

-RESEARCH ARTICLE-

RESEARCH ON THE IMAGE AND INDUSTRIAL DEVELOPMENT OF TOURISM DESTINATIONS IN CHINA FROM THE PERSPECTIVE OF THE CULTURAL ECONOMY

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—Abstract—

Recent years have seen industrial development emerge as a crucial factor in improving global economic conditions, necessitating the attention of recent studies and seasoned policymakers. Therefore, this article investigates the impact of China's cultural economy, foreign direct investment (FDI), GNI growth, energy import, and population growth on the country's industrial development. The study collected secondary data from 1991 to 2021 from secondary sources such as World Development Indicators (WDI). The dynamic autoregressive distributed lag (ARDL) model examined the relationship between the variables. The results indicated that the cultural economy, FDI, GNI growth, energy import, and population growth positively correlate with China's industrial development. Focusing on the cultural economy, the results provide policymakers with guidelines for formulating industrial development-related policies.

Keywords: Cultural economy, foreign direct investment, GNI growth, energy import, population growth, industrial development

INTRODUCTION

The economic aspect of culture is referred to as the cultural economy. The cultural economy refers to the sectors of any nation's economy that deal directly or indirectly with culture, such as film, music, fine art, and tourism. The problem with the term

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cultural, according to [Banwell, Sargent, Dixon, and Strazdins \(2019\)](#), is that everything is culture in some sense, with the view that everything has a cultural dimension. This globalization leads to a reduction in the differences between nations. Today, international travel is more convenient than it was in the past. There are numerous motivations for such travel, including business, education, fashion, and tourism. The entertainment industry is a borderless industry connecting cultures with a single click. Similarities exist between music and tourism. Tourism is one of those industries closely related to others, such as the hospitality and transportation sectors. These industries, including film, music, fine art, and tourism, comprise the country's cultural economy. The concept of Cultural Economy is receiving increasing attention as time passes. Tourism is also considered a fundamental aspect of all, as tourism and culture are interrelated. Specifically, tourism is rooted in culture. Countries with diverse cultures typically experience greater tourism growth. There is a significant relationship between cultural economy and tourism, according to the literature ([Banwell et al., 2019](#); [Blakey, 2017](#); [Escobar, 2018](#)). Keeping in mind the significance of the connection between cultural economy and tourism development, this study aimed to investigate it, specifically in the Chinese context.

China has one of the world's most refined economies. Each year, millions of business travelers travel to China, as China is commonly regarded as the global business center. China's economy is highly dependent on business-related activity, but China also has a rich cultural heritage. China is one of the world's ancient civilizations, and its culture is intricate and vast ([Chi & Han, 2021](#)). China is making every effort to promote cultural tourism to generate revenue from its culture. According to [Yan \(2017\)](#), culture is also considered to support the global tourism industry. China has fifty important historical sites. One is a natural heritage site, four are heritage and natural sites combined, and the remaining 35 are cultural sites ([Aman, Abbas, Shi, Ain, & Gu, 2022](#)). These tourist destinations in China attract millions of visitors from all over the globe. China's tourism industry contributed 10.94 trillion yuan to the country's GDP in 2019, reflecting the sector's potential ([Inglehart, 2020](#); [Zhuang, Yao, & Li, 2019](#)). The same GDP was (approximately) \$9.94 trillion in 2018, indicating an increase of nearly \$1 trillion in a year. [Figure 1](#) depicts the Chinese tourism-related GDP.

