms of tourism exploitation, follow the concept of “the State in administration, the government in authorization, concessionary right in business operation, and the society in supervision”..... and the administrative agency shall not directly participate in the profit business of the national park..... (ROPGYP P.38).

In practice, the management technique used by Diqing Prefecture Government essentially brings the government directly into the park’s business operation, and the government becomes the most important and dominating stakeholder, prioritizing tourism over conservation in Putatsuo.

Gap Between The Envisioned National Park And The Park In Practice

When the TNC proposed the concept of a national park system to Diqing prefecture government, it appealed to the second of six categories of protected areas maintained by the International Union for the Conservation of Nature (IUCN). IUCN Category II defines national parks as:

Large natural or near natural areas set aside to protect large-scale ecological processes, along with the complement of species and ecosystems characteristic of the area, which also provide a foundation for environmentally and culturally compatible

spiritual, scientific, educational, recreational and visitor opportunities. (Dudley 2008, 16)

Two years after the operation of Putatsuo National Park began in operation, the Yunnan Provincial Government issued the *Yunnan National Park Development Program Outline*. It defines a national park as:

A protected area designated and managed by the government, and the purpose of national parks is to protect the nationally and internationally significant natural resources, cultural resources and magnificent landscapes while providing opportunities for scientific research, recreation, community development etc. It is a designated region for effective conservation and sustainable use of resources. (YPG 2009)

This outline also states that a national park has five major functions: a) protecting the special natural environment, natural resources and cultural landscapes for offspring's sustainable use; b) serving as the key base for scientific research of biology, geo-science, environmental science, humanities etc; c) serving as the educational base of national environment and patriotism; d) serving as the tourist destination for meeting the citizens' demand of recreation at leisure; and e) driving community development in the national park and adjacent areas, and promoting sustainable local socio-economic development.

The protective function is listed as the top goal of national park not only by IUCN's document, but is also a priority of Yunnan Provincial Government.

According to interview at TNC Kunming, an interviewee stressed: “ We insist that

conservation as well as community involvement should be two basic principles in national park project in their proposal to Diqing government.” (Interview in TNC Kunming Office in December 2012). However, Putatsuo National Park is far from envisioned national park in terms of management system, operational organizations and funding system. Since the initial funding was largely obtained through bank loans, Putatsuo by design needs to pay these loans by generating financial interest through park’s operation. The commercialized operation pre-determines that the park must work for the benefits of its investors as well as its owner, the prefecture government. As a result, from the perspective of prefectural government, Putatsuo National Park may promote tourism industry in Diqing. However, the potential long-term negative ecological impact and cultural impact of this project can be massive, especially its disruption of the dynamic interactive relationship between local natural system and cultural practitioners, the Tibetans. In the long run, local residents would be the payers of the huge ecological and cultural costs.

Nor does Putatsuo National Park adhere to IUCN’s definition about national park to be in accordance with international practices. In the meantime, it does not even comply with Yunnan provincial interpretation and principles for national park system in Yunnan’s context. Essentially, it is a prefecture government-controlled commercial tourism attraction, serving for generating profits for local government to be reinvested on other sides, with little consideration about local Tibetan’s economy, environment and cultural ecology interests.

It is necessary to understand why the prefecture is so eager to use the park to generate revenue, when they clearly know that this park does not meet with IUCN’s

standards and they also are aware of its potential negative impact. In order to better understand the driving forces behind prefecture government's efforts in acquiring financial benefit, it is critical to examine the larger background of tourism development in Yunnan province in an overall Chinese context.

TOURISM INDUSTRY DEVELOPMENT IN YUNNAN

This project appears that the Diqing Prefectural Government's practice deviates from the Yunnan Provincial government's intention,utilizing a commercialized management technique and emphasizing tourism. When taking a close reading at provincial governmental official documents, it can be seen that the exponential development of tourism in Yunnan province brought by establishing national park system isin fact the provincial government's intention and expectation. Two years after Putatsuo commenced business,the *Yunnan National Park Development Program Outline*, clearly states that establishing national parks is the inevitable requirement for propelling the "second pioneering development" and leap-forward development of Yunnan tourism industry(The "First pioneering development of Tourism" was from 1995 to 2005 in Yunnan).Furthermore, in 2009, The *Programming Outline on Yunnan Tourism Development and Reform* was approved by the National Development as well as Reform Commission of China, and this programmatic document officially announced that, by 2015, Yunnan Province would construct 10 national parks across the province (POYTDR P.15). This number was recently increased to 12 national parks by 2015 on the Conference of Yunnan Provincial Tourism Industry Development in 2012. In the meantime, the noticeable thing is the constant recurrence of tourism competition among provinces in China mentioned in many official documents, and this is one of the major reasons for severaltimes of tourism policy reforms in Yunnan. From 1978 to 2012, tourism industry in Yunnan experienced four major stages and they are 1978 - 1988, 1988 - 1995, 1995 - 2005 and 2005 to present.

The first stage (1978-1988), with the initiation of opening-up in China, tourism in Yunnan was in a period of purely and passively receiving tourists coming both from home and abroad, and tourism enterprises were mainly set up for government official receptions. In the second stage (1988 to 1995), tourism was firstly listed as an industry for social and economic development. Three core tourism cities appeared in the province. This stage successfully transformed tourism from a “reception type” to an “industrial type.” In the third stage (1995-2005), the government specifically listed tourism as one of the four most important industries in Yunnan and invited experts from World Tourism Organization to help Yunnan with planning tourism development for 2001-2020. During this stage, tourism’s contribution to GDP was increasingly significant. From 2005, the official narrative echoed in many official settings is that the tourism industry in Yunnan is confronted with the situation that “pace-setters are in the front and pursuers are in the back,” “not to advance is to drop back, and slow advance is also dropping-back,” under which the “second pioneering tourism development” was posed. In each stage, different tourism policies were issued and various tourism development programs were launched, pushing tourism industry expanded to more and more remote areas in Yunnan.

Yunnan, as a mountainous province inhabited by most ethnic groups (25 ethnic groups) in China, also a province entrenched by poverty, more and more ethnic minority people have been brought into tourism, such as the Tibetans in Putaoshan National Park. Resource utilization in most tourism development programs in Yunnan is not only very careless but also very extensive. In many places, tourist arrival or reception capability at the destination is one of the major indexes for tourism statistics. China has the largest population in the world, and the expansion of middle class in

China creates a growing massive tourist market, inflicting great ecological and cultural pressure and risks in tourism destinations, specifically for Yunnan, an ethnically and ecologically diverse province. However, when we put Yunnan into the context of the whole country, Yunnan case can be better understood.

THE DRIVING FORCES BEHIND LOCAL GOVERNMENTAL COMPETITION

Fiscal reforms and central-local relationships

In 1978, China initiated economic reform, in order to stimulate the state economy, on one hand, Chinese central government has to encourage the local to enlarge social production, on the other hand, has to transfer the development pressure confronted by the central government to local governments (Fu 2000). To achieve these, all barriers preventing resources from going through the society were removed and the central government did not control production resources anymore. More importantly, the central government sign fiscal contracts with provincial governments every year. If a local province over-fulfills the quota, local government may keep this surplus portion of revenue in province which is called extra-budgetary revenue. In the mean-time, Eastern coastal provinces received more preferential policies than Western inland provinces. Many researchers believed that the introduction of the central-local fiscal contract effectively started the decentralization of the state power (World Bank 1990). The decentralization of the state power was expected to motivate the locals to increase fiscal revenue, so that central revenue would augment accordingly. However, the result of this reform was the loss of central revenue in the early of 1990s, as revenue increasingly came under local government control. The absolute quantity of central fiscal revenue was increasing, in fact central government's share in the national total revenue was decreasing (Wang and Hu 1998). In the meantime, the central government has to undertake the responsibility of financially supporting Tibet areas and other areas that generate little revenue. The

policy also resulted in escalating conflicts between the Central and the Local governments, as well as Eastern coastal provinces and Western inland provinces due to the disparity of revenue distribution. The weakening of central government's control over local provinces as well as the development of localism, made the central government felt the necessity of fiscal policy reform in China when it came to 1994. On January 1 1994, tax-sharing system was formally initiated in China and the previous revenue-sharing system was replaced, aiming to re-divide the expense responsibility between the central and the local.

