New Barriers and Globalization in Present Day Tourism

IRINA LAZAR ELENA TOMA Department of Social Sciences and Geography University Hyperion Address: Calea Călărașilor 169, Sector 3, Bucharest ROMANIA <u>ira_laz@yahoo.com_elena_tomag@yahoo.com</u>

Abstract: - Economic globalization has also generated considerable criticism because it comes along with the erosion of power of governments. Opponents argue that local and national institutions will no longer be able to properly fulfil their responsibilities such as providing social services, preserving the environment, and implementing sustainable development in tourism programmes. Indeed, the multilateral agreements facilitating globalization have shown little, if any, concern for social and ecological issues. On the environment front, the WTO has discussed proposals to introduce 'environmental standards' and 'eco-labels' developed by international setting bodies.

The WTTC, for example, vows to 'promote sustainability in travel and tourism' through its Green Globe programme, but - as its 'Millennium Vision' document states – "strongly believes that the environmental policy agenda should focus on (the industry's) self-improvement, incentives, and light-handed regulation as the preferred approach". There is more to the globalization of tourism than cross-border flows of customers and purchasing power.

Key-Words: - globalization, stages, policy prospects, tourism, sustainability, incentive.

1 Introduction

While globalization in tourism has attracted some research interest, most studies have tended to focus on international hotel chains and airlines (Dunning and McQueen 1982a, 1982b; Johnson and Vanetti 2005; Rodriguez 2002; Williams, 1995). It is, however, remarkable how little the literature has discussed the broader manifestations of globalization in tourism, and how limited interest has been in applying theory to the field (Bianchi 2002; Cornelissen 2005; Fayed and Fletcher 2002; Knowles, Diamantis, and El-Mourhabi 2001; Smeral 1998; Wahab and Cooper 2001); and Mazilu 2012.

Even though the positive and negative impacts of globalization are on the agenda at all policy levels, there is a widespread assumption that tourism is an exception, an industry where global mechanisms and consequences do not come fully into play. Tourism, a phenomenon based on travel patterns of people, technology and cultural values, is a major vehicle, or operative, ineffecting the globalization process. Tourism, now a universal practice, is flourishing rapidly to become one of the leading industries in the world today. As noted in previous reports and discussion, the World Travel and Tourism Council and others have referred to tourism, indeed, as the world's largest industry (Cooper & Wanhill, 1998;WTTC, 1996).

2 Problem Formulation

When taking into consideration the globalization aspects one can definitely state that being aware of the tendencies that characterize international tourism has become a necessity today not only for the governments carrying out their policies in developing tourism, but also for the companies interested in the market of international tourism.

Therefore, both at a macroeconomic and microeconomic level, one has to take into consideration the following:

- Competition among destinations being tough ,consequently, each country has to identify its potential tourists and position itself in the tourist market as success belongs to those who know how to benefit from the comparative advantages they own.
- Competition among the producers and the distributors of the touristic products has grown stronger especially where tariffs are concerned and the will to satisfy as many customers as possible.
- Not only the number of multinational companies in the tourism industry has increased but also their financial power.
- New products(educational travel,boutique hotels,adventure travels) have become available.
- Distribution and selling of the touristic products are highly influenced by the development of the new information and communication technologies.
- More and more lucrative and nonlucrative companies have launched campaigns for attracting customers for a more lasting and responsible tourism.
- The concept of decentralization of authority, of distribution of positions in organizing tourism proved an efficient solution in the management of the projects of tourism development and in financing the companies promoting tourism (the partnership publicprivate, PPP has been created).
- Tourists have become more and more experienced in travelling.
- Being mutually dependent on other socioeconomic sectors, international tourism is rather vulnerable from this point of view as external factors (terrorism,arrmed conflicts,natural disasters,epidemics) influence negatively the flow of foreign tourists towards certain destinations.
- Big companies had to change their organizational behaviour and innovate themselves (Feige 1998,111)

The characteristics of globalization in tourism are (Feige 1998, 111) in:

ECONOMY: Horizontal and vertical integration strategies of tourism enterprises; Foreign investment in hotels and tourist attractions ("global tourism markets"); Global players and strategic alliances (air companies, hotels, tour operators); Global tourism management; Global competition of holiday resorts

TECHNOLOGY: Global booking systems; Standardized technologies in transport systems

CULTURE: Global tourist: uniform traveller behaviour; Creation of "global tourist village".

