TOURISM SERVICES WITHIN THE CONTEXT OF GLOBALIZATION OF THE ECONOMY

SERVICIILE DE TURISM ÎN CONTEXTUL GLOBALIZĂRII ECONOMIEI

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Abstract: *In the context of definition by analogy with the international trade of dome specific concepts of international tourism and identifying the fundamental determinants of international tourism that allow quantification of the link between socio-economic conditions and conditions of tourism specialization, as generating factors of international tourist flows; the present work aims to identify the extent to which this complex area, that of tourism services, determine the forces driving the world economy and outlines the directions through which tourism development strategies can become factors of sustainable development at national, regional and global level.*

Key words: *globalization, services, tourism, economy, sustainability*

INTRODUCTION

Now the most important global industry, tourism is often seen as a saving solution designed to support economic development of a country and the default growth of the living standard.

Based on these trends, and taking into account the tourism specifics and potential we propose some strategic directions that it could bet on to grow and become a real competitor on the world market. In this respect is required an essential condition: strategic planning leading to sustainable development and thus avoiding the difficulties that other countries have encountered (Gerea Carmen, 2006).

Global integration of goods, services and capital markets is progressing at a rapid rate which determines, in a large extent, the physiognomy of the contemporary world economy, strong and alert marked by globalization. There are several factors that prints the dynamics of

globalization: increasing trends for trade liberalization, unprecedented development of the capital markets that require greater freedom of movement, the internationalization of production and distribution of large transnational companies, the huge leap of the services trade and - not least - the means offered by rapid advances in technology (Bari Ioan, 2005)

Globalization offers – in new dimension - opportunity for wider markets, a wide possibility for marketing a wider range of goods, greater opportunities for attracting capital and access to higher technology.

But globalization also leads to the elimination of existing barriers to free competition, entire sectors being endangered to disappear or at least to "drastic" rationalization to increase efficiency (Dumitru Miron, 2003)

The globalization of world economy is regarded as the very dynamic process of increasing interdependence of nation states following the enlargement and deepening of transnational ties in increasingly large and diverse spheres of economic, political, social and cultural life, with the major implication that the problems become global rather than national, demanding in turn a global rather than national settlement. Although this process is supported, above all, by the rapid advance in terms of technology - particularly computer science, telecommunications, new materials- by its dimensions and implications it has on the whole economic and social life – at a national and international level- it extends well beyond the direct impact of technology.

Markets tend to globalize because domestic markets cannot support the rising costs of research and development or the shorter cycles of technological manufacturing of products. The causes of deepening of the globalization of world economy lies in a converging complex of tendencies, where it is shaped, with a special poignancy, rapid developments in computing and telecommunications technologies and relating thereto, the sustained expansion of the operating system through international networks, internationalization of financial markets and expansion of corporate cooperation, expansion of international tourism and intercultural contacts increase, exacerbated liberalization trends in many areas such as trade in goods, transport and telecommunications.

Globalization is manifested at all levels of contemporary society. A worldwide network of manufacturing allows companies to diversify their supply sources and markets, to implicitly mitigate risks taken and, in a general sense, it provides greater amplitude of action (Bari Ioan, 2004).

Unprecedented development of science and technology tends now to the "globalization of knowledge", which makes businesses and countries to

build new forms of cooperation based on exchange of experience between experts and opportunities resulting from the creation of additional technological capacities in countries under developing and in countries with transition economies.

The world today is very different from the world that existed two to three decades ago, when introspective approach and industrialization led by the state were the solutions adopted by most countries. When richer knowledge in technology, innovation and information, becomes "a powerful engine of prosperity", technological capacity becomes vital for achieving sustained economic development and competitiveness.

The conclusion that emerges from the foregoing is that scientific and technological progress has contributed to the increasing of the phenomena that define the globalization, through accelerating communications, transport, services, tourism development, creating consume habits increasingly standardized, identification of a higher number of problems of universal interest that attract the participation of an increased number of states and institutions to address them. Meanwhile, the influence was the reverse way as well, meaning that globalization has stimulated scientific and technological research by creating the inter-relationship world-economic, favorable to movement of material, human resources and information that can contribute to it and coordination of actions at a state or institutions level.