Through complicated tax-sharing system, local government has certain amount of tax revenue, independent from central's fiscal revenue. On the other hand, the central increased its share in national fiscal revenue, reinforcing central government's ability in macro-controlling national economy. This new tax system also created a more delicate relationship between central and local government, because as Zhang pointed out, the central apparatus cannot confidently rely on the provinces to collect revenue for it anymore, and also the bargaining power that the provinces have hitherto been able to exercise as the tax collectors for the center is also fading away (Zhang 1999). As many scholars pointed out that as a result of a series of policy initiatives, localities have emerged as economic as well as political entities (Wu 2000). Walder examined the behavior of local government and believed that the new local governments are becoming more like 'industrial firm' (Walder 1995). Buckett (1998) further examined the direct involvement of local government in economic activities and described the local states as the "entrepreneurial state." The new tax-sharing reform made local government exceptionally emphasizing economic

revenue due to newly adjusted expenses and revenue division relationship between the central and the local.

Intense Competition Among Local Governments

When local governments are more and more directly involved in economy production. They take part in market activities as enterprises. As held by Walder (1995), the government is an enterprise and a part of economic market, which makes market competition in China presented as the competition between local governments, and then the competition between enterprises. Therefore, local governments are in intense competition across China, competing for resources, for market, for consumers, as well as for external investment.

On the other hand, in political arena, since the central government focuses on encouraging local governments' endeavor in production, standards for evaluating officials' performance by central government naturally shifts to emphasize economic development rate, local employment rate, price level as well as tax submission. Therefore, local economic performance becomes the one of the most important indexes for high level government evaluating lower level. Bo's (2002) research indicates that there is a positive correlation between local economy development with officials' political promotion in China. As criticized by some Chinese scholars that local officials in China are confronted with two types of competition, one is on the market, competing for increasing local fiscal revenue, and the other is in politics, competing for political promotion (Liu 2006).

Provincial government transferred the pressure of economy development to lower level-----the prefecture (or city) governments which actually became the

executors of fulfilling the fiscal contract between provincial government and the central government. In the meantime, prefecture (or city) governments are confronted with the same political competition under the provincial political framework.

Competition Breeds Tourism Industry Innovation in Yunnan

As for the situation in Yunnan, tobacco production used to be the most important industry in provincial revenue in history, however, with the introduction of tax-sharing system, most of revenue generated through tobacco was collected by the central government in the form of CST (Consumption tax) and VAT (Value added tax) (YCCPPCC). Tax-sharing system resulted decreased provincial revenue, giving rise to the development of tourism as a new economic growth point for Yunnan province. Because revenue generated through tourism can be largely kept within the province rather than being submitted to the central state. This is also one reason why many provinces in China have prioritized tourism development in recent years.

Supported by provincial government, tourism resources exploitation was undertaken in large scale across the province. In a decade, tourism industry experienced very fast growing stages as mentioned above. Dali, Lijiang and Xishuangbanna rapidly became three core regions in Yunnan tourism industry in mid 1990s. Dali and Lijiang are geographically very close to Shangri-la. Influenced by tourism effects in these two prefectures, tourism was chosen to be the new pivotal industry by Diqing prefectural government. However, selecting tourist destinations is largely based on tourists' choices in a market economy, and the newness and exoticism of destination is critical in tourists' decision. As for tourism resources, Shangri-la shares some commons with neighboring city, Lijiang, as well as ethnic

enclaves in Sichuan province. Diqing prefecture was under pressure to find an innovative point of leverage to win the tourists. Shangri-la gave such leverage. In the setting of government competition in China, innovation is a policy test and through this test, prefecture government on one hand can reduce cost. If the test succeeds, the government can expand and advance this strategy, if it fails, the loss can be controlled in certain extent. In this regard, being involved in intense competition, local governments are very alert and sensitive to various development opportunities. Because in market competition, preemption usually can optimize solutions to success. As scholars pointed out that in China, the government in competition is essentially an experimental plot (Liu 2006: 141).

For Diqing prefecture government, being able to claim Shangri-la and constructing Putatsuo National Park are two important innovations in tourism development, both of which created uniqueness for tourism industry in Diqing, increasing its attractiveness to tourists. Shangri-la, as the heavenly place on earth, is unique and cannot be replicated, and Putatsuo National Park can claim to be the first national park in China, which is totally a new thing on tourist market in China. The latter is more like a continuation of the former innovation to cultivate a continuing influx of profit. The national park is an innovation also because Putatsuo National Park, as a pilot project by Yunnan province, has not been officially recognized by the State Council even if it has been in business for 6 years. This claim is a very adventurous innovation. In the meantime, it deviates from international specifications set by IUCN as well as accepted-practice in other countries. Nonetheless, it turns out that both strategies led to commercial success in terms of tourist arrivals in Diqing and the growth of tourism revenue.

Economic interest collected through the operation of Putatsuo National Park has been reinvested in other fields in Diqing, such as road pavement and infrastructure upgrade as well as in other tourism development projects, which are imperative for prefecture government because Diqing can then attract more external investment (especially foreign direct investment) which can become a great driving force to increase local GDP. For example, based on Southern California University scholar Cheng Hsiao's research, 1% increase in FDI (foreign direct investment) in China leads to 4.8% growth in GDP in the same year, accordingly, 1% increase in GDP leads to FDI increasing 211% in short term and 344% in long term (Hsiao and Shen 2002). Therefore, Putatsuo National Park has been a vehicle for obtaining the "first barrel of gold" for Diqing Prefectural economy. According to Diqing governmental statistics (DQPG), in 1997, tourist arrivals in Diqing was 0.22 million with a revenue of 70 million RMB (11 million USD or so). In 2011, 8 million tourist arrivals brought a revenue of 7.7 billion RMB (1.2 billion USD). From 2007 to 2011, the average GDP growth was 19.76%, and economic growth has been ranking highly among 10 Tibetan Autonomous Prefecture across China (UFWD of CPC). Encouragingly in 2010, Hong Kong based company Shangri-la Hotels & Resorts as well as Sheraton Hotels & Resorts opened their hotels in Diqing (DQDRC 2011). This signifies a big success over other competitors like Lijiang city and Dali prefecture in Yunnan and would likely propel the growth of Diqing's GDP. Putatsuo National Park has made indelible contributions to Diqing's economic achievement.

Competition in economic growth is entangled with the accumulation of officials' political capital for promotion. Therefore, the time frame of officials' tenure greatly exacerbates the competition for economic growth. Inevitably, ecological cost

may not be the first concern of local government officials who are advancing a project. For most local government offices or officials, GDP growth is the most significant. Putatsuo National Park is not only an innovation for Diqing tourism industry, but also an inspiration for Yunnan Provincial Government. Yunnan Provincial Government acknowledged it as a pilot project within the province, and later made an ambitious plan to construct 12 national parks across the province by 2015. Five are in Diqing Prefecture, and the prefecture expects the national park system to produce 31.8 billion USD in tourism income.

