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The Financial Impact of a Change in Thailand's Visa Regulations for Chinese Visitors

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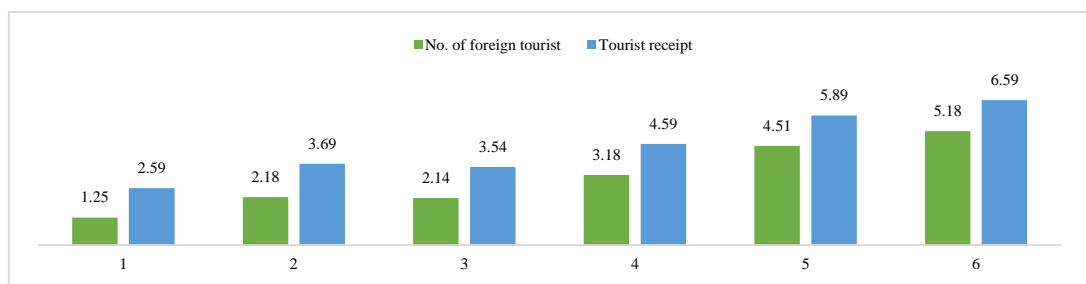
Abstract

International tourism is significantly impacted by global political, financial, and environmental events. In Thailand, where tourism is a key economic driver, visa regulations play a crucial role in shaping travel demand. This study examines the financial impact of Thailand's visa policies on Chinese visitors, focusing on the effects of the Beijing 2008 Olympic Games and the COVID-19 pandemic. Using a combination of econometric modeling and Computable General Equilibrium (CGE) analysis, the study evaluates changes in tourism revenue, visitor arrivals, and economic welfare. Findings indicate that visa restrictions during both events contributed to substantial financial losses, outweighing the potential economic benefits. Policymakers must balance security concerns with the economic consequences of restrictive visa policies. The study provides insights into how major events influence travel behavior and offers recommendations for sustainable tourism policies that minimize financial disruptions while ensuring long-term growth.

Keywords: International Tourism, Visa Policy, Economic Impact, Tourism Demand, CGE Model, Thailand, China.

Introduction

Long-stay travel is one kind of tourism that has been around for a while. Spain is unquestionably the most popular holiday destination, but as the tourism industry becomes more globalised, developing countries like Southeast Asia are already displaying impressive market shares for extended stays. The idea of a "second home," which is popular among tourists with extra cash, has a significant impact on long-term travel in addition to pleasure [1]. Because of this, the term "retirement home" is also directly related to the global socio-demographic trend, which predicts a substantial change in the percentage of the population that is older in a number of countries, including Scandinavia and Japan. For a number of reasons, such as work, travel, school, and retirement, the Japanese represent a significant foreign ethnic minority in Thailand and have been there for a long time [1, 2]. Figure 1 shows the number of foreign visitors to Thailand.



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In Thailand, a large portion of the population makes their livelihood from the tourist industry. According to the Tourism Authority of Thailand (TAT), Thailand, which is the ninth-highest-earning country in the world, has earned THB 2000 annually since 2014 [3, 5]. In 2016, Thailand attracted 32.6 million visitors worldwide, ranking second in Asia and ninth overall [6]. Thailand's international visitor numbers have rapidly increased, and as a result, the country ranked fourth in the world for arriving tourists in 2015 [6, 7]. 5. Bangkok, the capital city of Thailand, remained the second most visited city in the world [4, 8]. The Thai government's attempts to curb illegal immigration and enforce different entertainment-related restrictions caused difficulties for Thailand's tourist business in the fourth quarter of 2016. However, the tourism industry continued to rise steadily. Furthermore, Thailand's tourism industry brought in \$49.9 billion in 2016 and \$44.9 billion in 2015 from international visitors [5, 6]. These profits accounted for 12.3% of Thailand's GDP in 2016.

Since 2012, China has grown to be the world's biggest source market for foreign visitors, drawing interest from both business and academia worldwide. Few studies have examined the political factors that influence market development and tourism demand at a regional level, despite a significant increase in research on Chinese outbound tourism in the past ten years regarding their motivations, expectations, travel restrictions, and behavioural issues [6, 7]. In addition to factors like tourists' income, destination prices in comparison to the source country, prices in competing destinations, and exchange rates, major events are considered a significant determinant of tourism demand and tourist flows in econometric models that attempt to forecast it [7, 9].

To help relevant stakeholders better understand their positive and negative effects for strategic planning and destination adaptation, both tourism-generating events (like the Olympic Games) and crisis events (like widespread epidemic disease) that hinder tourist arrivals have been studied [8, 9]. Events that have a negative influence on destinations are always referred to as crisis events, and throughout time, there has been a notable rise in publications examining how crisis events affect demand for travel and the overall destination economy. Due to complex interactions between source country, destination, and event features, the tourist sector may be susceptible to external environmental changes and crisis occurrences, with recovery times varying [9, 10].