Local markets built on a global infrastructure are another type of l electronic market functional locally and globally. When speaking of global electronic markets not all of them have to be truly global. The real function of representation and marketing of these types of markets may be entirely local, while the functions of access, payment, security and delivery could be global. In this respect we mention the mobile commerce or the m-commerce. Localized services will likely become a key feature of mobile commerce, for example, when making an order for a taxi from your mobile when arriving in a town. Even if this is a highly dependent function on location, it requires access to a mobile network infrastructure, widely available, preferable global.

The new economy is a global economy. Globalization is more than a flow of money and goods worldwide. Globalization of markets, blurring the barriers of time and space, the customs disappear, make people live more deeply, more intensely and more immediately than ever. Globalization integrates not only economies but also culture, technology and government and has as an effect the increase of interdependence between peoples of the world. An occurrence in a corner of the globe can affect people from a

different geographic area. Development of information and communication technology, transforms our economy in a global economy. Foreign trade and capital markets are connected globally and operates continuously (24 hours / day), remote and in real time. As the merger between communications and computers is complete, is created a global cyber-space, a virtual space in which is tele-working, tele-buying it, tele-learning, and correspondence is done by e-mail. These features and concepts are reflected in new paradigm and rules (Bari Ioan, 2005).

MATERIALS AND METHODS

TOURISM - PART OF THE PROCESS OF SUSTAINABLE DEVELOPMENT IN THE NEW ECONOMY

Currently, the world economy is increasingly stated onto the globalization axis. This phenomenon is characterized by the expansion of the interest groups in the global economy and by emphasizing the role of modern technology, mainly in the areas of communication and transport, leading to a homogeneity planetary process. However, it was generated a dual economic development, certain areas, social groups and individuals being placed on the periphery of the economy and society so-called global. Despite considerable technological advances, of the science for the benefit of certain social sectors; within the global economy persists and is widening inequality, inequity, social exclusion and fragmentation of working time.

In this dual process of worldwide economy, tourism, which by its nature has a strong international character, is strongly affected, both positively and negatively. Emphasizing the degree of globalization of economic life has ***direct and indirect effects*** on tourism:

- expansion of international tourism is accompanied by the emergence of markets and destinations, which involves a redistribution of global tourist flows and income from tourism;
- deregulation of air transport makes easier to travel on long distances;
- marketing of tourism products increasingly incorporate modern technology;
- protecting the environment was converted into an indisputable requirement as the necessity to reconcile the cultural identity of tourist destinations and the tendency to homogenize mentioned before.

A key element, respectively the role of tourism in the global process is given by the particular value of tourism activity, as a creator and receptor of added value with a multiplier effect in the national economies in particular

and worldwide in general. In this context, tourism can be part of the generators activities of local development, of promotion of national identity and cultural heritage of the states. For the states which offer tourist services, projects in this area should be accompanied by substantial local capital so that the effects of external openness and effective marketing to keep profits at home and avoid leakage to other destinations, regions or beneficiaries.

With the increase of the number of tourists, increases the demand for goods and services in the receiver area which results in increased production in local industries, with stimulating effect upon economy, in the tourism related industries.

Transnational corporations operating in the tourism area and which seek to exercise control over tourist destinations, sustain the neo-liberal theories, based on openness to the outside, on deregulation of economic live and increased investment activities, regardless of the economic and social effects locally. These corporations profit from the reduced ability to negotiate of the less developed states, in order to impose programs from which local communities have an insignificantly benefit.

Homogeneity generated by modern technologies by modeling a *global culture* (world culture), tends to adversely affect tourism, the more the diversity and diversity of offer are key elements of tourism attractiveness. Thus, homogenization, standardization and uniformity, beyond the negative effects that they have at the cultural level, are sounding the alarm and economically.

Not only transnational corporations have an important role in tourism development, but also global institutions and organizations like the World Bank, UN agencies (United Nations), commercial organizations such as the World Council for Transport and Tourism, are involved in the transformation of tourism in an industry with global character, in close liaison with international investors.

There are an important number of supporters of the idea that the current model of economic development, implicitly tourism component, is not sustainable.

This lack of the sustainable character is reflected in the lack of the environmental dimension of any multilateral agreement that facilitates the process of market liberalization. It is true that the WTO (World Trade Organization) approached in debates the "environmental standards" and "eco-labeling" proposed by various international bodies, but doesn't it rather meet the interests of certain transnational corporations trying to address the environmental agenda to ensure their interests (Guillermina Fernández, Aldo Guzmán Ramos).