Institutional Innovation Driven By The Pursuit Of Interest

Competition has been a strong driving force in propelling tourism developing with high speed in Yunnan and Diqing prefecture. This competition was resulted from the new established fiscal relationship between the central and the local government. The consequence of this structure has been to encourage local governments to acquire GDP growth from extensive resource exploitation.

Drawing on Schumpeter (1934, 1942), competition gives institutional entrepreneurs the incentive to formulate new governance ideas. Recently, many neoliberal economists have argued that competition may produce innovation in government (Kerber 2008; Kerber and Vanberg 1995; Stansel 2010; Vihanto 1992; Welter 1995). This economic philosophy has largely influenced Chinese policy makers. When a new governance idea is produced, or a new institution is introduced, there is always an interest is secured through the implementation of this new governance idea or institution. In the perspective of institutional economics, the change of institution is the result of the pursuit of benefit. As Coase (1984) and North

(1993) have argued that “only when anticipated net profit was more than anticipated cost from innovation would a new system arrangement be adopted.” The introduction of tax-sharing system in China, or the adoption of national park system in Yunnan are the results of governments’ expectation in acquiring greater economic benefit. It can be seen that both central government and local government herald the economic innovations, downplaying the actual and potential environmental problems.

Chinese scholars Tian and Yang (2011) have argued that, from 1994 to 2007, Bitahai Lake, as one of core tourist attractions in Putatsuo National Park, has experienced five major managerial system reforms. At the very beginning, in 1994, local Tibetan villagers could directly benefit from spontaneously organized tourism program. As provincial tourism policy evolved throughout the seven years, resources and land in this area were gradually claimed and controlled by the government. As this encroachment occurred, local people are excluded from newly initiated development projects, the government was even more vested in the project. In other words, every macro institutional innovation in the state leads to a micro resource-exploitation in Putatsuo area, posing more severe ecological problems.

Putatsuo National Park is an inevitable result of institutional innovation by Diqing prefecture government under the pressure of competition for economic growth and political position. The transformation of the project is closely associated with the benefit sharing relationship between the central and the local government in China. During the course of China’s economic shift from planning to market, every institutional reform represents a new round of chasing optimal benefits that is reflected as more extensive resource utilization at the local level. China’s development strategy

is built on sacrificing environmental and indigenous people's interests in order to pursue GDP. This strategy cannot be changed by the central government in the short-term. Therefore, the push for optimal gain, at the cost of social and environmental exploitation by local government's development projects continues. In this regard, it is hardly likely that the government will reform itself to change current development strategies to save resources and preserve the environment. However, projects like Putatsuo National Park, pose great potential ecological and cultural impact on the local population, now and in the future. The ambitious plan for constructing 12 national parks across Yunnan would impact even more fragile ecological resources, along with threatening the resources owners, the indigenous people.

Environmental problems and ecological degradation have been increasingly grim in China in recent years. This provoked the whole society to rethink the relationship between economic development and environmental protection, expecting to find a method to solve this dilemma. There are many new environment-friendly concepts or strategies emerged in China in various fields, reflecting people's anxiety for environmental conditions in China. In tourism, ecotourism is such a negotiated strategy evolved to mitigate this issue.

ECOTOURISM, A NEGOTIATED STRATEGY

Hector Ceballos-Lascurain is credited with coining the term ‘ecotourism’ in 1983 when describing a new form of nature travel, who defined it as that “a form of environmentally responsible travel and visitation to relatively undisturbed natural areas, in order to enjoy and appreciate nature (and any accompanying cultural features—both past and present) that promotes conservation, has low impact, and provides for beneficially active socioeconomic involvement of local populations.” This concept has been adopted by the International Union for Conservation of Nature (IUCN). Since then, numerous definitions have been offered, and a universal consensus is yet to be reached about a single definition of ecotourism. Nonetheless, most of the definitions share following key elements:

- 1) Low-impact tourism depends on a relatively unchanged natural environment and local culture.
- 2) The environment as well as local culture is understood and appreciated; Caretakers have the responsibility to contribute to the wellbeing and sustainability of local community.
- 3) Community involvement is promoted and nature and biodiversity is conserved.
- 4) Tourists’ awareness of nature and culture is raised through education and interpretation.

This concept was introduced to China in 1990s, and with growing awareness in environment, ecotourism has been given increasing attention and is presented in

many settings. In the meantime its popularity was also driven by the influx of eco-related concepts, such as the eco-city, eco-villages and eco-food in China. The economic development in China has given rise to a growing middle-class with increasing disposable income, and rapid urbanization cultivates people's nostalgia feeling for a "natural" place. Many tourism operators utilize this demand trend to promote ecotourism in nature-based places that are far from cities. In most cases these places are also advertised by local governments as they compete for tourists. When contrasted, I can identify a huge gap between China's ecotourism and western countries' ecotourism.

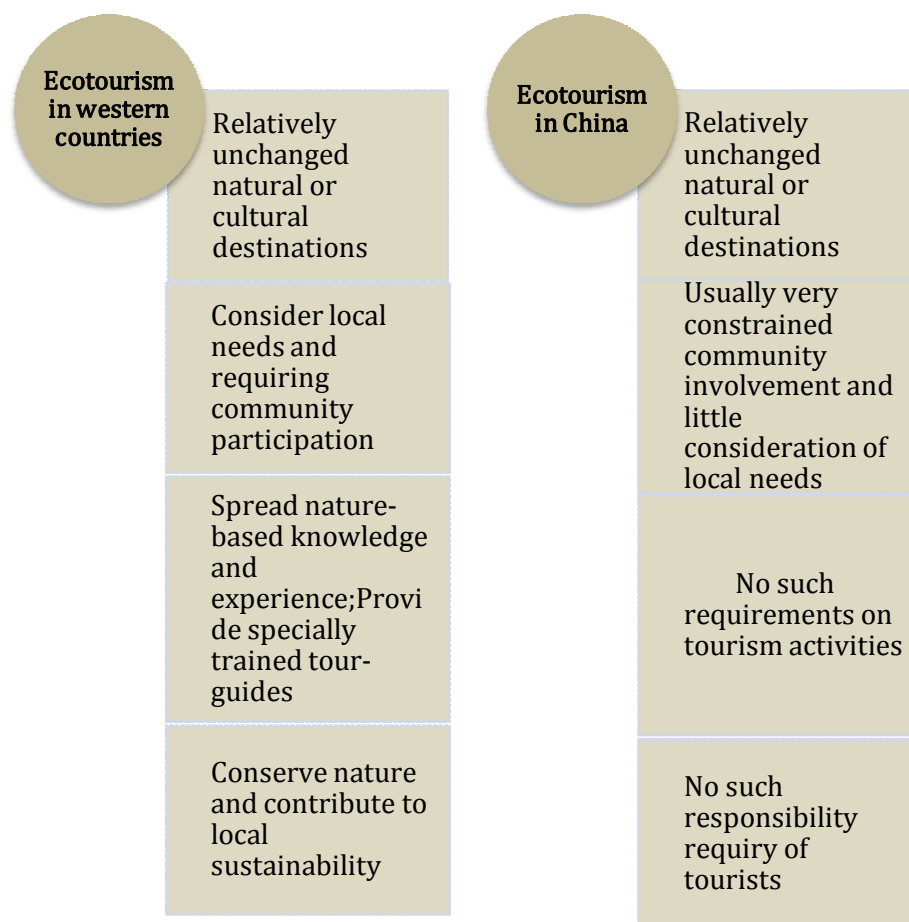


Figure 7: A Comparison of Ecotourism in Western Countries and China

There are few projects in China that comply with key elements comprised in the concept of ecotourism, most strikingly demonstrated in the absence of tourists' responsibility for local environment/communities, and the barriers to community involvement. Nonetheless it is still a fashionable term and a popular way for governments to invoke when making blueprints for local tourist industries. Alan Lew (1998) did a survey of 228 eco-tour operators to the Asia Pacific region in 1995 and 1996. His study identifies major barriers to development of the ecotourism industry,

including a lack of knowledge about the relationship between the environment and entrepreneurship. Too many companies use the terms of “cultural,” “sensitive,” and “ecotourism” simply as marketing tools and do not adhere to eco-friendly standards. This research reflects the true situation of ecotourism in China.