A "globally travelling" digital worker is known as a "digital nomad." Therefore, earlier research on digital nomadism in the information systems (IS) literature falls within the broader headings of "digital work" and "future of work." The ways that different types of information technology (IT) facilitate the work of teleworkers, remote workers, and mobile workers are covered in earlier IS research on digital work [11]. Prior research on digital work has focused on two main topics: worker productivity and organisational consequences. However, what distinguishes digital nomadism from other forms of digital labour is the nomadic travel lifestyle component. In addition, as readers and reviewers have noted, digital nomadism offers a chance to consider the current, [12], narrow focus of this literature on digital workers and organisations alone. We demonstrate that digital work affects third parties as well, such as the local communities around the world that are now home to digital nomads (i.e., this is to suggest the current focus might be too narrow). A "digitally-working" international travellers is also referred to as a digital nomad.

Like other travellers, digital nomads have an influence on local communities across the globe, notably in Asia and Latin America, where they integrate into the tourist economies of their

destinations [14, 15]. Digital nomads may be seen as a subset of "non-institutionalized" (independent) travellers, according to the definitions currently used in the research on tourism and the visitor economy. Nonetheless, the distinct activities and interactions of digital nomads distinguish them from other categories of tourists [13, 14]. Digital nomads utilise special resources like co-living and coworking spaces [15] and take advantage of the digitisation of work to roam.

The bulk of visitors arrive in Bangkok, from whence they go to the north of Thailand for cultural and natural attractions, or to the south for beach vacations. In some instances, travellers will go straight to the international airports in Phuket in the south and Chiang Mai in the north [16, 17]. Nonetheless, many Malaysian tourists cross the land boundary and engage in activities that are poorly documented or comprehended [17, 19].

In addition to its promotional responsibilities, the government-funded TAT is responsible for conducting research and contributing to the overall marketing strategy in order to promote tourism in Thailand both domestically and abroad [18]. Numerous public sector and public-private partnership tertiary education programs have been established as a result of overall marketing strategy with the goal of teaching Thais in fields like massage and gastronomy that they may utilise to generate income abroad [19].

The Ministry of Labour's assistance helps the thousands of Thais employed abroad to pursue their careers and overcome obstacles. In order to encourage health and wellness travel to some of the world's wealthiest regions, the government has also changed a few rules. However, [20], as part of a broadly uniform attempt to encourage foreign tourism, advertising in China has concentrated on extremely simple descriptions of Thailand's primary attractions: cuisine, beach activities, and cultural institutions. Naturally, Chinese tourists have been visiting Thailand for ages.

However, Chinese authorities have worked to maintain stringent restrictions over the nation's borders ever since the Chinese Communist Party won the 1949 election and the People's Republic of China was established [21]. Only well-connected individuals who were thought to be travelling abroad for legitimate state purposes were permitted to do so. Chinese were allowed to go abroad to certain nations in greater numbers when China's travel regulations loosened after the Open-Door policy of 1979 [22].

As constraints were loosened and more individuals entered the comfortable middle class, the percentage of Chinese who could go abroad rose dramatically [23]. In 1997, private travel was formally authorised, and Chinese nationals were authorised to visit Malaysia, Singapore, Thailand, the Philippines, Macao, and Hong Kong with certain restrictions [23]. The number of outbound journeys from China to these destinations climbed from 5.32 million in the first year to 28.85 million in 2004. As more and more Chinese have the financial means to travel this way, the numbers appear to have no intention of slowing down for the foreseeable future.

In Thailand, the tourist industry directly or indirectly supports millions of employments and 9.3% of the country's GDP. Regrettably, the nation's flora, fauna, and landscapes are in danger due to the tourist industry's explosive expansion [24]. This research aims to examine the relationship between Thailand's environment and its tourist sector using a range of theories and empirical data. To comprehend the intricate interaction between tourism and the environment in Thailand, this research will examine literature from a wide range of disciplines, including stakeholder theory, ecological modernisation, and environmental management [25].

By illuminating the potential and difficulties involved in promoting ecologically conscious travel, this study will assist in the development of sustainable tourism policies and procedures in Thailand. In order to investigate the relationship between Thailand's booming tourist sector and the condition of the nation's natural resources, this study will integrate a number of theoretical viewpoints with actual data. This study will use a mixed-methods approach, including quantitative and qualitative data, to investigate how tourism affects the environment and how well sustainable tourism policies and practices work [25, 26]. This research has significant ramifications for policymakers, stakeholders in the tourism industry, and residents of Thailand by shedding light on the crucial elements affecting the relationship between environmental quality and the tourism sector [27]. In order to provide a thorough picture of the intricate interactions between tourism and the environment in Thailand, this study consults a wide variety of literature, including those on ecological modernisation, environmental management, and stakeholder theory [28].

On April 25, 2013, the Chinese Tourism Law was passed, and on October 1, 2013, it became operative [28, 29]. The State Council created administrative measures to control tourism before this Act was passed. Long-standing practices in the tourist sector, such as the "zero or negative commission tours" issue, served as an immediate impetus for the law's passage [29, 30]. As a result of this technique, visitors are forced to pay for hidden expenses like being forced to purchase at certain stores [31], some of which charge exorbitant prices for their items. The law's primary goal is to improve the protection of travel service customers by regulating the conduct of different tourism sector participants, including consumers, tour guides, and travel brokers.