Tourism has converted into one of the most centralized and competitive industries in the world and concentrates a large number of transnational corporations. In recent years, these companies have exerted great pressure on governments for the liberalization of trade and investment in services.

GATS (General Agreement on Trade in Services) seek to remove the barriers of property ownership by foreigners, which until now has protected the services sector within individual states. In the hotel sector is facilitated the franchise, concessions and management contracts. Moreover, foreign travel agencies are ensured national treatment (the same rights and obligations as the domestic companies), creation of subsidiaries and branches, making payments to the exterior without any restriction.

International investments are also subject to deregulation, action promoted through the WTO. For this purpose serves the Agreement on Investment Measures (TRIM- Trade Related Investment Aspects of Measures) of the WTO and the Multilateral Agreement on Investment of the Organization for Economic Cooperation and Development (OECD). (Anita Pleumaron).

UN General Assembly adopted a resolution on sustainable tourism as an integrated part of "the program for implementation of *21 Agenda ",* action plan was that was adopted at the "Rio de Janeiro Summit on Environment" in 1992. The plan states that "for a sustainable model of consumption and production in the tourism sector, it is necessary to develop viable national policy and enhance capabilities in the field of planning, impact assessment and use of economic and regulation instruments, including related activities such as the information, training and marketing“ .

It is important to note that the UN resolution underlines the need for democratic regulations in tourist development, in contrast with the deregulation efforts of the forces that promote globalization.

Weighing the immediate, short and medium term effects of tourism development (respectively substantial profits) and the long term ones (environmental degradation, alteration of traditional value systems of peoples), it seems that the current development model is focused on the financial component so it is far from being characterized by sustainability. In this context, it is necessary to apply models of endogenous activation, where local decision-making structures are involved in large projects and play a particular role. Thus from the results of the tourism industry will benefit the population that develops and engages in such activities and will

be reflected in an increased quality of life through better distribution of macroeconomic outcomes.

The current model for development stresses the differences between countries and between social classes, and tourism, as part of the development programs and strategies, only help in concentrating profits in the hands of some interest groups (Guillermina Fernández, Aldo Guzmán Ramos).

DEFINING CHARACTERISTICS OF GLOBALIZATION IN TOURISM

We begin by recalling briefly some defining characteristics of globalization in tourism. By the notion of "globalization" we mean both the one as defined by DEX and the one defined by Webster.

■ organizing the international tourism require overcoming their own country's borders and the emergence of regional structures of global type;

■ capital concentration in tourism infrastructure is very fast, hotel chains, cruise companies, international trains, etc. appearing even before the First World War (and of the term "tourism"). Logistics of transport: by car, train, plane, etc. had to be organized by global structures;

■ the volume of capital necessary for some infrastructure elements required efforts of regional structures, sometimes of the states;

■ the tourism product, being an intangible one, determined greatly by the quality of the staff in tourism has led, on one hand at early emergence of official conduct rules but also to structures and regulations supranational or international, some adopted freely by businesses of other states, others applied by need, even against their will.

■as soon as it became mass tourism emerged transnational or international institutions and regulations;

■ one of the most subtle actions of globalization in tourism is the immense lobby that it does for itself. It comes to the point that an area will simply not exist as a tourist destination if professional global structure of global technocracy haven't penetrated in that region;

■ tourism is a global media means having all the characteristics of mass information, but with much, much higher persuasion power;

■ Tourism is a global business from its inception; from the moment they have passed from trips (reserved for people with money) to the usage of the free time of workers to produce profit.

TRENDS IN INTERNATIONAL TOURISM IN THE CONDITIONS OF GLOBALIZATION

Knowledge of trends that characterize today's international tourism is a necessity, and monitoring competitors is no longer a novelty. Any government that adopts a policy in tourism and any business that wants to operate in the international tourism market, should take into account the main trends that characterize the industry (Gerea Carmen, 2006):

■ Competition between destinations is strong and that is way each country needs to know their potential customers and to position them, the success belonging to those who know how to exploit their comparative advantages (Hughes H. Allen, 2005). This led to an increase in marketing expenses.

■ Competition between manufacturers and wholesalers of tourism is also fierce, especially in terms of tariffs (i.e.: low cost airline) and the desire to meet more customers.

■ The number of multinational companies in the tourism industry is growing, as well as their financial power.