Putatsuo National Park in Yunnan is categorized and promoted as ecotourism by provincial government, primarily as commercial marketing tool to attract tourists. However, ecotourism in China essentially has little difference with mass tourism. Both are large-volume tourist strategies with little environmental responsibility required from tourists, and little consideration for local community’s involvement and long-term sustainability. On the contrary, tourists are misled by labels and never know what ecotourism really means. That lack of tourist education itself has grim implications for Chinese eco-management. This is also one of the reasons why planners created the concept of “mass ecotourism” in Putatsuo’s planning. It could be inferred that the misuse of ecotourism in China is because ecotourism is built in a space without rigorous industry standard authentication, which is not conducive to public resource and cultural conservation at all.

CONCLUSIONS AND RECOMMENDATIONS

Deviating from key principles of conserving resources defined by the IUCN, as well as the successful conservative pattern set by many other countries, Putatsuo National Park is an institutional innovation by local government in a place with few resources for developing other industries. Driven by the competition among different levels of government in producing revenue growth and political promotion in China, Putatsuo National Park is utilized by local government as a vehicle for raising funds to be reinvested on infrastructure upgrade and other projects, ultimately leading to increasing external investment and GDP growth. Competitiveness stems from the fiscal system, as well as official political structures in China. The central government favors the growth of GDP over the conservation of resources. It is hard to make local governments willing to compromise GDP growth for the sake of environment protection in short term. Yunnan is a province with very high biodiversity and cultural diversity, and one of the poorest provinces in China. Delaying resource conservation and exploiting current resources by tourism may lead to tremendous ecological damage in the long run. Fortunately, there has been a growing ecological awareness in China, making the case to the central government for resource conservation. The public's call for curbing resource depletion and pollution, along with necessary measures taken by government can be helpful to some extent. However, this paper suggests the following specific recommendations for policies regarding the effective development and operation of national parks in the future.

Overriding National Organization for National Parks

The national park project in Yunnan is a glimpse of the extensive resource utilization in tourism industry. As the demonstration of a nation's nature conservation, and as an integral part of the tourism industry plans for 27 provinces, national parks will not only exist in Yunnan, but also be developed by many provinces in China.

Putatsuo National Park has not yet been officially recognized by central government. On the other hand, 11 other national parks will soon be introduced, which if unchecked and unregulated by such an overriding organization, will not only challenge the validity of the national park concept, but also run the great risk of destroying many ethnic groups' natural habitats and cultures in these parks' sites. Therefore, it is critically important to establish an overriding organization at the national level to develop national policies and overall strategies for innovative ways to form and operate national parks that are both economically and environmentally beneficial.

Specifically, for the management of national parks, this overriding organization can keep national park projects under surveillance. To do so effectively, it needs to put legal system in place, establish national park's criteria for protecting the environment, and develop a management protocol. Furthermore, the current system in China for protected areas is highly complex with overlapping jurisdictions among many government agencies, including Ministries of Environmental Protection, Tourism Administration, Public Construction, Forest Administration, and Land and Resource Administration. This organization can provide unified policy guidelines and

coordinate development and management strategies for national parks with local governments across the country.

Because of the dual interests in national park for conservation and tourism, such an overriding organization should be primarily and jointly advocated by the State Ministry of Environment Protection and State Tourism Administration in the central government to provide leadership and coordination with other relevant government agencies.

Ecological Compensation Mechanism

The Ecological Compensation Mechanisms (ECM) approach relies on available government funds and directs them to conservation activities (World Bank 2007). This approach has been practiced in Qinghai province in China since 2011 for protecting head water areas of Yangtze River, Yellow River and Mekong River, which has great ecological significance for China. Governments use money from many different sources for this mechanism, such as special protection funds both from central government and provincial government, social donation, and other protection and development fund to preserve pasture, to maintain key ecological areas (forest, river bed, wetland etc.), to improve livestock species and grass species, as well as to educate pastoralists with regard to labor skills or starting small business, and to monitor local ecology change (QHPG).

Yunnan is one of the 25 world's biodiversity hotspots and the first in China for Biodiversity (YIES). Situated upstream of the Greater Mekong Region, Yunnan is the source of headwaters and major tributaries leading to several major rivers that reach and have impact on the lives of almost one billion people in eastern China and

mainland southeast Asia (Xu and Melick 2007). Due to a very large elevation range (from 6740m to 76m), complicated topography and atmosphere circumfluence, Yunnan has very diverse climate, resulting in the habitat for almost all types land ecosystem in China (Yang et al. 2003), in the meantime, also a place for species diversity, landscape diversity and cultural diversity. In view of the ecological significance to such a big population both in China and Southeast Asian countries, ecological compensation would be an option for Yunnan to give up regular development route, and to turn to conserving environment and resources. This can be more sustainable in the long run.

In addition to Putatsuo National Park, the other 11 national parks under planning are located in ecological representative areas which collide with many ethnic minority groups' habitat. Based on experiences in Qinghai province, ecological compensation fund can be used to protect core ecological areas, monitor ecological changes, educate indigenous people and motivate them to protect environment through cultural practices. This strategy can on one hand alleviate indigenous people's living pressure, and on the other hand, initiate comprehensive and professional resource protection programs to sustain the nature-culture mutually nurturing relationship.

As for funding, PES (Payment for Ecosystem Services) which has been adopted by many countries could be part of the solution. PES is a system that used to collect money from the beneficiaries who use environmental services (water consumers) and payments are made directly to those who provide these services (World Bank). According to the first evaluation report for forest ecosystem service value in China in 2011, based on six indices (including water conservation, soil

conservation, carbon fixation and oxygen release, nutritive substance accumulation, air environment purity and biodiversity), ecological experts appraise that the forest eco-service value in Yunnan in 2010 has reached around 32 billion USD, accounting for 27.8% Yunnan's GDP in the same year (YNDaily). In this vein, Yunnan has provided invaluable eco-services for the downstream populations, providing water for drinking and irrigation, and it is feasible for Yunnan to apply for ecological compensation from beneficiaries in the downstream. Since this compensation fund should be delivered to those who should be compensated, the legal and institutional framework should be set up to secure the fund is accurately delivered.

For this suggestion, Yunnan provincial government can be the advocate integrating perspective with both central and prefecture governments. Under the leadership of the central government, the provincial government can provide economic goals and environmental quality standards to the local government. On the other hand, it can work with local government to develop incentive programs for the local government and individuals involved for effective national park planning and operation.

Standard Authentication of Ecotourism

The misuse of ecotourism in China confuses tourists, and poses great potential ecological risk for places where ecotourism development is blueprinted.