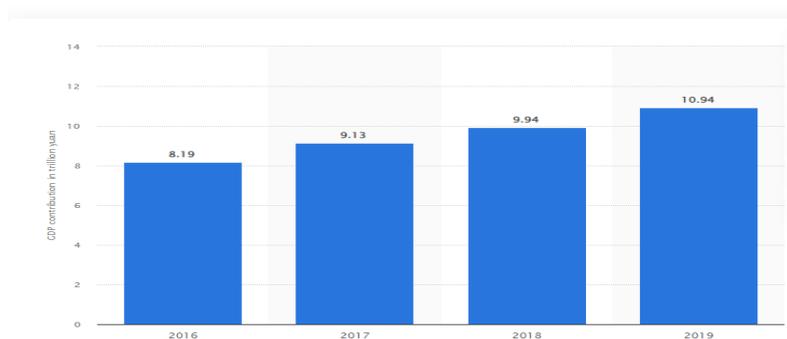


Figure 1: GDP from tourism in China

Source: Statista

Extensive literature exists on the cultural economy and industrial development, but there are still spaces to be filled, which the current investigation is attempting to do. 1) the model, which includes industrial development, cultural economy, FDI, GNI growth, energy import, and population growth, has never been evaluated in China. 2) [Cawley and Gillmor \(2016\)](#) and [Fahmi, McCann, and Koster \(2017\)](#) investigated the nexus between cultural economy and industrial development in the context of tourism in different countries and at different times; however, this article will focus on the cultural economy and industrial development as well as other variables such as FDI, GNI growth, energy import, and population growth in China using a new sample set. 3) [Davidson and Sahli \(2015\)](#) and [Khoshnevis Yazdi, Nateghian, and Sheikh Rezaie \(2017\)](#) investigated the nexus between FDI and industrial development in the context of tourism in different countries and at different times; however, the current study will also work on the cultural economy and industrial development with other constructs such as cultural economy, GNI growth, energy import, and population growth, especially in China, using a new sample set. 4) [De Vita and Kyaw \(2016\)](#) and [Hajiyev, Humbatova, and Abidi \(2022\)](#) investigated the nexus between GNI growth and industrial development in the context of tourism in different countries and at different times; however, this article will focus on the cultural economy and industrial development with other constructs including cultural economy, FDI, energy import, and population growth in China using a new sample set. 5) [Khan, Chenggang, Hussain, Bano, and Nawaz \(2020\)](#) and [Khan et al. \(2020\)](#) investigated the nexus between energy import and industrial development in the context of tourism in different countries and at different times; however, this article will focus on the cultural economy and industrial development with other constructs such as cultural economy, FDI growth, and population growth in China, using a new sample set. 6) [Rehman, Ma, Ozturk, and Ulucak \(2022\)](#) and [Musavengane, Siakwah, and Leonard \(2020\)](#) investigated the relationship between population growth and industrial development in the context of tourism in different countries and at different times; however, this article will focus on the cultural economy and industrial development along with other variables such as cultural economy, FDI, GNI growth, and energy import, with a new sample set, in China. The present investigation will highlight the need to explore industrial development, particularly in the context of cultural economy, FDI, GNI growth, energy import, and population growth; 2) although there is a great deal of literature on industrial development in the tourism context, the present study will add to the literature on the subject, 3) provide a guideline to the tourism industrial development sector,

REVIEW OF LITERATURE

Any nation's economy comprises various sectors, including tourism, energy, the automobile industry, and cultural sectors, such as the film industry and fashion. The economic trajectory is the performance of these sectors as a whole. Among all the sectors associated with a country's culture, including tourism, the film industry, and

music, the cultural economy is described as the most important (Fahmi et al., 2017). (Cawley & Gillmor, 2016; Fahmi et al., 2017; Grodach, 2011) The cultural economy is the segment founded on cultural sectors such as the film industry, music, and tourism. Cultural and economic considerations are crucial to the country's industrial development. In this context, Ngo, Tran, Tran, Nguyen, and Hoang (2019) examined whether a culturally-based economy is associated with industrial development. The analysis sampled information from three distinct years. The sample spans the years 2007, 2012, and 2016. Utilizing regression analysis, the collected sample was evaluated. According to the analysis results, a distinct and significant relationship exists between culture and industry.