■ New products have appeared: hotel- boutique, educational travel, etc.;

■ Distribution and marketing of tourism products is strongly influenced by the development of new technologies of information and communication;

■ New forms of tourism have been developed: rural tourism, ecotourism, community tourism, adventure tourism, etc.

■ More and more lucrative and non-profit organizations have started campaigns to guide "consumers" to sustainable and responsible tourism.

■ Organizational structures at local, national and international level have also evolved in recent years; the current trend is that of decentralizing authority and separation of roles in the organization of tourism. Public-private partnerships (PPP) have also proved a helpful solution for managing some tourism development projects, for financing promotion campaigns etc.

■ The need to satisfy internal customers (i.e. employees), has led to innovative techniques in human resource management.

■ Also, a better adaptation to the changes imposed by globalization, requires large companies to change their organizational behavior and to innovate (Go, FM, 1998).

■ In terms of customer development, one of the most important demographic trends that has begun to occur in Western Europe and North America but is still in its infancy, is aging of the population. It's the "baby boomers generation " who now has reached or is approaching retirement, have free time to travel, have above average income and a peculiar behavior in travel (Serrière, F., 2003).

■ Tourists are becoming more experienced in travel.

■ Being in close relation to other socio-economic areas, international tourism is vulnerable in this regard. Terrorism, armed conflicts, natural disasters, epidemics are external factors that may interfere with the flow of foreign tourists to specific destinations.

EFFECTS OF MASS TOURISM GROWTH

Like any phenomenon of this magnitude, mass tourism has both positive and negative effects. Important isn't that the negative effects to completely be removed (which should indeed be unrealistic), but only that they are reduced and opportunities to be seized and used.

Among the positive effects of increased foreign investment in tourism we can include the increase of the number of jobs, increase incomes and living standards. But openness to foreign investors hasn't necessarily immediate major positive effects: *"Over 65% of revenue from tourism in Mediterranean countries is going into the pockets of approximately ten companies from countries emitting tourists that owns or controls air transport companies, tour hotel operators and hotel structures "(Cazelais,* N., 2004).

To help develop the local tourism industry and reduce the foreign control, national authorities of many countries came to support local entrepreneurs through counseling programs, grants and subsidies. We must mention that such policies can be considered protectionist unless they meet certain conditions stipulated in international agreements such as GATS (General Agreement on Trade in Services).

The fact that some countries or regions are attractive for tourists, gave them another chance in the struggle for survival. Perhaps one of the most important merits of tourism is maybe promoting cultural exchanges, peace, understanding between peoples and the idea of "global community" (Goeldner C.R Ritchie, 2003).

Many see tourism as a means of saving the national economy, which is a mistake, because a "healthy" economy can't depend only on an economic sector. Countries that depend exclusively on tourism are

considered fragile environments, and any external event that affects tourism can have devastating effects on them.

Tourism cannot develop unless its social and economic environment is favorable (D. Dumbrăveanu, 1999).

Once the necessary bases for its development exist, it will contribute directly to the economic growth and improvement of living conditions. It is difficult to make a clear distinction between what is positive and negative in tourism development because often the short-term impact is positive and negative on the long term. Let's think of a particularly attractive natural area. Tourists will come, attracted by the natural beauty, but if this wealth is not protected, the environment will degrade and the destination will lose its attractiveness.

Table 1.

The main positive and negative effects of mass tourism development in the context of globalization

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Positive	**Negative**
Slowing immigration of young people and even the return of migrants to work in tourism	Price increases, which hinders access of local people to tourism pro
Increasing the number of jobs	Tourists are accused that they brought the money, but not development as well
Growing incomes and living standards	Locals complain that the State did not create the necessary infrastructure to increase living standards, particularly health, education and transport
Contact with other cultures. Intercultural exchanges	Abandoning certain occupations, leading to loss of traditional jobs, especially in agriculture and fishing
Protection of natural areas that were doomed to degradation, and, finally, disappearance	Differences between rich and poor are becoming more and more obvious
	Degradation of morality
	The young ones are attracted by the modernism of the foreign tourists, adopting their behavior
	Environmental degradation
	Sex tourism involving children
	Loss of regional and national identity
	Tourism maintains inequalities between men