Authentication for ecotourism has been practiced by many countries based on different ecotourism standards. Although these authentications in many regions in the world appear very diverse, they still encompass key points of ecotourism, and have been successful. For example, the CST (Certification for Sustainable Tourism) was

developed by the Costa Rica Chamber of Tourism (ICT), working as the national standard system, is empowered with the national authority compared to other countries' authentication systems. Inspired by this, China has developed a large and complicated protection area system, including forest parks, national geology parks, world heritage sites and so on, all of which are under the umbrella of ecotourism in the tourist market. In reality, ecotourism should be defined a tourism activity different from mass tourism in terms of destinations, goal, participants and responsibility. It is a priority to formulate a national standard system that not only benefit the ecology of national parks, but also can regulate tourism activities in protection areas, and lessen potential eco-hazards brought by commercial abuse.

With regard to China's situation, community participation should be a primary and indispensable part in formulating ecotourism standards. Historically, in conserving projects or development projects in China, local communities have generally been excluded consciously or unconsciously by local governments, which comes at the expenses of local community rights and interests. In the meantime, local governments often engage into endless conflicts with local communities. Ignoring the local community as an inextricable part of the land and resource development planning, leads to losing one of the most effective ecology advocates. Local stakeholders can maintain and enhance the diverse landscape and biodiversity through mutually nurturing relationship between nature and people. Many culture-based practices by indigenous people have been proved to be effective in sanctioning the use of resources. For example, long-term protection of the sacred Mount KawaKarpó by Tibetan Buddhists, which is planned to be another national park in Diqing, has

preserved a region that is ecologically and ethnobotanically unique (Anderson et al. 2005).

In the meantime, as argued by Tosun (2000), community participation is a complicated concept, and it can be understood and manifested in many guises in different countries, resulting many conceptual arguments from political, economic or financial dimension. For example, for Putatsuo National Park, temporarily employment of villagers and financial compensation have been regarded as community participation by local government. Tosun argues that limitations to community participation in the tourism development process in developing countries may be analyzed under three main categories: limitations at the operational level, structural limitations and cultural limitations. In China, the government plays a dominant role in tourism development, so that governments' pre-determined objectives can be achieved. In this regard, it is difficult to persuade governments to delegate power to community in tourism development process. China is a traditionally government-dominating country, so communities lack education and information about how they might exercise their own rights. The result is that the grass-roots organizers do not how to assert themselves and this confusion limits their capacity to be involved in tourism development. The barrier reinforces the government's argument that the community has little involvement because villagers cannot meet basic standards for tourism industry. In the meantime, community education requires money and time, which makes the government reluctant to do such "luxury" work.

Therefore, the legal framework that can defend community interests and ensure a community's participatory right in ecotourism development is very necessary

for China. Tourism Law (Draft) was passed by National Congress in 2012 (STA). This draft does not incorporate community involvement as a necessary requirement for tourism planning, except emphasizing that the planning should protect local traditional culture or folkways and to promote saving local resources. Nonetheless, the legal framework for community involvement still can be a long-term endeavor in China. Moreover, community participation should not only be limited to the unequal benefit-sharing like Putatsuo National Park, but in the decision-making process, with interactive-participation and self-mobilization (Pretty 1995). Only in this way, people's interest can be secured.

Authentication for ecotourism has been discussed by scholars in China. In addition, some governmental agencies, including the State Tourism Administration also brought this topic under discussion at national level. Being absent of theoretical research on this topic in China, however, due to the growing ecological concerns in China, the State Tourism Administration remains the appropriate advocate for this area establishing ecotourism standards in China. State Tourism Administration has the responsibility in guiding local tourism planning work, while lacks the power to enforce resources protection regulations (STA). In this regard, the State Ministry of Environment Protection may be helpful in enforcing mandatory standards for ecotourism if they can jointly advocate this suggestion (SMEP). The State Tourism Administration has the responsibility and function of regulating tourist market, supervising tourism enterprises' market activities as well as tourism product quality. Forming ecotourism standard system is relevant to the State Tourism Administration's jurisdiction in this regard. In addition, this requires to use expertise

of tourism professionals to develop industry standards which are consistent with China's tourist market and tourism development conditions.

In order to incorporate community involvement into Tourism Law, academic scholars and environmentalists can be actors to advocate it. Governmental officials are reluctant to bring community in as a partner for tourism projects. However, it is widely accepted in academic field and by environmentalists that community involvement may secure that tourism develops in a sustainable manner. Furthermore, community involvement is also the guarantee to lift local people out of poverty, and eventually realize the growth of GDP. Through the advocacy of scholars in tourism planning and environmentalists' efforts, the low community involvement could be improved.

This report is a step in that direction for establishing an effective system for national park in China, expecting to secure indigenous people's interest in national park and tourism industry development. It may take time to change the course of current development, and may need many cooperation work to adjust functions of governmental agencies. Hopefully this report can be helpful in providing some clue in understanding where we are and why we are here, knowing technical measures can be adopted to alleviate current and potential negative impact. We can play a role in pushing it develops in that direction.

Disseminating Knowledge

The goal of this study is to make concrete policy recommendations, within the Chinese context, to establish an infrastructure to administer future national parks in China. In order to make it more doable, as indicated in introduction part, this report or

summaries of recommendations would be submitted to Yunnan National Park Management Office under Yunnan Provincial Forest Department (YPFD) and Yunnan Provincial Tourism Administration, through which recommendations could be advocated by governmental agencies state level.

On the local level, this project would focus on stakeholders who can potentially improve the national park system in Diqing prefecture and Yunnan province. If measures cannot be implemented at central administrative level, if Yunnan province is made the pilot site for putting recommendations into action, such as Standard Authentication of Eco-tourism, that would be a progress. After all, provincial policy is most likely to be the most salient factor in achieving comprehensive results across the country by providing a potential model for other provinces.

Involved stakeholders on local level differ in their perspectives and interest claims; nonetheless, this project could be useful in getting them to work together by improving the communications among these stakeholders to develop a common perspective and objective. Although stakeholders are directly involved in the park project, it does not mean that they are fully aware of what actually happened in the park or they understand each other's perspectives. I would translate knowledge generated through this project in forms that it could be used as practical resources for various stakeholders to improve park projects in Yunnan or in Diqing prefecture. Main stakeholders would include prefectural government, scholar planners, TNC, along with the Yunnan National Park Management Office. An important lesson of these reports is the possible negative impacts if current practices continue. In the

meantime, for the prefectural government, I would focus more on community involvement analysis, which would be conducive to persuading it to organize community training programs. For scholar planners, their role in participating and improving policy formulation in China would be a key point to encourage them to take more responsibility for advocating on behalf of the interests of local residents as well as biodiversity conservation. For TNC, which has been playing a vital role in helping national park projects and conservation in Yunnan, the report would emphasize improving the quality of personnel as well as project management, so as to raise its influence in China's context.

References:

- Anderson, Danica M., with Jan Salick, Robert K. Moseley and XiaokunOu
2005 Conserving the sacred medicine mountains: a vegetation analysis of
Tibetan sacred sites in Northwest Yunnan. *Biodiversity and conservation*
(14): 3065-3091.
- Bai, Fan and Qingkui Liao
2011 The Investigative Analysis on Current Forestry Situation in Putatsuo
National Park Community (普达措国家公园社区林业现状调查分析).
Inner Mongolia Forestry Investigation and Design 34(2): 82-84.
- Bao, Jigang and Laurence J.C. Ma
2010 Tourism geography in China, 1978-2008: whence, what and whiter?
Progress in Human Geography 35(1):3-20.
- Bhagwat, Shonil A. and Rutte Claudia
2006 Sacred groves: potential for biodiversity management. *Frontiers in
Ecology and the Environment* 10: 519-524.
- Bremer, Thomas S.
2006 Sacred spaces and tourist places. *In* *Tourism, Religion and Spiritual
Journeys*. Daniel J. Timothy and Daniel H. Olsen, eds. Pp.25-36 New York
and London: Routledge.
- Bo, Zhiyue 2002

Chinese Provincial Leaders: Economic Performance and Political Mobility

Since 1949. Armonk, M.E. Sharpe New York.