ECOLOGY: Tourism as "global syndrome of ecology problem"; Climate changes and their effects on destinations.

POLITICS: Increasing importance of international tourism organizations; Necessity for global coordination and regulation of passenger circulation; Sustainable development as quality and dominant idea;

Against globalization of tourism progress, barriers interpose which are not of financial or of spare time nature but political, economic and social barriers.

First of all, international tourism depends on permissibility of borders. Practically,one cannot travel across borders fast without taking into consideration the extra time needed for the Customs formalities. If for tourists from the developed countries regulations are easy enough, even nonexistent, for those coming from poor countries, the system is being permanently perfected as to prevent migration over borders. One can firmly state that the policy of the developed countries, of those for which tourism carries great weight is syncronized, acting united , globally but selectively, according to their dominant interests.

Thus, the General Agreement in Commerce and Services largely stipulated the flow of persons and access to labour markets underlying the need of harmonizing diplomas (art.VII,4) and also converting tourists into labourers.

Another barrier refers to political relationships, their character and stability which might prevent tourists from travelling from one

country to another, even if certain organizations (UNO,OMT) proclaim free development of tourism (USA,Cuba,Israel,Siria).

Another aspect refers to the risk zones, various destinations being avoided due to lack of stability in the area. The criterion according to which a certain destination is declared risky is something difficult to be precisely stated, for instance, on one hand Israel which , in spite of the quasi-permanent war has huge revenues from tourism, on the other, Honduras which, although perfectly safe, is nevertheless to be avoided owing to its military regime.

Besides the risk zones, we can also mention international terrorism which increased between 1960- 1971 followed by a less dangerous period at the beginning and at the end of the eighties, only to intensify starting with 1990.

Paradoxically,tourism and terrorism share equally some features:

- citizens from different countries are involved;
- both use modern technologies in travelling and communications;

The development of this type of armed fight might lastingly damage international tourism and modify the flow of tourists and their behaviour radically.

Places of special touristic potentiality are main targets for terrorists. Generally speaking, by attacking such touristic sites, terrorists have a lot to gain, respectively:

- tourism symbolizes capitalism,therefore, if an adverse state is attacked through its tourists, this attack is in fact an attack on the respective state;
- terrorist attack of the touristic sites brings about instability of foreign trade thus allowing terrorists to score an indirect blow to the economy of the respective state;
- tourists' decision whether or not to remain in that country or to choose another destination, either way this might cause

substantial economic loss to the countries attacked by terrorists.

In response to the terrorist threats, several countries decided to join forces in anti-terrorist activities, each passing their own legislative arsenal and making good use of their intelligence potentiality. Thus, between September 30-October 4,1991, in Buenos Aires (Argentine) at its ninth session, the General Assembly of the World Tourism Organization took and approved a body of security measures safeguard tourism. These recommended to measures stand as forrmal assurance given to international tourists and trippers as well as national tourists that their safety is guaranted.

Among the resolutions adopted in Buenos Aires we can mention:

- 1 each state should evaluate and control the seriousness of dangers threatenting, on its own territory, the life,health economic interests and goods of the tourits and set up a national policy for safeguarding tourism.
- 2 each state should take measures for:
- a) identifying potential risks for each type of travel, destination and touristic sites;
- b) adopting standards and security practices for both equipments and touristic sites insisting mainly on: protection against arson,food protection,sanitary and health conditions, environment protection;
- c) guaranteeing that tourists' settlements and sites are protected by law enforcers aiming at detecting and preventing all those liable to punishing activities;
- d) providing proper documentation as to ensure tourists' security on following aspects:

-basic rules referring to tourists' protection;

-providing proper security means in the locations where tourists transportation (airports, stations, bus stops, other transport terminals) is to take place;

-preventing possible threats of touring sites and spas;

-preventing possible health risks by providing the necessary information as to protection means;

-health-aid services in case tourists need;

e) protecting tourists against illicit drug dealing or

against illicit transportation of drugs in the means

of transport provided for tourists;

f) the personnel employed in the tourist units has to

be trained in conformity with the security regulations for this specifc domain;

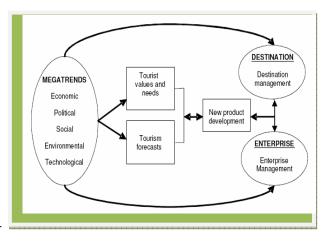
e) the set of rules to deytermine tourists'civic responsibilities on the touring sites have to made clear while further informationabout this should be equally accessible to both tourists and their representatives;

f) setting up policies and national services for the good health of the tourists.