Any change in industry or culture would have either positive or negative effects on the other. As the economy of any nation depends on the industry's trends, the economy of any nation will decline if the industry declines. Therefore, economic growth (EG) is dependent on industry expansion. In this context, He (2018) investigated whether the cultural economy in the context of culture and industrial development in EG have any connection. The investigation was conducted on the Chinese populace. The research utilized data from 2000 to 2017. For analysis, the study utilized the VAC method. The analysis results suggested that a significant connection exists between the cultural economy in the context of culture and industrial development in the form of economy. Any change in industry or culture would have either positive or negative effects on the other. In addition, Zhou, Siriboonchitta, Yamaka, and Maneejuk (2020) examined whether a link exists between the cultural economy in the context of culture and industrial development in the form of EG. The investigation was conducted on the Chinese populace. The research utilized data from 2014 to 2018. For analysis, the investigation utilized MR analysis.

According to the analysis results, a significant link exists between the cultural economy in the context of culture and industrial development in the form of the economy. Any change in industry or culture would have either positive or negative effects on the other. In addition, Godara, Fetrat, and Godara, Fetrat, and Nazari (2020) investigated whether a culturally-based economy is associated with international tourism receipts. The research was performed in India. The data spans the years 2000 through 2019. The collected sample was evaluated using the OLS method. According to the analysis results, a distinct and significant correlation exists between culture and international tourism receipts. Any change in industry or culture would have either positive or negative effects on the other.

FDI is a vital component of any nation's economy, as almost every sector of the economy depends on it. FDI contributes to a country's economic growth through industrialization. In this context, Alam, Malik, Ahmed, and Gaadar (2015) investigated whether there is a correlation between FDI and the growth of the tourism industry. The investigation was conducted on the Malaysian populace. The information spans the

years 1995 to 2011. The collected sample data were evaluated using an ANOVA analysis approach for analysis. According to the analysis's findings, there is a significant connection between FDI and tourism industry growth. [Davidson and Sahli \(2015\)](#) also investigated whether or not there is a relationship between poverty alleviation, FDI, and sustainable industry development. The investigation was conducted on the hotel population in the Gambia. They utilized data obtained from interviews with the sample population of the Gambian hotel industry. According to the analysis, hotel management characteristics contribute to effective poverty alleviation.

Additionally, the hotel industry influences FDI in a positive manner, such as through tourism. In addition, [Khoshnevis Yazdi et al. \(2017\)](#) investigated whether there is a correlation between FDI and tourism industry growth. The investigation was conducted on the populations of 27 European Union member states. The information spans the years 1995 to 2014. The collected sample data were evaluated using the PMG estimator analysis method. According to the analysis's findings, there is a significant connection between FDI and tourism industry growth.

Gross national income (GNI) is one of the factors that determine the living standard of a country's citizens. As GNI is based on the industry's overall performance, economies around the world exert their greatest efforts through industrial development to increase their GNI. According to the research, GNI and industrial development are related. [De Vita and Kyaw \(2016\)](#) investigated whether there is a correlation between tourism industry development and GNI in terms of EG in this context. The information spans the years 1995 to 2011. The collected sample data were analyzed using the GMM estimator analysis method. According to the analysis's findings, a significant relationship exists between tourism industry development and GNI in terms of EG.

Similarly, [Hajiyev et al. \(2022\)](#) examined whether a relationship exists between tourism industry development and GNI as measured by EG. The investigation was conducted on the Azerbaijani populace. The information spans the years 2000 to 2018. For analysis, the collected sample data were evaluated using the ARDLBT method. According to the analysis's findings, a significant relationship exists between tourism industry development and GNI in terms of EG. In addition, [Chen \(2023\)](#) examined whether there is a relationship between tourism industry development and GNI in terms of economic and environmental context. The investigation was conducted on the Chinese populace. The information spans from 1990 to 2020. For analysis, the collected sample data were evaluated using the NARDL method. According to the analysis results, there is a significant connection between tourism industry development and GNI in terms of EG.