Catlin, George

1841 Letters and Notes on the manners, customs, and condition of the North American Indians: written during eight years' travel amongst the wildest tribes of Indians in North America in 1832, 33, 34, 35, 36, 37, 38, and 39. Egyptian Hall, Piccadilly, London: Published by the author. pp. 261–262.

Childester, David and Linenthal, Edward T., ed.

1995 Introduction. *In* American Sacred Space (Religion in North America). P. 5. Bloomington and Indianapolis: Indiana University Press.

CPG (The Central People's Government of the People's Republic of China)

2012 Rural residents income increases faster than urban residents in 2011
http://www.gov.cn/jrzq/2012-01/17/content_2046902.htm, accessed March 31, 2013

Coase, Ronald

1984 "The New Institutional Economics." *Journal of Institutional and Theoretical Economics* 140: 229-231.

Doudley, Nigel

2008 Guidelines for applying protected area management categories. Gland, Switzerland: IUCN.

DTAPDRC (Diqing Tibetan Autonomous Prefecture Development and Reform Committee)

2011 Draft Report on the Implementation Situation of Plan for National Economy and Social Development in 2010 And The Plan for National Economy and Social Development for 2011(关于迪庆藏族自治州 2010 年国民经济和社会发展机会执行情况与 2011 年国民经济和社会发展计划草案的报告(书面)).http://dq.xxgk.yn.gov.cn/canton_model37/newsview.aspx?id=1522106, accessed March 4, 2013.

Duckett, Jane

1998 The Entrepreneurial State in China: Real Estate and Commerce Departments in Reform Era Tianjin. London: Routledge.

Ga, Zangjia

2005 The Discussion of Sacred Mountain Cult in Diqing and Ecological Environment (论迪庆藏区的神山崇拜与生态环境). The Study of Tibet in China 11:87-91.

Guo, Jing

2012 The Book of the Mountain. Kunming: Yunnan People's Press.

Hsiao, Cheng and YanShen

2002 Foreign Direct Investment and Economic Growth (外国直接投资与经济增长的关系及影响). *Economic Theory and Business Management* (01): 11-16.

ICEM

2003 Lessons Learned From Global Experience. Review of Protected Areas and Development in the Lower Mekong River Region, Indooroopilly, Queensland, Australia.

Kerber, Wolfgang

2008 International Change in Globalization: Transnational Commercial Law from an Evolutionary Economics Perspectives. *German Law Journal*, 9 (4):411-436.

Kerber, Wolfgang and Viktor Vanberg

1995 Competition among institutions: evolution within constraints. In L. Gerken (Ed.), *Competition among Institutions* (p35-64). London: Macmillan.

Kolas, Ashild

2008 Tourism and Tibetan Culture in Transition: A place called Shangri-la. New York and London: Routledge Press.

Lew, Alan A.

1998 Ecotourism Trends. *Annals of Tourism Research*, 25(3): 742-746.

Li, Maolin and Jianchu Xu

2007 The Tibetan Households' Custom of Weisang in Yunnan Province:
With Two Tibetan Communities in Diqing Tibetan Autonomous Prefecture
as the Cases(云南藏族家庭的煨桑习俗----以迪庆藏族自治州的两个藏
族社区为例). *Ethno-National Studies* Vol. 5:46-56.

Liu, Yaping

2006 Competition Among Local Governments in Contemporary China (当代
中国地方政府间竞争). Beijing: Social Sciences Academic Press (China)

Luo, Jiaying and Ximing Xue

2010 Survey on Participatory Tourism Development in Luorong Community
Around Pudacuo National Park in Shangri-la (罗佳颖薛熙明, 香格里拉
普达措国家公园落茸社区参与旅游发展状况调查). 30(2): 71-74.

Luo, Mingyi

2005 The Goal and Tasks of Yunnan Tourism Industry Development (云南旅
游业的目标与任务). *Reform and Development* (5): 37.

Luo, Peng, with Ning Wu, Zhaoli Yao and Shengji Pei

2003 Sacred Sites in Northwest Yunnan, China. The Importance of Sacred
Natural Sites for Biodiversity conservation. Paper presented at the
International Workshop Held in Kunming and Xishuangbana Biosphere
reserve, People's Republic China, February 17-20

Mangan, Elizabeth U.

N.d. Yellowstone, the First National Park from Mapping the National
Parks. <http://memory.loc.gov/ammem/gmdhtml/yehtml/yeabout.html>,
accessed April 30, 2013

Nan, Wenyuan

2000 The Study of Tibetan's idea of Sacred Mountains Worship (藏族神山崇拜
观念浅述). Research of Tibet. Vol. 2: 107-112.

2001 Notion and Function of Nature Worship of Ancient Tibetan Nationality
(古代藏族关于自然崇拜的观念及其功能). Nationalities Research in
Qinghai 12(2): 26-34.

North, Douglass

1993 "Institutions and Credible Commitment." Journal of Institutional and
Theoretical Economics 149: 11-23.

Irish, Paul

2011 Parks Canada celebrates a Century of Discovery
http://www.thestar.com/life/travel/2011/05/13/parks_canada_celebrates_a_century_of_discovery.html, accessed April 30, 2013.

Parks Canada

N.d. Parks Canada History
<http://www.pc.gc.ca/~link.aspx?id=7CE6F0BF06A74EC18D5772208C739A0D&z=z>, accessed April 30, 2013.

POYTDR (Yunnan Provincial Government)

2008 Programming Outline on Yunnan Tourism Development and Reform.

(云南省人民政府云南省旅游产业发展和改革规划纲要).

Prentice, Richard

1995 Community-driven tourism planning and residents' preferences.

Tourism Management 14(3): 218-227.

QHPG (Qinghai Provincial Government)

2010 The Notice of Printing and Distributing The Proposed Regulations of Ecological Compensation Mechanism for Three Rivers Head Water Areas.

(青海生人民政府办公厅关于印发三江源生态补偿机制试行办法的通

知)<http://xxgk.qh.gov.cn/html/1670/176628.html>, accessed March 28, 2013.

Renmin Daily

2012 Gains and Losses of Shangri-la's Renaming (香格里拉十年更名得与

失) [http://yn.people.com.cn/headtitle/n/2012/0723/c228609-](http://yn.people.com.cn/headtitle/n/2012/0723/c228609-17268459.html)

17268459.html, accessed July 23, 2012.

ROPGYP (Research Office of Yunnan Provincial Government)

2010 Yunnan National Park Management Office, TNC China. Resource Book

of Yunnan National Park Policy and Research (云南省国家公园建设文件

汇编). People's Government of Yunnan, Kunming, China.

Sanger, George P., ed.

1866 Thirty-Eighth Congress, Session 1, Chap. 184: An Act authorizing a

Grant to the State of California of the "Yo-Semite Valley" and of the Land

embracing the "Mariposa Big Tree Grove" (June 30, 1864)". The Statutes

At Large, Treaties, and Proclamations of the United States of America from December 1863, to December 1865 13. Boston: Little, Brown and Company. p. 325.http://constitution.org/uslaw/sal/013_statutes_at_large.pdf, accessed April 30, 2013.

Scott, James C.

1998 Seeing Like a State : How Certain Schemes to Improve the Human Condition Have Failed. New Haven: Yale University Press

Shen, Xiaoli with Zhi Lu, ShengzhiLi and Nyima Chen

2012 Tibetan Sacred Sites: Understanding the Traditional Management System and Its Role in Modern Conservation. Ecology and Society 17(2):13.