According to Article 35 of the legislation, travel agents are not permitted to arrange tourist activities at unreasonably cheap costs or to use the arranging of shopping activities to get illegal advantages or rebates. Travel bureaus are not allowed to recommend certain stores or provide tourist services that cost extra. However, this rule does not apply in situations when both parties have consented. Additionally, the legislation stipulated those travellers had 30 days from the conclusion of their trip to obtain a reimbursement from travel agents that have broken these rules [28].

The development of the Chinese outbound tourist business was influenced by a number of factors, the most significant of which was robust financial growth. Since implementing the Open Door Policy in 1978, China's GDP has continued to develop at a fast pace. Another significant factor in China's outward travel was the country's steadily growing free time. Additionally, the expansion of Chinese outbound travel was aided by the rising number of students studying overseas. Chinese outbound travel has continued to rise rapidly as we enter the twenty-first century [2, 28]; 83 million Chinese travelled overseas in 2012, and 114 million Chinese did so in 2014.

With over 22 billion outbound visitors and \$129 billion in total expenditure, China has emerged as the world's top tourist source market, according to the World tourist Organisation. For numerous travel destinations, including Singapore, Malaysia, Thailand, and Australia, China has emerged as the top market [28]. For instance, in terms of tourist arrivals, China ranks as Australia's second-largest inbound market. A total of 708,900 Chinese visitors arrived in Australia in 2013, making up 11.1% of all total visitors. Thailand's largest significant source market is China [18].

Around 11 million visitors travelled to Thailand from mainland China between 2018 and 2019, a notable 7.44% rise from the previous year. This is noteworthy since, at this time, 27.53% of

all foreign visitors to Thailand were Chinese. Despite the covid-19 pandemic's widespread effects, China continues to be a major market for Thailand's travel and tourism sector. Essentially, it becomes clear that mainland China is a major source market and contributor to Thailand's overall tourist financial development, especially in the post-pandemic period [9].

The true viewpoints of Chinese tourists travelling outside of China have not yet received enough attention in the academic community and are still mysterious, despite the significant importance of the Chinese outbound market and certain recent and noteworthy studies. However, there are several difficulties in interpreting such data [11,17], mostly because of the perception of the tourist destination. First of all, a large percentage of online tests use a qualitative methodology, making it difficult to quantify and interpret the results scientifically. Second, it might be challenging to understand the data because to its overwhelming amount and lack of organisation.

Thirdly, even though the Chinese outbound market is very important, a significant obstacle is that travel accounts and social networking sites that originate in China are mostly written in Chinese [2, 17]. Therefore, acquiring a scientific grasp of genuine Chinese travelogues becomes crucial in the contemporary academic environment. This knowledge is essential for analysing the perspectives of Chinese travellers who have been outside of China, especially when it comes to Thailand [23]. Therefore, the main goal is to use the enormous collection of visitor-generated information available on digital platforms to help destination image agencies understand how travellers view a specific location's image in order to close this existing research gap [25].

The effects of significant social, political, financial, and ecological catastrophes on tourism are now being assessed by researchers. One-off occurrences include the Beijing 2008 Olympic Games financial crisis, the 2004 Indian Ocean earthquake and tsunami, the Olympic Games, and the September 11, 2001 terrorist assault on the United States. Such occurrences often have political, social, and financial repercussions and are widely reported. Only unique occurrences and catastrophes are covered in this work. Natural disasters, technical mishaps, diseases, terrorism, and food safety are the five origins of crises, according to the Organisation for Financial Co-operation and Development (2003) [22]. Special athletic and cultural events are,

Significant, short-lived, one-time or recurrent events created solely to increase a tourist destination's visibility, allure, and profitability.

Risk is a part of tourist policymaking. Policymakers must thus evaluate how one-time incidents affect tourism in order to prevent needless anxieties, waste of limited resources, or failure to consider other crucial aspects that might affect their choices. At the business and industry levels, thorough analysis of how one-time events affect demand for travel may result in the development of successful and efficient management strategies [17, 28].

A one-time event's financial impact as well as the influence of other variables should be taken into account in any review [9]. Exchange rate fluctuations, inclement weather, inflation, and social unrest are some of the elements that might affect the financial effects of incoming tourism during a one-time event. Numerous studies have assessed the financial effects of tourism as a result of one-time occurrences including athletic events, terrorist acts, and foot and mouth disease [9]. Additionally, researchers have assessed the financial implications of the characteristics they have identified as potentially influencing the demand for tourism.

For instance, the combined impact of the Beijing Olympics' visa restrictions and the torch relay incidents on travel, but they failed to account for the distinct consequences of each of these two elements. the financial ramifications of visa restrictions after the Beijing 2008 Olympic Games

and covid-19 pandemic's, [12], but they failed to assess the impact of the events themselves. Using a novel approach that distinguished between the impacts of the two events that occurred during the assessment time, the Beijing 2008 Olympic Games financial crisis and swine flu had simultaneous consequences on incoming tourism to the UK [8, 17].

Potential inbound visitors are deterred from travelling to a place by a crisis because it raises their sense of psychological danger. However, additional incoming visitors are anticipated to attend a special event [19, 20]. Politicians overestimate the event's potential benefits and underestimate its hazards because they see special events as a chance to promote their nation. Because they are risk adverse, policymakers are often sensitive to potential losses brought on by security threats during an event. Restricting visas for prospective visitors to the nation during the event is one method of lowering the possible security risk. The restriction of visas is primarily intended to "control the movement of modern and masterless men" [5].