Because of globalization, energy consumption and demand have increased. This increase in energy consumption is associated with all of life's activities. According to the literature, energy is the most important determinant in any nation's industrial

development. [Khan et al. \(2020\)](#) investigated whether tourism development, natural resources, and energy imports are associated in any way. The study focused on the inhabitants of BRI economies. The study utilized information spanning 26 years, from 1990 to 2016. The collected sample data were analyzed using the GMM estimator analysis method. The analysis of energy import suggested a significant connection between tourism development and energy import.

Furthermore, [Nosheen, Iqbal, and Khan \(2021\)](#) examined the relationship between tourism and energy. Populations of Asian economies were the subject of the study. The investigation utilized information spanning 22 years, from 1995 to 2017. In order to analyze the collected sample data, the study utilized the CADF and other related analysis techniques. According to the results of the analysis, there is a significant relationship between tourism EG, CO2 emissions, and energy.

The population is considered one of the most alarming and crucial factors for the world's prosperity. The rapid increase in the world's population harms its development due to the heavy burden of employment and the depletion of resources. Furthermore, the literature suggests that population growth is crucial to a nation's industrial development. [Rehman et al. \(2022\)](#) investigated the relationship between sustainable development and pollution growth in this context. The investigation was conducted on the Pakistani populace. The investigation utilized information spanning 22 years, from 1995 to 2017. For analysis, ATIRPAT and ARDL were applied to the sample data collected for this study. According to the analysis's findings, there is a significant relationship between sustainable development, CO2 emissions, and population growth. [Musavengane et al. \(2020\)](#) also examined the relationship between tourism development and population expansion regarding urban risk. African city populations were the subject of the study. The investigation examined 1,624 published articles. The chosen articles were published between the years 2000 and 2018. In addition, various reports extracted from the search engines Google, Yahoo, and Google Scholar were evaluated. Regarding urban risk, the literature review results indicate a significant relationship between tourism development and population growth.

RESEARCH METHODS

This article analyzes the effects of China's cultural economy, foreign direct investment, GNI growth, energy import, and population growth on the country's industrial development. From 1991 to 2021, the study collected secondary data from secondary sources such as WDI. The research equation is as follows:

$$ID_t = \alpha_0 + \beta_1 CE_t + \beta_2 FDI_t + \beta_3 GNIG_t + \beta_4 EI_t + \beta_5 PG_t + e_t \quad (1)$$

Where;

ID = Industrial Development

t = Time Period
 CE = Cultural Economy
 FDI = Foreign Direct Investment
 GNIG = GNI Growth
 EI = Energy Import
 PG = Population Growth

The primary variable of the study was industrial development as measured by industry value added (% of GDP). In contrast, the study employed five predictors, including cultural economy proxies such as agriculture, forestry, and fishing value added (% of GDP), FDI measured as FDI inflows (% of GDP), GNI growth proxies as GNI Growth (annual percentage), energy import proxies as energy import (% of energy use), and population growth proxies as population growth (annual percentage). [Table 1](#) contains these proxies.

Table 1: Measurements of Variables

S#	Variables	Measurement	Sources
01	Industrial Development	Industry value added (% of GDP)	WDI
02	Cultural Economy	Agriculture, forestry, and fishing value added (% of GDP)	WDI
03	Foreign Direct Investment	FDI inflows (% of GDP)	WDI
04	GNI Growth	GNI Growth (annual percentage)	WDI
05	Energy Import	Energy import (% of energy use)	WDI
06	Population Growth	Population growth (annual percentage)	WDI

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$$d(Y_t) = \alpha_0 + \beta t + \gamma Y_{t-1} + d(Y_t(-1)) + \epsilon_t \tag{2}$$

Moreover, the article also applies the ([Westerlund & Edgerton, 2008](#)) approach to test the co-integration in the model. This approach concerns the appropriate model to be used in the study. The equations are given as under:

$$LM_{\varphi}(i) = T\hat{\varphi}_i (\hat{r}_i/\hat{\sigma}_i) \tag{3}$$

$$LM_{\tau}(i) = \hat{\varphi}_i/SE(\hat{\varphi}_i) \tag{4}$$

In these equations, $\hat{\varphi}_i$ exposed the estimate beside standard error, r^2_i exposed the long-run measured variance, $\varphi_i(L) = 1 - \sum \varphi_{ij}L^j$ exposed the scalar polynomial with L lag length, and ρ_i exposed the factor loading parameters vector.