Shugart, Sharon

2004 "Hot Springs of Arkansas Through the Years: A Chronology of Events" (PDF). <http://www.nps.gov/hosp/historyculture/upload/chronology.web.pdf>, accessed April 30, 2013.

SMEP (State Ministry of Environment Protection)

N.d. Major Responsibilities and Function.<http://www.mep.gov.cn/zhxx/jgzn/>, accessed March 31, 2013.

STA (State Tourism Administration)

2012 Tourism Law (Draft). http://www.cnta.gov.cn/html/2012-9/2012-9-6-12-10-15666_2.html, accessed March 31, 2013.

Stansel, Dean

2010 Competition, Knowledge, and Local Government. Working paper, Florida Gulf Coast University.

Tang,Xue-qiong with Xi-mingXue and HaoWang

2009 The Change and Reconstruction of Eco-Cultural Landscape under the Impacts of Tourism---A Study on Village R in Tibetan Area of Yunnan (旅游影响下的生态文化景观变迁和重构---基于云南藏区 R 村的研究). Academic Exploration. (3): 66-71.

Tian,Shizheng&Guihua Yang

2011 An Empirical Study on the Changes in Management Systems of National Parks: A Case Study of Putatsuo National Park in Shangri-la of Yunnan Province (国家公园旅游管理制度变迁实证研究-----以云南香格里拉普达措国家公园为例). Journal OfGuangxin University For Nationalities (31) 4: 52-57.

Timothy, Dallenand Daniel Olsen

2006 Tourism, Religion and Spiritual Journeys. RoutledgeNewYork and London.

TNC (The Nature Conservancy)

N.d.China Places We Protect: Shangri-la Gorge

<http://www.nature.org/ourinitiatives/regions/asiaandthepacific/china/placesweprotect/china-shangri-la-gorge.xml>, accessed Feb. 11, 2013.

Tosun, Cevat

2000 Limits to community participation in the tourism development process in developing countries. Tourism Management (21) 613-633.

UFWD (The Unified Front Work Department of CPC Central Committee)

N.d.The Statement on Economic Development in Diqing Prefecture of
Yunnan Province Since 17th CPC National Congress (云南省迪庆州十七
大以来经济发展综

述)[http://www.zytzb.cn/publicfiles/business/htmlfiles/tzb2010/S1839/2012
08/730888.html](http://www.zytzb.cn/publicfiles/business/htmlfiles/tzb2010/S1839/201208/730888.html), accessed March 4, 2013.

Vihanto, Martti

1992 Competition between local governments as a discovery procedure.
Journal of Institutional and Theoretical Economics 148(3): 411-436.

Walder, Andrew G.

1995 Local governments as industrial firms: an organizational analysis of
China's transitional economy, American Journal of Sociology, 101: 263-
301.

Wang,Shaoguang andAngang Hu

1994 The Result of Declining National Extractive Capability. 21 Century (2):
5-18.

Wang,Shaoguang with AngangHu and Xiaoguang Kang

1996 The Report of Regions Differences in China. Taipei: Jillion Publishing
Co., Ltd.

WGDDPNY (Working Group on Drafting Development Plans for the Six Great Tourism Regions of Yunnan)

2004 Working Group on Drafting the Development Plan for the Northwest Yunnan Tourism region. “Development Plan for the Northwest Yunnan Tourism Region”(Summary) (滇西北香格里拉生态旅游区发展规划 (纲要)).

World Bank

2007 Promoting Market-oriented Ecological Compensation Mechanisms: Payment for Ecosystem Services in China: Addressing Water Scarcity- From Analysis to Action Policy
Note.<http://www.caep.org.cn/english/paper/Policy-Note-of-Payment-for-Ecological-Service-in-China-EN-FINAL.pdf>, accessed March 15, 2013

Wu Fulong

2000 China’s changing urban governance in the transition towards a more market-oriented economy. Urban Studies, 39 (7): 1071-1093.

Xinhua News Agency

2007 China’s first national park unveiled in Shangri-la.
<Http://www.china.org.cn/english/environment/204718.htm>, accessed June 22, 2007

Yang,Jianmei, XingmingXue and Hao Wang

2011 The Study the Changes of Biological Resources Utilization Mode in Tourism-Influenced Communities: a case based on Luorong Village in

Shangri-la (旅游影响下的社区生物资源利用方式演变研究). Journal of
Chuxiong Teachers' College 26(6) :58-63

Yang, Yuming with Kun Tian, Juan Wang and Shengji Pei,

2004 Studies on Characteristics and Fragility of Biodiversity in Yunnan
Province(云南生物多样性特征及其脆弱性研究). Paper Presented at The
Biodiversity Protection and Research Advancement in China VI---the
Sixth Symposium of National Biodiversity Protection and Sustainable
Utilization, Lijiang: May 12-14, 2004

YCCPPCC (Yunnan Committee of Chinese People's Political Consultative
Conference)

2005 The Analyzing Research on Progress Structure and Trend of Yunnan
Provincial Fiscal Revenue (云南省财政收入增长结构趋势分析研
究). <http://www.ynzx.gov.cn/info/detail.jsp?infoId=A000004738>, accessed
March8, 2013.

Ye, Wen with Chao Shen and Yunlong Li

2008 The Eyes of Shangri-la: planning and construction of Putatso National
Park (香格里拉的眼睛-----普达措国家公园规划和建设) China
Environment Science Press.

YIES (Yunnan Provincial Institute for Environment Study)

Introduction to Biodiversity and Its Conservation in Yunnan (PPT.)

YNPFTP

2008 Yunnan National Parks: From Theory to Practice (云南国家公园建设理论与实践). Yunnan Provincial Governmental Research Office & TNC

YNSZXC (Yunnan Digital Countries)

General introduction of Hongpo Village (Jiulong Village and Niru Village in Luoji Township) in Jiantang Township.

<http://www.ynszxc.gov.cn/S1/S910/S911/S920/S131337/>, accessed on March 31, 2013.

YPTA (Yunnan Provincial Tourism Administration)

<http://www.ynta.gov.cn/Item/995.aspxYunnan>, accessed Feb. 13, 2013.

Yu, Dan Smyer

2010 In the Embrace of Spirits; Eco-theophanic Landscape of A Tibetan Village in Amdo (在神的怀抱里---一个安多藏族村落的生态-显圣景观). N.W. Journal of Ethology (65) 2: 21-35.

Zhou, D.Q. and Edward R.Grumbine

2011 National parks in China: experiments with protecting nature and human livelihoods in Yunnan province, People's Republic of China (PRC). Biological Conservation [J]. 2011 (144): 1314-1321.

Zhou, Wei and Baokun Chen

2006 Biodiversity of Bitahai Nature reserve in Yunnan Province, China. Biodiversity and Conservation (15): 839-853.

Zhang, Yiqun with Junming Sun, Yuejun Tang and Guihua Yang

2012 Investigation on Community Eco-compensation of POTATSO National Park. *Issues of Forestry Economics* (普达措国家公园社区生态补偿调查研究). *Issues of Forestry Economics* 32(2): 301-332.

Zhu, Guangqing

2002 Historical development and improvement of China's nature reserves. *Proceedings of IUCN/WCPA-EA-4 Conference held in Taipei, Taiwan* 18-23 March 2002.

Zinda, John Aloysius

2012 Hazards of Collaboration: Local State Co-optation of a New Protected-Area Model in Southwest China, *Society & Natural Resources: An International Journal*, 25 (94)384-399.