Visas, which regulate population mobility, are a simple and efficient way to keep prospective terrorists out of the country. Regulations pertaining to visas may have a detrimental effect on a destination's economy by reducing incoming tourism. According to VisitBritain, the UK saw a 60% decrease in prospective tourists from mainland China as a consequence of the visa restrictions placed on Chinese visitors. Following the terrorist events of September 11, 2001, the United States enforced visa restrictions that have resulted in a reduction of \$859 billion in tourism income and the possible loss of at least half a million jobs. According to the World Travel and Tourism Council (2012), easing visa requirements would increase tourism earnings in the G20 countries by US\$206 billion and attract 122 million foreign visitors [21, 23]. By 2015, this would generate more than five million additional employment.

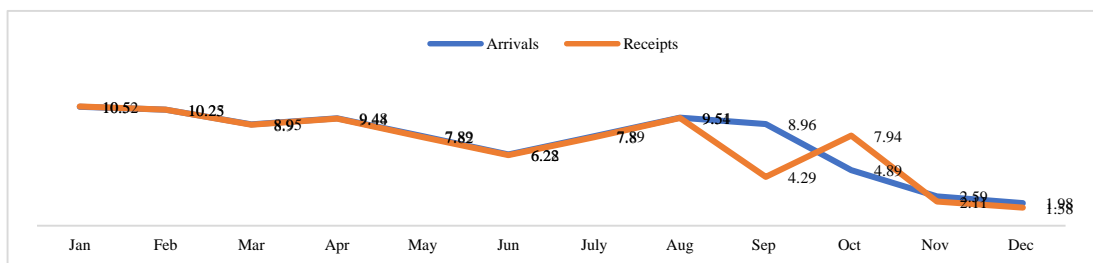


Fig. 2 China's Inbound Tourist Arrivals and Receipts Monthly Growth Rates in Beijing 2008 Olympic Games. [26]

The 2008 scenario was much more complicated; the global financial crisis, the Beijing Olympics, and visa restrictions during the Olympics all had an impact on Chinese travel. The Beijing 2008 Olympic Games brought further news and stories about the visa restrictions. The government made security a top priority and tightened visa requirements in response to safety issues, such as,

“Olympic torch-relay demonstrations, rioting in Tibet, a suspected terrorist conspiracy to abduct journalists covering the Games, the Sichuan earthquake, and warnings of a possible terrorist strike during the Games”.

During the Beijing Olympics, several international travellers postponed or cancelled their reservations with Chinese travel agencies due to security and visa concerns [12]. The monthly growth rates of foreign visitors and their spending in China in Beijing 2008 Olympic Games are shown in Figure 1. In February, both growth rates began to decline, and starting in April, they

became negative. But in October, the growth began to slow down once again. The government requested that visa applicants provide comprehensive supporting documentation, including confirmations of hotel and plane reservations, and revoked or refused to renew several visas before to and during the Olympics [14, 18]. China's tourist business was unavoidably harmed by the government's security concerns. Large hotels, for instance, had occupancy rates below 70%, while tiny hotels had occupancy rates below 50%. However, it seemed that the Olympics itself had halted the drop in both visitor numbers and revenue.

Literature Review

Tasci, A. D. (2012) [35] Governments invest large sums of public funds, including tax money, in marketing their cities or nations to establish a strong brand that attracts international direct investment, tourists, and exports. Paradoxically, self-imposed and stringent visa requirements are somewhat prevalent and may hinder marketing and branding productivity. Strict visa requirements are justified for a number of reasons, chief among them being national and financial security. Although stringent visa requirements are widespread worldwide, academics studying tourism have not yet refuted them with actual data on how they can affect travellers demand and, therefore, the economy.

Jirattikorn, A. (2015) [36] A sizable population of Myanmar people has crossed the border in pursuit of work in Thailand throughout the last 20 years. They now account for almost 80% of Thailand's foreign migrant population, making them the country's biggest group of migrant workers. Although there are an estimated 2 to 6 million undocumented Myanmar migrants, the Thai Ministry of Labour recorded about 1 million migrants from Myanmar in 2011. These immigrants play crucial roles in fields that Thai people often avoid, including as construction, household labour, agriculture, fishing, and industry.

Zhu, J. (2018) [37] Chinese outbound tourism has grown internationally during the 2000s. Two primary factors contribute to the growing situation: on the one hand, China's middle class has grown and its disposable income has increased, while on the other hand, the country's economy is steadily rising. On the other hand, it emerged in tandem with the government's gradual relaxation of restrictions on outward travel in order to provide its Chinese residents more leisure time and the ability to travel for pleasure. The easing has encouraged Chinese nationals to take international trips.

Paitoonpong, S. (2011) [38] The goal of the research "Managing International Labour Migration in ASEAN: Thailand" was to examine the institutional setup and policies for managing international migration as part of bilateral agreements and regional cooperation programs. The research focused on determining the reasons behind the ineffectiveness of the present worker protection and dispatch management. Two primary sources provided the majority of the data used in the analysis: 1) the quantitative data, which included primary data on potential strategies and solutions, secondary sources from the Socio-Financial Survey (SES), and information where needed to explain the sociofinancial impact of migrant worker families; and 2) the qualitative study, which included key informant interviews, focus groups with migrant worker families, governments, brokers, and others.