Source: Tsartas, P. Socioeconomic Impacts of Tourism on Two Greek Islands, *Annals of Tourism Research,* volume 4, no. 2, 2005, pp.74-105, WTO, trade Service: http://www.wto.org/english/tratop_e/serv_e/serv_e.htm

INTERNATIONAL TOURIST ACTIVITY – ACTIVITY BY EXCELLENCE GLOBAL

The car appearance and the expansion of the American style led to the development of infrastructure. In this area the state intervened directly. Without roads, airports, railways, ports, sewage, water, electricity etc. cannot be tourism activity. Approach of infrastructure, although different from country to country, mainly due to specific historical moment of its creation was yet unitary to make compatible facilities in various countries for easy use. International agreements between states, using the UN system were determinations. Less known is the lobby made of circles interested in further exploitation: car club members, of yachting and aviation clubs were often those who have directly decided or major influenced political decisions both on the rules and on the international funding.

But the private sector focused on the areas with direct profit: hotels, restaurants, entertainment. But here as well many projects have been substantially aided by the State.

Globalization in hospitality runs deep, from 1880-1890 (Go, M., Pine, R., 1999) following a series of steps: *ethnocentric,* chains within the same country, *ethnocentrism,* national chains as a foreign expansion like an "appendix" *polycentrism,* based on a national management on a "country by country" base, *region centrism,* focusing on a region *geocentricism,* quasi - world expansion based on functionality, stability and standardization of product for cost savings. In parallel, the evolution of product development strategy from offering only rooms to conferences, then health centers, that we find today in all major hotels chain.

The value of the chain concept include: real estate acquisition, facilities of construction and design, franchising, operational management, management of human resources, marketing and sales, reservations and information, administration control, customer service. is it is evident the predominance and influence of American capital. We stress that this phenomenon was completed in hospitality since the six decade of the last century, while in other branches started globalization only from the 7-8 decade. Besides its pioneering, the hotel system was the environment that formed global technocrats, where they met and where further actions were devised. And no one protested against globalization of hospitality: many

profited as well, using their free time as tourists for profit of the global structures.

We mention another issue that shows the importance of global decision and how it starts to work. Until the war, the Europeans treated themselves in resorts, some famous. Noting that large hotel chains don't have significant establishments in resorts, we have found a explication for this in the U.S. system as well. American medicine is considered a business. Treatment cost is a loss. Therefore the medical act must send the ill person back to work as soon as possible, as shown foregoing. The development of the chemical industry has offered a large and profitable range of medications; much more profitable then spa treatment. Moreover, it's immediately profitable, where the multiplying effect of a tourist that came for spa treatment is much slower. And still, the poorer countries are encouraged to develop the naturist tourism and therefore, to actually take over the responsibility of the global systems. Yet, all the major hotel chains (brands) have facilities for sports or fitness, under a form or another, this offer being implied by the technocrat clients.

CONCLUSIONS

In a global world we must live at a global level. But integration is impossible without learning the rules of worldwide tourism, without learning and respecting the code book. Especially you can't ignore that the effect of tourism is in respect to the future. The sensation of the present are sublimated, memories became past; past that will determine the future action. Tourism is not only a school about others, but it determines the way we are going to live with the other ones, what our attitude will be. Our world, the one created by tourism producers, is a global one, only one ethnicity: the human race.

The increase of the number of tourists worldwide is going to be 4%, this tendency being maintained until 2020.

The impact of tourism activity within worldwide economy, can be identified, in the degree in which the worldwide economy is seen as a system in which every national economy is an important component to assure the harmonious functioning; tourism is found to be an essential element to valorize the economic potential both in the develop countries, as well as in those under development. These statements are based on the multifunction ability of tourism and its importance correlated with:

■ diversity of economic structures;

- valorizing resources;
- growth of national income;
- creation of new jobs;
- stimulating the investments;
- reducing the inflation;

International services exchanges have attracted, in the past years, in a growing extent, the attention of the analysts of the contemporary international economic scene, which is subsequent to their role as *a globalization factor of the worldwide economy*, with the all consequences for the national development strategies, respectively for the ones of integration in the worldwide economy structures.

Tourism has converted into one of the most centralized and competitive industries in the world and concentrates a large number of transnational corporations. In recent years, these companies have exerted great pressure on governments for the liberalization of trade and investment in services.

GATS (General Agreement on Trade in Services) seek to remove the barriers of property ownership by foreigners, which until now has protected the services sector within individual states.

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