In Press Making National Parks in Yunnan: Shifts and Struggles within the Ecological State. *Borderlands*. Yeg, Emily and Coggins, Christopher, eds. In Press. *Mapping Shangrila: Nature, Personhood, and Sovereignty in the Sino-Tibetan Borderlands*. Seattle: University of Washington Press.

APPENDIX I:

IUCN's Six Categories of Protected Areas

The categories of protected area management developed by the IUCN serve as a tool to for planning protected area systems across the world. These categories function as the standards for nature conservation in terms of data collecting and reporting, facilitating international comparison and protected areas regulation.

Types of Categories		Primary Objective	Distinguishing Features
Category I	a: Strict Nature Reserve	To conserve regionally, nationally or globally outstanding ecosystem, species or geo-diversity features.	Have largely complete set of native species with great ecological significance. Not suitable for being intervened by people.
	b: Wilderness area	To protect the long-term ecological integrity of natural areas that are undisturbed by significant human activity, so that natural forces and processes can predominate.	It contains a large percentage of the original extent of the ecosystem. It has sufficient size to maintain ecological processes, ecosystem services and maintain ecological refugia.
Category II National Park		To protect natural biodiversity along with its underlying ecological structure and supporting environmental processes, and to promote education and recreation. Generally in big sizes.	It contains examples of major natural regions, and biological and environmental features or scenery, where plant and animal species, habitats are of special spiritual, scientific, educational, recreational or tourist significance.
Category III Natural monument or feature		To protect a specific outstanding natural features and their associated biodiversity and habitats. Generally small.	It is usually a small site that focuses on one or more prominent natural features and the associated ecology, rather than on a broader ecosystem.
Category IV Habitats/ species management area		To maintain, conserve and restore species and habitats.	It helps to protect, or restore flora/fauna species or habitats of significance.
Category V Protected landscape/seascape		To protect and sustain important landscapes/seascapes and the associated nature conservation and other values created by interactions with humans	Landscape/seascape of high quality and with significant associated habitats, flora/fauna and associated cultural features. A balanced

	through traditional management practices	interaction between people and nature endured over time and still has integrity.
Category VI Protected areas with sustainable use of natural resources	To protect natural ecosystems and use natural resources sustainably, when conservation and sustainable use can be mutually beneficial.	It has the sustainable use of natural resources (including cultural values and management systems) as a means to achieve nature conservation, together and in synergy with other protection techniques.

Appendix II:

Conversational Guide

Introduction

Tourism development projects are widely carried out across China to drive the economy or to create jobs by various levels of government. However, little work has been done to monitor how the project is put into action or to evaluate how the project is effecting the local people. You are asked to participate this research because of your expertise in tourism in Yunnan, and will be asked about your previous experiences in tourism industry in Yunnan. Your participation will help the researcher to form the complete understanding of one large-scale tourism project in Yunnan (Pudacuo National Park) in terms of its planning, implementing and managing, so as to develop principles of how tourism monitoring can be effectively established for the good of projects as well as the well-being of the destination community.

Topics of Discussion

1. What experiences have you had in researching (implementing, managing) tourism projects in Yunnan? How are these projects now?

2. Discuss: Based on your experiences of Yunnan tourism in general and Pudacuo National Park in particular, how was this tourism project initiated, how was this project mapped out by the initiator, what was the proposed goal for this project, how are you involved, what factors were taken into your consideration when it was firstly proposed?) What is your department's role in this project? How do you view this project and the locals?

These topics are used to probe stakeholders' interpretations regarding the initiation of the project and their considerations on projects held by different stakeholders.

3. Discuss: What have been done after the project was initiated? What departments were related? What has been the input?

These topics are mainly asked to probe how the government organizes the project and what preparation work they have done for the project.

4. Discuss: How was the planning work carried out? How were the planners selected out and how was the planning team formed? How was the planning work accomplished? What have been done in order to accomplish the task, like field investigation, training? What are the key points are listed in tourism planning and how were they achieved?

These topics are used to probe how planning work is implemented step by step, how planners understand the project, the local, and how planners combine the government's intention with planners' understandings as well as with community's situations.

5. Discuss: How was the tourism company set up? What is the relationship between the government and the company? What is tourism company's responsibility or role in running the project? How staff is recruited in the company? What work has been done in this project by the company to meet the expectations both from the government and from the local?

These questions are used to discern the feedback system and the effects of the feedback system.

6. Discuss: How were the interactions between the government (or other stakeholders) and the community? What work has been done to secure the implementation of the project on the site by the government, or by the company? What were the reactions of the community? What should be considered in addressing problems with local community from the perspective of the government or the company? What's the major difficulties you or your department have encountered in this project? Why?

7. Discuss: What is the evaluation of the project from the perspective of the government or the company, or TNC or the planners? (What are the merits? What are the weaknesses?)

8. Discuss: what is the 5-10 years of plan on the project from the perspective of government or the company? How will planners do the second stage planning work of the project? How will government, company or planners combine the development of community with the preservation of cultural traditions?

9. The final area of discussion will probe for more detail on any topics related to the participant's comments for clarification.

Appendix III:

Agreement to Participate

Responsible Investigator: Jing Li, SJSU graduate student

Title of the Study: Community, Government and External Capital in Conservative Tourism in Yunnan China

1. Tourism development projects are widely carried out across China to drive economy or to create jobs by various levels of government. However, little work has been done to monitor how the project is put into action or to evaluate whether the project is good or bad for the locals. You are asked to participate in this research because of your expertise in tourism in Yunnan, and will be asked about your previous experiences in tourism industry in Yunnan. Your participation will help the researcher to form the complete understanding of a large-scale tourism project in Yunnan, that is Pudacuo National Park, in terms of the process of its planning, implementing and managing, so as to in the end develop principles of how tourism monitoring can be effectively established for the good of projects as well as the well-being of the destination community.
2. You will be asked to participate in a conversation with the researcher. The conversation will last between 30-60 minutes and will be facilitated by skype or QQ or telephone and will be audio-recorded. The conversation will occur in a setting of your choice and at a time that is most convenient for you.
3. No risks beyond those encountered in everyday life are brought as a result of your participation.
4. There are no direct benefits as a result of your participation beyond the knowledge that you share may improve communities in the region.
5. Although the results of this study may be published, no information that could identify you will be published. While my initial notes and transcripts do contain your name, you will be given a pseudonym in the notes and transcripts at the earliest possible time.
6. No form of compensation will be awarded to you for your participation in the study.
7. Questions about this research may be addressed to Jing Li, 95112, at (408) 668-5768 or by email at lushscnt@yahoo.com. Complaints about the research may be presented to Dr. Jan English-Lueck, Associate Dean, College of Social Sciences, San Jose State University, 95192, at (408) 924-5347. Questions about a research subjects' rights, or research-related injury may be presented to Pamela Stacks, Ph.D, Associate Vice President, Graduate Studies and Research, at (408) 924-2427.
8. No service of any kind, to which you are otherwise entitled, will be lost or jeopardized if you choose not to participate in the study.
9. Your consent is being given voluntarily. You may refuse to participate in the entire study or in any part of the study. You have the right to not answer questions you do not wish to answer. If you decide to participate in the study, you are free to withdraw at any time without any negative effect on your relations with Department of Anthropology of San Jose State University. .
10. At the time that you sign this consent form, you will receive a copy of it for your records, signed and dated by the investigator.

***The signature of a subject on this document indicates agreement to participate in this study.**

***The signature of a researcher on this document indicates agreement to include the above named subject in the research and attestation that the subjects has been fully informed of his or her rights.**

Participant's Signature

Date

Investigator's Signature

Date