Phongpaichit, P. (2021) [39] Thailand was expected to be one of the worst-hit countries by the covid-19 pandemic's pandemic when it announced the first case outside of China in January 2020. Thailand was hailed as a "excellent example" of viral containment by the WHO's chief in November. There were sixty fatalities. Since June, there has been almost no domestic

transmissions or fatalities. However, the social and financial effects were severe, and the future is unclear. There are four sections to this article. The pandemic's trajectory is summed up in the first. Domestic transmissions were cut off by a shutdown from March to June, and a later wave was stopped by a fortress strategy of closed borders. In the second section, we credit the public health system, which was established over forty years of medical community engagement, with this relative success in managing the virus.

McFarlane, D. J. (2019) [40] Many nations throughout the world have been affected by the coronavirus pandemic, particularly those in Asia where tourism is a major source of income. Countries and destinations have been beginning to adjust to a new reality in travel, even though no one can say when things will return to normal. To lessen the effects of the pandemic and to be ready for when travel may resume, certain measures have been put in place, such as new safety and hygiene regulations, guidelines, and limits. In light of the worldwide scenario, Thailand is among the nations most affected by the coronavirus, particularly in the travel and tourist industry. Thailand was the first nation outside of China where the virus has spread since the epidemic began in January 2020.

Siriphon, A. (2015) [41] Across from Tachileik in Myanmar, which is connected to southern China via Myanmar's R3B road, is Mae Sai, a significant border town between northern Thailand and Myanmar. This border town has always had a multicultural landscape, with many different ethnic groups making their living via translocal commerce. In northern mainland Southeast Asia, these diverse peoples—including the original Tai Tai in this region, the Tai Lue, the subethnic Tai from Shan state and Yunnan, and the Yunnanese Chinese—have all been very migratory. Before the development of contemporary transportation and independent nation-states in China and Southeast Asia, horses and mules were used for both short- and long-distance caravan trade over overland routes across hilly regions³. The history of Han Yunnanese migration along the border, especially the migrations of Chinese Nationalist Army forces (also known as Kuomintang, KMT) into northern Thailand and Myanmar after the Chinese Communist takeover of China in the 1950s, has also had an impact on Mae Sai.

Pratt, S. (2018) [42] In terms of politics, Hong Kong is a part of China's People's Republic. However, immigration laws place restrictions on mainland Chinese vacationers visiting Hong Kong. Due to easier access, the Individual Visitor Scheme (IVS) and other visa rules have greatly boosted the number of Chinese leisure travellers visiting Hong Kong. There have been observable societal effects from this surge in tourists, such as a rise in disputes between Hong Kong locals and visitors from the mainland. This study looks at how mainland Chinese leisure tourists behaved in Hong Kong from 1997, when the UK returned Hong Kong to China, and 2014.

Bao, J. (2019) [43] Events involving foreign political, financial, and environmental crises have a significant impact on international tourism. There are two studies in this publication. Study 1 detects and estimates the effects of various political, financial, and environmental crisis events on the flows of tourists from China to Japan and South Korea between 2005 and 2017 using time-series monthly data and the TRAMO/SEATS model. Study 2 employs in-depth interviews to examine the elements that contribute to the recovery and expansion of tourism after crisis events as well as those that exacerbate or mitigate their detrimental effects on travel. The findings show that the kind of incident and other contributing variables to adverse effects have different degrees of influence.

Punpuing, S. (2018) [44] Over the last several decades, there has been a steady rise in migration from Thailand to Europe. Thai migrants have always flocked to Europe, especially those who are married or low-skilled. For many Asian migrants heading to East Asia and Europe, Thailand is also an important transit country. Thai marriage migration to the West has been sparked by the expansion of the Thai tourist sector, which has also contributed significantly to the rising mobility of European migrants in Thailand. However, seasonal migration to northern Europe in recent years has led to a sharp increase in temporary migrants from Thailand.

Methodology

A structure is established for this study. In Figure 2. This structure is made up of interconnected inner and exterior components. It implies that covid-19 pandemic's and the Beijing 2008 Olympic Games had two effects on the economy and tourism: the event itself and visa restrictions. Events may affect the demand for travel in either a good or negative way. Special events are often beneficial since they raise awareness, create new perceptions, and draw more visitors. But when a crisis strikes, the destination suffers. The sector and the overall economy may be impacted by both kinds of occurrences. In general, visa limitations have a detrimental financial impact on the economy of the destination. A negative or positive overall effect might result from taking into account these two aspects (the event itself and related visa restrictions) [45]. This framework uses the same modelling technique for both kinds of events.

The relationship between the two modelling techniques used in the evaluation—the econometric and CGE models—is shown in the inner section. Financial factors that represent the impact of one-time events on tourism, including the Beijing 2008 Olympic Games and covid-19 pandemic's, are included in the input of econometric models. These variables include visitors' income, tourism prices, replacement prices, and dummy variables. The tourist effects of one-time events, which are the inputs of the CGE models, are the outputs (results) of the financial models that use.