3.PROBLEM SOLUTION

The basis and impact of tourism on world economy stress out the economic importance of this domain under following aspects: diversifying economic resources structures, rendering natural more profitable, national income, new job availabilities, investments' stimulation and inflation. The megatrends discussed in this article will have varying effects in different regions and countries. Some trends may be of more limited scope, affecting particular industries, market segments or even particular firms. The effects of the trends here are best analyzed at the product-market level but this is beyond the scope of this paper. Figure 1 displays some of the causal links that are hypothesized to influence destination management, enterprise management and product new development in tourism.¹

Fig.1.Trends in tourism developpement (Source- Megatrends underpinning tourism to 2020,Larry Dwyer,2008)



Diversifying the economic structures

Diversifying the econmic structures means on one hand, continuous development of the existent ones and on the other creating new availabilities in the activity sectors specific to tourism.

Thus, at world level, new sub-branches suitable for touring activities have come up (interior decoration,furniture,artisanship,sports equipment,cosmetics). One can definitely state that

the need to permanently adapt the touristic supply to the tourists'demands constitutes the foundation for the whole process of diversifying the econmic structure of each contry.

Rendering natural resources profitable

Rendering natural resources profitable does not refer only to activities of arrangements and rearrangemnts of the touristic areas but also an adequate and balanced use of the existent resources, or conceived and put into practice provided that environment protection for a lasting development is taken care of.

"Advancing Sustainable Tourism: Monitoring, Measuring, Mastering?" is one of the actions that took place on March 8, 2013 at the International Tourism Fair in Berlin under the aegis of Global Partenership.

The Global Partnership has developed sustainable tourism project screening criteria, which define

¹ Megatrends underpinning tourism to 2020, pp.2. CRC for Sustainable Tourism, Pty, Ltf, 2008.

"sustainability" and specifies for each of the **7 main priority themes** (policy frameworks; climate change; environment & biodiversity; culture and natural heritage; poverty alleviation; private sector practices; sustainable financing and investment), how projects should address the thematic issues by design, implementation and monitoring.

The favourable effectiveness of tourism on national income is emphasized by the process by which the export of tourists ensures a more profitable rendering of natural resources as well as of the domestic labour(e.g. possibility of using indigenous agricultural raw materials, tariffs and prices comparable to those on the foreign markets, savings on transport expenses, packaging or insurance).

Tourism also contributes to generating national income by turning to good account those resources ignored so far, further employment of those from other domains or even creative works achieved to serve other purposes.Tourism is highly appreciated at world level as being the most dynamic sector as it generates new jobs which consequently determined new types of employment:

- direct employment(those who work in a touristic enterprise: hotels, restaurants, touristic shops, travel agencies);
- indirect employment(jobs in the food supply and non-food sectors: industry, agriculture, etc);
- induced employment (extra personnel employed on basis of spending the wages earnings obtained from direct and indirect employees);employment in the construction sector (jobs in infrastructure and touristic sectors in the areas where tourism is constantly developing;

Depending on the development stage of tourism and on the specific economic structure of the world countries ,the population employed in tourism oscillates between 1% and 15% out of the total employed population.

Tourism represents an important domain in the revival and modernization of any economy because businesses are rather small sized and capital needs reduced imprinting investments a fast rhythm.Investments in tourism also imply investments in those sectors the activity of which are strongly correlated with tourism hence the double impact of tourism: stimulating the investments specific to tourism as well as the national ones. At world level, investments in tourism represent 7% of the total investible efforts.

Tourism is considered a means of lessening the inflational phenomenon as it ensures a more balanced money flow.Inflational aspects in tourism are to be found mainly in the areas where touristic development is in progress as there is a greater tourist demand which brings along an increased seasonal fluctuation of prices, a discrepancy between the purchasing power of the residents and that of the tourists as prices go up especially for food, accommodation for tourists, investors or external employees.