The ARDL model was used to examine the association between the variables. When co-integration exists, or variables are stationary at I(0) and I(1), this model is applicable (Zaidi & Saidi, 2018). Additionally, it can account for heteroscedasticity and autocorrelation (Nazir, Nazir, Hashmi, & Ali, 2018). The formula for the method is as follows:

$$\Delta ID_t = \alpha_0 + \sum \delta_1 \Delta ID_{t-1} + \sum \delta_2 \Delta CE_{t-1} + \sum \delta_3 \Delta FDI_{t-1} + \sum \delta_4 \Delta GNIG_{t-1} + \sum \delta_5 \Delta EI_{t-1} + \sum \delta_6 \Delta PG_{t-1} + \varphi_1 ID_{t-1} + \varphi_2 CE_{t-1} + \varphi_3 FDI_{t-1} + \varphi_4 GNIG_{t-1} + \varphi_5 EI_{t-1} + \varphi_6 PG_{t-1} + \varepsilon_t \tag{5}$$

Finally, the study used the dynamic ARDL model to test the association among the variables. It is established by Jordan and Philips (2018). This approach can cover all the shortcomings of the ARDL model. The equation is given as under:

$$\Delta ID_t = \alpha_0 + \sum \delta_1 \Delta ID_{t-1} + \sum \delta_2 \Delta CE_t + \sum \delta_3 \Delta CE_{t-1} + \sum \delta_4 \Delta FDI_t + \sum \delta_5 \Delta FDI_{t-1} + \sum \delta_6 \Delta GNIG_t + \sum \delta_7 \Delta GNIG_{t-1} + \sum \delta_8 \Delta EI_t + \sum \delta_9 \Delta EI_{t-1} + \sum \delta_{10} \Delta PG_t + \sum \delta_{11} \Delta PG_{t-1} + \varepsilon_t \tag{6}$$

FINDINGS RESULTS

Using descriptive statistics, the study examines the variables' particulars. According to the results, the mean value of ID was 44.235 percent, CE was 12.645 percent, and FDI was 3.340 percent. In addition, the results revealed that the mean GNIG value was 9.085 percent, EI was 7.400 percent, and PG was 0.705%. These details are provided in Table 2.

Table 2: Descriptive Statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
ID	31	44.235	2.988	37.843	47.557
CE	31	12.645	4.925	7.043	24.034
FDI	31	3.340	1.346	1.139	6.187
GNIG	31	9.085	2.441	1.713	14.688
EI	31	7.400	7.820	-4.566	20.118
PG	31	0.705	0.295	0.089	1.364

In addition, the correlation matrix is used to examine the correlation between the constructs. The results indicated that the cultural economy, FDI, GNI growth, energy import, and population growth positively correlate with China's industrial development. These details are provided in [Table 3](#).

Table 3: Matrix of Correlations

Variables	ID	CE	FDI	GNIG	EI	PG
ID	1.000					
CE	0.410	1.000				
FDI	0.843	0.487	1.000			
GNIG	0.700	0.467	0.579	1.000		
EI	0.610	-0.931	-0.611	-0.569	1.000	
PG	0.378	0.932	0.432	0.426	-0.846	1.000

In addition, the unit root is examined using ADF and PP tests. ID, CE, FDI, and PG are stationary at I(0), whereas GNIG and EI are stationary at I(1). These details are provided in [Table 4](#).