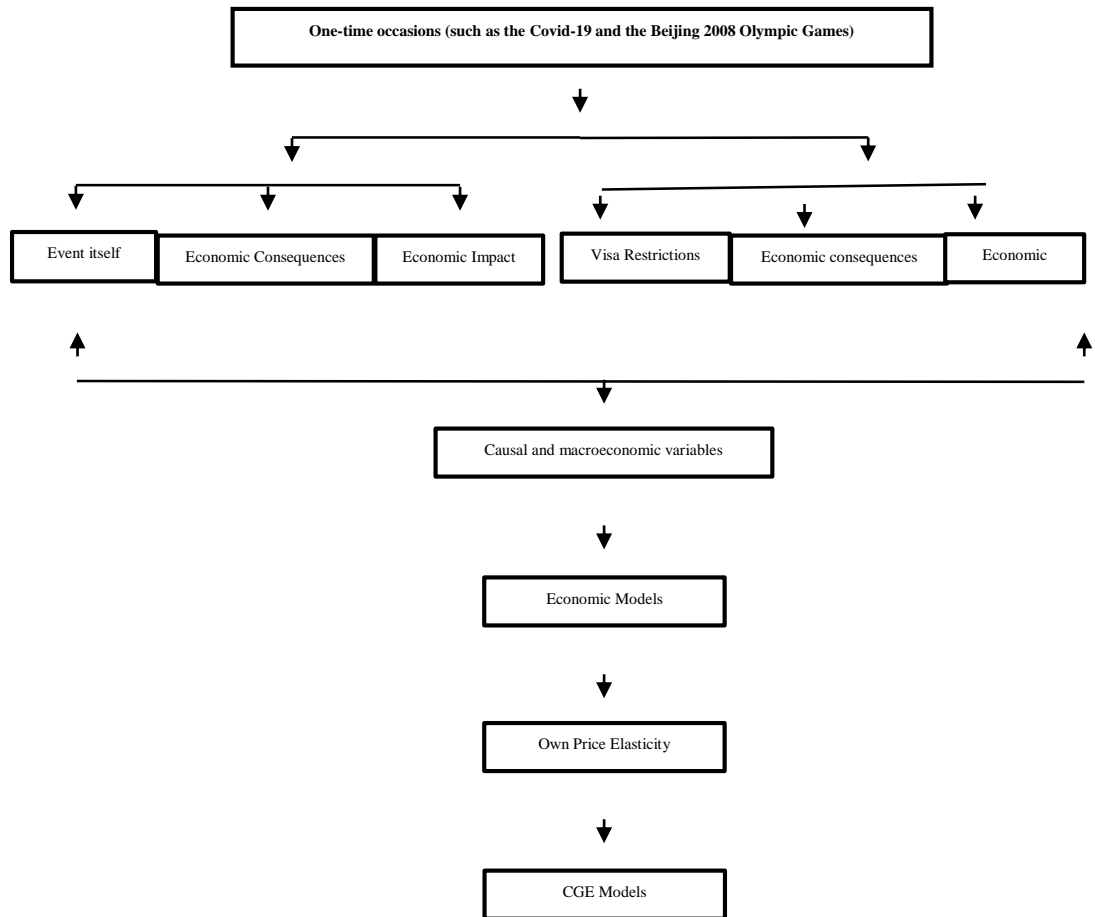


Fig. 1 A Research Framework.

By taking into account both the actual events and the visa limitations in place at the time, this study illustrates the financial effects of the Beijing Olympics and the covid-19 pandemics on tourism and associated industries. The input parameters are the price elasticity of demand for tourism among foreign visitors. The CGE modelling experiment in the next part is based on how the two incidents affected China's tourist demand with regard to of both arrivals and revenues. The autoregressive model distributed lag model is the name given to the econometric models [45]. Dummy variables were used to account for the Beijing 2008 Olympic Games, the covid-19 pandemic's, visa restrictions, severe acute respiratory syndrome, and the Beijing 2008 Olympic Games financial crisis. The price elasticity of demand for inbound travel to China and Beijing, China from different source markets is shown in Table 1.

Origins	Price elasticity (China)	Price elasticity (Beijing)
Malaysia	-0.965	-2.662
USA	-0.654	-0.595
Korea	-0.985	-2.219

Singapore	-0.596	0.649
Australia	-0.295	0.595
UK	-0.698	2.195
France	-0.648	-0.295
Korea	-0.925	-0.695
Germany	-0.369	-2.159
Japan	-0.596	1.292
Avg.	-0.956	0.695

$$p^T = \lambda \prod_n p_i^{\alpha_i} \dots\dots\dots 1$$

$$q^T = \overline{Q}^T \left(\frac{e}{p^T} \right)^{u-1} \dots\dots\dots 2$$

Table 1 Price Elasticities of Demand for Inbound Travel to Beijing and China from Ten Principal Sources. [45]

Results and Discussion

Table 2 demonstrates how covid-19 pandemics and the Beijing 2008 Olympic Games, together with the corresponding visa restrictions, impacted both China's inbound visitor arrivals and its tourism revenue from the ten origin nations that were taken into account.