Besides the undeniable economic importance of tourism in the world economy in the context of actual globalization there are both positive and negative effects. Among the positive effects of tourism development in the globalization context one can mention:

- a decrease in youth emigration and even the return home of some emigrants to find jobs in tourism;
- an increase in incomes and living standards;
- contact with other cultures and intercultural exchanges;
- protection of some natural zones which otherwise are degrading;

Negative consequences of tourism development in the globalization context refer to:

- increase of prices which prevents population's access to touristic products;
- increase of accusations aimed at tourists as they bring only money and no development at all;
- local residents accuse lack of infrastructure in health, education and transport sectors;
- giving up former traditional trades in agriculture and pisciculture;
- more obvious differences between the rich and the poor;

- degraded morality;
- degraded environment;
- loss of regional and national identity.

4.CONCLUSIONS

The international service exchanges have lately drawn the attention of international economic analysts as to the impact this process of internationalizing has upon world economy. In other words, world economy, already in an advanced state of globalization is heading towards" a global economy based on networks alongside with the transition from a system of interdependence among the world countries so far based on commerce towards a system of interconnections based on networks" (Ghibitiu, Agnes, Development Services. From prejudices to new horizons, Ed. Expert, 2001).

Without connection to these global networks no country will progress ,on the contrary, it will register loss in businesses, research, technological development or in the speciality training of people.

If a global vision of the touristic product is envisaged then its quality will be given by the existence of a valuable patrimony, a well developed touristic infrastructure, a high standard of services on behalf of the workers in hospitality industry.

References:

[1]Feige, M. 1998. Turizam na početku novog tisućljeća. *Turizam* 48 (2): pp.109-112.

[2]Go, M.F., and Pine, R.1995. *Globalization Strategy in the Hotel Industry*. London:Routledge.

[3]Knowles, T., Diamantis, D., El-Mourhabi, J. B. 2001. *The Globalization of Tourism andHospitality: A Strategic Perspective*. London: Continuum

Ion Pârgaru, Mirela Mazilu, Aurelia Felicia [4]Stăncioiu, *Tourism – "Energy Source" for the Sustainable Development*, in in International Metallurgy, vol. XIV, no, 8 Special Issue, FMR Publishing house, 2009, pp. 64-68.

[5]Mazilu Mirela Elena, The Romanian Tourism - A Promoter of Globalization and Sustainable Development Factor, Published by WSEAS Press 2012, pp.423. [6]Mazilu Mirela Elena, Key elements of a Model for Sustainable Tourism, publish in *International Journal of Energy and Environment*, Issue 2, Volume 4, 2010, p45-54.

[7]Mazilu Mirela Elena, Roxana Ispas, The Triade: Globalisation-Environment-Tourism of European Integration, in *Annals of the University of Craiova*, Economic Sciences Series, Vol.1, 2009, pp.1-8

[8]Mazilu Mirela Elena, Towards a model of an optimal-sustainable tourist destination, publish in *Proceedings of International Conference: Cultural*, *Urban and Tourism Heritage*, CUHT 2010, Corfu, Greece, 24-26, July 2010, pp. 28-35.

[9]Mazilu Mirela Elena, *Is there Compatibility between Tourism, Sustainable Development and Environment?p.25-33,* publish in RECENT ADVANCES in ENERGY,ENVIRONMENT and ECONOMIC DEVELOPMENT, Proceedings of the 3rd International Conference on Development, Energy, Environment, Economics (DEEE '12), ISSN: 2227-4588,ISBN: 978-1-61804-139-5 Paris, France, December 2-4,2012.

[10]Mazilu Mirela Elena, Globalization-Tourism a model from Green economy Proceedings of the 2-nd International Conference on Business Administration (ICBA'2011), Montreux,

Switzerland, Dec. 29-31, 2011, p. 63-71, ISBN: 978-1-

61804-061-9, coordinated by European Society for Environmental Research and Sustainable Development, Published by WSEAS Press

[11]Mazilu Mirela., *Le tourisme roumain dans le contexte du tourisme europeen*, Ed. Universitaria, Craiova, 2007

[12]Mazilu Mirela., *Tourist Geography*, Didactică și Pedagogică Publishing House, Bucharest, 2007,pp.124.

[13]Srivastava Binoy, Swastik Publications, Tourism in the Age of Globalisation, 2012,pp 280.

[14]Smeral, E., The impact of globalization on small and medium enterprises: new challenges for tourism policies in European countries, *Tourism management* 19 (4), 1998, pp. 371-380.

[15]Thomas, H. (edt.), *Globalization and Third World Trade Unions: the Challenge of Rapid Economic Change*, Zed Books, London, 1995