Table 4: Unit Root Test

ADF		PP		
Series	Level	First difference	Level	First difference
ID	-3.019***	-----	-3.199***	-----
CE	-3.645***	-----	-2.187***	-----
FDI	-2.546***	-----	-2.291***	-----
GNIG	-----	-4.382***	-----	-4.764***
EI	-----	-4.388***	-----	-4.321***
PG	-2.373***	-----	-3.673***	-----

In addition, the article employs the ([Westerlund & Edgerton, 2008](#)) method to assess the model's co-integration. The results revealed that the p-values are less than the threshold of 0.05, and the t-value exceeds the threshold of 1.96. These values revealed the existence of co-integration. These details are provided in [Table 5](#).

Table 5: Co-integration Test

Model	No Shift		Mean Shift		Regime Shift	
	Test Stat	p-value	Test Stat	p-value	Test Stat	p-value
LM_{τ}	-5.049	0.000	-4.382	0.000	-5.445	0.000
LM_{ϕ}	-5.262	0.000	-4.354	0.000	-5.643	0.000

The dynamic ARDL model was then used to test the association between the variables. The results indicated that the cultural economy, FDI, GNI growth, energy import, and population growth positively correlate with China's industrial development. These connections are shown in [Table 6](#).

Table 6: Dynamic ARDL Model

Variable	Coefficient	t-Statistic	Prob.
ECT	-3.192***	-4.383	0.000
CE_{t-1}	2.827***	5.101	0.000
CE	0.327***	4.272	0.000
FDI_{t-1}	0.122*	2.199	0.045
FDI	1.876***	5.492	0.000
$GNIG_{t-1}$	0.473***	4.392	0.000
GNI	1.277***	4.999	0.000
EI_{t-1}	2.387***	3.172	0.001
EI	0.574**	2.891	0.022
PG_{t-1}	1.929***	6.594	0.000
PG	0.564**	2.654	0.027
Cons	1.282***	5.499	0.000

R square = 64.674

DISCUSSIONS

The findings indicated a positive relationship between the cultural economy and industrial development. These findings concur with [Bole \(2021\)](#) assertion that if an economy's commodities and services are produced and exchanged via trade while considering the public's cultural expectations, product marketing is greater than in the past. The expansion of product and service marketing determines the acceleration of industrial development. These findings are consistent with [Beckert \(2020\)](#) assertion that certain industries, such as tourism, can only attract consumers if they offer products and services that match their cultural interests. The industry could develop, thrive, and expand if the cultural economy expands and customers' cultural interests are satisfied.

The results demonstrated a positive relationship between FDI and industrial development. These results concur with [Hauge \(2019\)](#), who states that if industries successfully attract substantial FDI from multiple foreign investors, they can also attract the attention and interest of prominent economic figures. This enhances industrial management within the country's borders, leading to industrial growth. These findings are consistent with [Appiah, Gyamfi, Adebayo, and Bekun \(2023\)](#) examination of the function of FDI in industrial development. According to the study, foreign investment, whether in the form of currency, technology, or other resources, enables the growth of domestic industries.

The results indicated a positive correlation between GDP growth and industrial development. These findings concur with [Shabani and Shahnazi \(2019\)](#) assertion that increasing GNI increases the country's financial resources. The rising financial resources enable producers, service providers, and merchants to invest in relevant industries with greater capital and more effective resources. Therefore, industries experience a faster rate of development. These results are also consistent with [Lyeonov, Pimonenko, Bilan, Štreimikienė, and Mentel \(2019\)](#) finding that when a country experiences an increase in GNI, the wealth distributed to the public increases, and the standard of living rises. A population with a higher standard of living increases economic activity and demand. In this circumstance, industry growth is accelerated.

In addition, the results demonstrated that energy import positively correlates with industrial development. These findings are also consistent with [Shao, Guo, Yu, Yang, and Guan \(2019\)](#) assertion that energy is essential to economic resources. Importing energy enables the addition of economic resources and the provision of a suitable infrastructure for manufacturing, construction, service creation, commerce, etc. It allows them to grow. These outcomes concur with [Abu-Rumman, Khdair, and Khdair \(2020\)](#) findings. This past study also asserts that energy import enables businesses, particularly those in tourism-related industries, to acquire sustainable, environmentally friendly energy. Environmental preservation encourages consumer preference and industry growth.