At the macro financial level, the main output of CGE models is the welfare losses resulting from the events themselves and visa limitations, respectively. The input of CGE models—the financial repercussions of tourist receipts—was produced using econometric models. The outcomes of CGE models are shown in the remaining portion of Table 3.

	covid-19 pandemic's		Beijing 2008 Olympic Games	
	Due to the incident	Due to visa restrictions	Due to the incident	Due to visa restrictions
Arrivals of tourists (thousand people)	-109.325	-109.849	-259.149	-1089.954
Per capita tourism revenues (in thousands of dollars)	0.985	0.895	0.986	0.965
Per capita tourism revenue (in millions of dollars)	-69.894	-89.925	-220.989	-0.895.95

Table 2 The Two Incidents' Effects on Incoming Tourism from China.

The covid-19 pandemics resulted in comparatively little welfare losses due to the financial loss of tourist earnings, namely \$2.111 million from the incident and \$2.847 million from the limitations on visas. Table Three. The Beijing 2008 Olympic Games had significantly more detrimental effects on welfare. A crisis is likely to result in a greater loss of welfare than a special event, which is designed to increase welfare by drawing more visitors. But for a variety of reasons, this is not what we have discovered.

	covid-19 pandemic's		Beijing 2008 Olympic Games	
	Due to the incident	Due to visa restrictions	Due to the Olympics	Due to visa restrictions
Financial impact of tourist revenue (millions of dollars)	-69.595	-89.595	-225.958	-986.65
Welfare loss (in US dollars)	-2.986	-2.549	-49.598	-189.541
Actual tourist expenditures (in US dollars)	-69.549	-89.98	-214.559	-958.892
The cost of consuming tourism from abroad (%)	-2.969	-0.895	-0.089	-0.960
Welfare loss as a function of demand for tourism	-0.596	0.549	0.595	0.215
Loss of welfare as a percentage of actual tourist consumption	0.299	0.548	0.648	0.629

Table 3 China's Inbound Tourism's Macro Financial Effects Between Covid-19 Pandemic's and Beijing 2008 Olympic Games.

Greater losses to tourist receipts—\$-88.232 million from \$-963.860 million from the Beijing 2008 Olympic Games—were caused by visa restrictions. Tables 3 and 4 show the financial effects of China's inbound tourism brought on by the Beijing 2008 Olympic Games and the covid-19.

The effects of China's Beijing 2008 Olympic Games inbound tourism on the industry	Primary		Secondary		Tertiary	
	Visa restrictions	The Olympic	Visa restrictions	The Olympic	Visa restrictions	The Olympic
Value of labour (million, USD)	9.859	2.189	142.965	32.596	-149.289	-39.549
Value of capital (million USD)	3.659	0.895	249.549	59.598	-298.689	-68.989
Price index %	-0.590	-0.089	-0.598	-0.896	-0.896	-0.894

Output %	0.059	0.004	0.549	0.089	-0.089	-0.496
The covid-19 pandemic's effects of China's inbound tourism on the industry	Primary		Secondary		Tertiary	
	Visa restrictions		The Olympic		Visa restrictions	
Labour value (in millions of US dollars)	19.698	9.859	8.948	5.329	-19.980	14.859
Capital value (in USD millions)	2.156	1.895	14.589	9.849	-14.259	-10.596
Price index %	-0.596	-0.965	-0.096	-0.089	-0.895	-0.529
Output %	0.595	0.989	0.048	0.049	-0.969	-0.956

Table 4 The Effects of Chinese Inbound Tourism at The Industry Level Between Covid-19 Pandemic's and Beijing 2008 Olympic Games.

The financial loss of tourist demand is somewhat greater than a decline in actual tourism consumption [46, 47]. This happened as a result of a little drop in the cost of incoming tourist consumption, which somewhat countered the decline in actual tourism expenditure. The supply may stay the same while demand for tourism declines due to a one-time occurrence, which lowers the equilibrium price. The Beijing 2008 Olympic Games are responsible for the least proportion of the drop in inbound tourist prices (0.009). This could be the case because, between 2002, when Beijing was selected to host the Games, and the actual Beijing 2008 Olympic Games, there was enough time to modify the supply to satisfy demand, while the covid-19 pandemics occurred unexpectedly and left little time for supply adjustments. The sectors covered in the I-O table (44 in the 2007 China and Beijing tables and 33 in the covid-19 pandemic's table) are divided into primary, secondary, and tertiary industries in order to display the findings of the industry-level effect.

The initial I-O tables were already divided in this way. The agriculture sector is a primary industry; industrial sectors including food production, coal mining, and chemical manufacture are secondary industries; and service providers like lodging, transportation, catering, and entertainment make up the tertiary industry. Generally speaking, the industry-level financial consequences of visa restrictions outweighed the effects of the events themselves.

On the other hand, due to allocation effects, primary and secondary sectors saw a rise in the value of labour and capital usage as well as a percentage change in production. There is a transfer of production components, such as labour and capital, from the tourism industry to non-tourism related industries when inbound tourist demand declines and tourism supply and output rise in tandem [48, 49]. The allocation effects that have been noted in the literature are captured by CGE models.