The results demonstrated a positive relationship between population growth and industrial development. These results concur with [Lin and Raza \(2019\)](#) findings, which shed light on the effects of population growth on industrial development. The study hypothesizes that population expansion leads to urbanization and EG. Consequently, distinct industries also develop. These results are also consistent with [Zhang, Abbas, Koura, Su, and Iqbal \(2021\)](#) findings, which indicate that country regulators and authorities pay heed to development in regions where the number of residents and workers increases. The resultant area development contributes significantly to industrial growth.

POLICY IMPLICATIONS

Due to its emphasis on industrial development, the current study is very important to emerging industrial economies such as China. The study provides economists and other regulatory authorities with strategies for accelerating industrial development, particularly in the tourism sector. According to the research, a nation's industrial development can be accelerated by promoting its cultural economy. For the country to experience industrial development, the study also provides recommendations for attracting foreigners and increasing FDI. It also suggests to policymakers that governments and economists should demonstrate the struggle for GNI growth, as it can

enhance industrial development. There is a suggestion that policymakers should stimulate the country's energy imports. Focusing on the cultural economy, the results provide policymakers with guidelines for formulating industrial development-related policies. It would be beneficial for industrial growth. In addition, the study suggests that there must be effective planning and management of population expansion for the nation to achieve superior industrial development.

CONCLUSION

The study aimed to examine the cultural economy's influence on the expansion of the tourism industry. It was also intended to assess the influence of variables such as FDI, GNI growth, energy import, and population growth on industrial development. The authors selected tourism destinations in China's Grand Canal Cultural Belt to compile data on the cultural economy, foreign direct investment, gross domestic product growth, energy import, population growth, and industrial development. The study revealed a positive relationship between cultural economy, FDI, GNI growth, energy import, population expansion, and industrial development. The results indicated that if a country's cultural economy expands and its products and services represent multiple cultural aspects, they are alluring and impressive.

As a consequence, rising demand leads to market expansion and industrial growth. Additionally, the results indicated that industries with greater FDI may utilize superior energy, technical, physical, and human resources. In this circumstance, they can more effectively manage and carry out their duties, resulting in enormous profits. So, FDI allows industries to develop fast. In addition, the study revealed that when the growth rate of GNI is higher, industries such as tourism benefit from innovative resources and increased demand for their products and services. Thus, they can progress further.

Similarly, energy import is an economic situation in which industries can purchase energy resources from foreign nations to meet their requirements, thereby accelerating their development. In addition, the study found that while the population is growing, some industries, such as tourism, may benefit from improved environments, resources, and opportunities. Therefore, they are more developed.

LIMITATIONS

The study's objective was to investigate the impact of the cultural economy on the growth of the tourism industry. It was also intended to evaluate the impact of variables like FDI, GNI growth, energy import, and population growth on industrial development. The authors compiled data on the cultural economy, foreign direct investment, gross domestic product growth, energy import, population growth, and industrial development for tourist destinations in China's Grand Canal Cultural Belt. The research revealed a correlation between cultural economy, FDI, GNI growth, energy import,

population growth, and industrial development. The results indicated that a country's products and services are alluring and remarkable if its cultural economy expands and they represent multiple cultural aspects. Increasing demand results in market expansion and industrial expansion. In addition, the results indicated that industries with higher levels of FDI might use superior energy, technical, physical, and human resources. In this situation, they can manage and perform their duties more efficiently, resulting in enormous profits.

Consequently, FDI enables industries to develop rapidly. In addition, the study revealed that industries such as tourism benefit from innovative resources and increased demand for their products and services when the growth rate of GNI is higher. Therefore, they can advance further. Similarly, energy import is an economic situation in which industries can acquire energy resources from foreign countries to satisfy their needs, thereby accelerating their development. In addition, the study found that some industries, such as tourism, may benefit from enhanced environments, resources, and opportunities, even as the population grows. Consequently, they are more mature.

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