Additionally, it can be shown that although the financial loss in Beijing 2008 Olympic Games was greater than the one in covid-19 pandemic's, primary industries had a lesser gain in Beijing 2008 Olympic Games. The two years' industry structure may be to blame for this. According

to the China Statistical Yearbook, the share of primary industry in GDP composition continuously declined from over 30% in the late 1980s to roughly 10% in 2010. 77,910,000 foreign visitors and an additional \$84.766 million in tourism revenue were brought in by the Beijing 2008 Olympic Games (Table 5). Visa restrictions, however, decreased tourism earnings by \$294.185 million and the number of incoming travellers by 270.381 thousand. The covid-19 pandemic's financial effects on Beijing's incoming tourist revenues are not estimated due to a lack of statistics. Based on Table 5, Table 5 is computed.

	Beijing 2008 Olympic Games	
	Due to the Olympics	Due to visa restrictions
Arrivals of tourists (thousand people)	89.589	-218.896
Per capita tourism revenues (in thousands of dollars)	1.859	1.089
Per capita tourism revenue (in millions of dollars)	98.989	-259.418

Table 5 The Beijing 2008 Olympic Games Impact on Incoming Tourism to Beijing.

Visa restrictions had the opposite impact of the event itself, as Table 6 demonstrates. By reducing real tourist consumption by \$282.130 million, visa restrictions resulted in a welfare loss of \$73.957 million. In other words, for every \$100 drop in actual tourist spending, welfare fell by \$26.2 million. The price of incoming tourist consumption as a percentage fell by 0.328.

	Beijing 2008 Olympic Games	
	Due to the Olympics	Due to visa restrictions
Financial impact of tourist revenue (millions of dollars)	89.695	-218.149
Welfare loss (in US dollars)	21.219	-89.689
Actual tourist expenditures (in US dollars)	89.592	-218.549
The cost of consuming tourism from abroad (%)	0.849	-0.965
Welfare loss as a function of demand for tourism	0.254	0.659
Loss of welfare as a percentage of actual tourist consumption	0.696	0.651

Table 6 Beijing's Inbound Tourism's Macro Financial Effects in Beijing 2008 Olympic Games.

Visa limitations decreased the proportion of production in tertiary industries as well as the value of labour and capital utilisation at the industry level. Table 7. The movement of labour and capital into the primary and secondary sectors is explained by allocation effects, which are similar to the industry-level impact of China's inbound tourism [50]. The price index for all sectors fell as a consequence of a decline in the demand for incoming tourists brought on by visa restrictions. Regarding the event's own effects on the business, the Olympics somewhat stimulated the travel and tourism sector. While employment, capital usage, and production growth favoured the tertiary sector, a decline in these metrics drove out the primary and secondary sectors. A little rise in demand for incoming travel due to the Olympics drove up the price index.

The effects of Beijing's inbound tourism on the sector in Beijing 2008 Olympic Games	Primary		Secondary		Tertiary	
	Visa restrictions	The Olympic	Visa restrictions	The Olympic	Visa restrictions	The Olympic
Labour value (in millions of US dollars)	0.895	-0.049	14.989	-5.980	-18.896	5.489
Capital value (in USD millions)	0.621	-0.695	36.959	-10.596	-39.596	10.659
Price index %	-0.596	-0.956	-0.849	-0.899	-0.596	0.966
Output %	0.800	0.989	0.215	-0.059	-0.596	0.041

Table 7 The Effects of Beijing's Inbound Tourism on the Industry in Beijing 2008 Olympic Games.

Conclusion

The financial impacts of the Beijing 2008 Olympic Games and covid-19 pandemic's have been assessed in this essay. This is the first effort to assess one-time occurrences in terms of the impact of both the events and the then-existing visa limitations. Both CGE and econometric models are used in this research. Although it is uncommon in the literature on tourism, combining the advantages of both approaches might provide more trustworthy findings and practical policy suggestions. Changes in the number of visitors during a one-time event are assessed using the autoregressive distributed lag model, which takes into account the time path of the tourist decision-making process. The CGE models employ the impacts of tourism as a model input and then assess the financial impact of incoming tourism by looking at changes in labour and capital usage, changes in the macro financial welfare level, and percentage changes in the price index and industry-level output. All financial actors—production sectors, factors, households, governments, and international trade—are included in CGE models, which may also capture their feedback effects. The findings indicate that in China, the financial losses resulting

from covid-19 pandemic's —\$88.232 million due to visa restrictions and \$65.713 million due to the incident itself—only marginally decreased welfare, by around \$2.847 million and \$2.111 million, respectively. With the exception of a little financial benefit to Beijing from the event itself, the Beijing 2008 Olympic Games resulted in significant financial and welfare losses as a result of both the event and visa restrictions. Financial repercussions from crises are unavoidable, yet the significant loss in financial wellbeing brought on by these exceptional occurrences may be "unusual" and "unexpected." Visa restrictions have a significant impact on the "unexpected" result, lowering welfare by \$193.563 million in China and \$73.957 million in Beijing. The Olympics itself resulted in a little welfare rise in Beijing (\$21.421 million) and a welfare loss throughout China (\$44.337 million), which were mostly ascribed to the deterrent effects caused by pollution, high costs, and congestion.

The possible decline in tourist demand brought on by the event itself as well as by visa limitations was not given enough consideration in the two events under consideration, nor was pertinent data gathered and disseminated. Security concerns often take precedence during a one-time event, thus there must be a cap on the number of visas issued.

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