
RECENT EVOLUTIONS IN THE INTERNATIONAL TOURISM OF ROMANIA

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Abstract

With all inevitable limits, the arrival of foreign visitors at borders can be considered one of the most sensitive indicators to the modifications of the internal and external environment, being the result of the correlated actions of several factors:

- *objective factors, essential and systematic, that reflect tendency;*
- *seasonal and repeatable factors, that reflect fluctuations revolving around trend;*
- *particular factors, specific to the respective period, of a conjunctural nature (short term), or of a structural nature (long term).*

The arrival of foreigners is one of the first indicators that signaled the inevitability of crisis. The systematic influential factors such as the size of the demand and the touristic potential, the geographical distance and the accessibility of the infrastructure, the prestige and opportunities of the touristic zones, have not managed to contract the negative effects of foreign visitors anticipations, especially about the reduction of future incomes.

Keywords: tourism statistics, international touristic flows, the arrival of foreign visitors.

JEL Classification: C46, F10, L83

1. Preliminary considerations

To characterise international touristic flows in methodological comparability conditions, two indicators are usually used: the arrival of foreign tourists and income from international tourism.

In the case of tourist arrivals, by existent data sources and the analysis's target, one can calculate: the arrival of foreign tourists at the border (excluding one day visitors), the arrival of foreign tourists at the border (including one day visitors) and the arrival of foreign tourists in housing structures (hotels and alike, units for collective accommodations). Presently, only the last two indicators are available for Romania.

In the case of income from international tourism, the information is found – in an aggregated and incomplete form – in the balance of external payments. For the purpose of obtaining reliable information, the National Institute of Statistics prepare presently a statistics research overlooking the touristic expenses of non-residents.

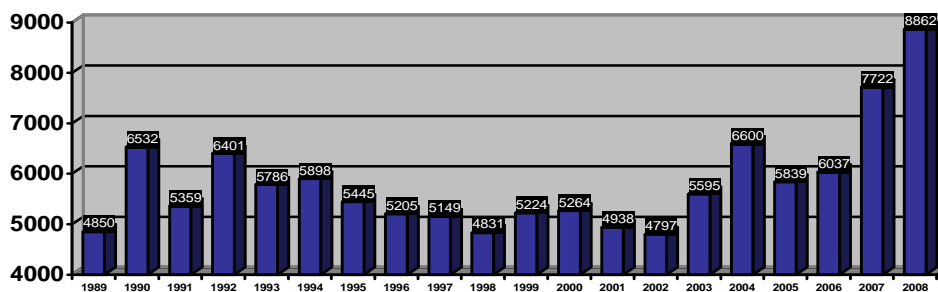
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These are the reasons why the touristic international circulation in Romania will be analysed in this study, only based on the indicator “arrival of foreign visitors” (AFV).

2. The evolution of the arrival of foreign visitors between 1989 and 2008

In the last 20 years, the number of foreign visitors’ arrivals in Romania has recorded a sinuous path, being influenced by a series of elements that are tied to the internal environment, as well as the external environment.

Chart no. 1 The arrivals of foreign visitors in Romania during the 1989-2008 period thou. of arrivals



Source: Made based on the data in the *Romanian Statistical Yearbook*, editions 1995, 2000, 2005, 2008, National Institute of Statistics.

Thus, three stages can be identified:

- The 1989-1994 period is marked by an oscillating evolution from year to year, maybe as a reaction of internal problems, economic, social and political of the period.

- The 1995-2002 period, when a declining trend is recorded (which was accompanied by the hardest transition period), until the AFV minimum of 4.8 million in 2002 (a level even more reduced than in 1989). The declining trend was interrupted by the growths in 1999 and 2000. There’s a possibility that the positive trend of the period started in 1999, but this was interrupted by “the fall” in 2001 and 2002 which reflects a phenomenon generally recorded worldwide, after the events of 11 September 2001.

- The 2003-2008 period is characterised by an impressive growth of the AFV, because of an obvious political stability and a partial fructification of opportunities (not only of touristic nature) that Romania had to offer. The 2003-2008 period is marked by two events:

- The first event, the integration in the European Union of the first 10 states’ group in 2004; the spectacular growth of the AFV in this year is owed to the flow of

visitors from Hungary (from 1.5 million in 2003 to 2.6 million in 2004), surely as a result of the impact of economical problems (for example, the price growths in the visitors' home country);

- The second and most important event, the integration in the European Union of Romania (and Bulgaria), on the 1st of January, 2007, was followed by an unprecedented growth of the AFV, from 6 million in 2006, to about 8.9 million in 2008.

3. The primary tendencies after the accession of Romania to the EU

- During the 2006-2008 period, the touristic flows from states in the EU to Romania grew with no exceptions. Consequently, these states' share in the total number of arrivals of foreign visitors grew from 53% in 2006, to 62.8% in 2008 (annex no. 1). The biggest absolute growths were recorded from these visitors' home countries: Bulgaria (+715 thousand arrivals), Hungary (+583), Poland (+202), Germany (+179), Italy (+155), Slovakia (+107), The Czech Republic (+83), Austria (+59), France (+54), Greece (+54).

- In other states' cases (European, but not members of the EU, as well as from other continents), three different situations stand out:

- Absolute growths of the AFV: Ukraine (+297 thousand arrivals), Turkey (+84), Israel (+34);

- Modest absolute growths of the AFV: Serbia and Montenegro (+17 thousand arrivals), the Russian Federation (+9), the United States of America (+7);

- Absolute declines of the AFV have been recorded only in two situations: the Republic of Moldova (-61 thousand arrivals) and Belarus (-6), possibly as a consequence and of borders' formalities imposed by the new conditions.

- These different evolutions affected the top 10 list of visitors' home countries.

In 2008, Hungary was at the top of the list, taking the Republic of Moldova's place, and Bulgaria surpassed Ukraine. Countries such as Germany, Italy, Turkey and Austria, of whose flows depend on a much smaller scale on conjunctural factors, maintained their positions. The progress of Poland in the list is to be remarked, but so is the decline of Serbia. The latter is the only adjacent country, that in 2008, isn't in the top 10 countries list.

Table no. 1 The hierarchy of visitors' home countries in Romania

Position	Country	2006	Position	Country	2008
1.	Rep. of Moldova	1.490	1.	Hungary	1.950
2.	Hungary	1.367	2.	Rep. of Moldova	1.429
3.	Ukraine	433	3.	Bulgaria	1.114
4.	Bulgaria	399	4.	Ukraine	730

5.	Germany	343	5.	Germany	522
6.	Italy	278	6.	Italy	433
7.	Turkey	219	7.	Turkey	303
8.	Serbia & Montenegro	167	8.	Poland	277
9.	Austria	151	9.	Austria	210
10.	United States of America	130	10.	France	183

Source: *The Romanian Statistical Yearbook* – 2008, National Institute of Statistics.

4. Influential factors

- Without a doubt, the first influential factor of the evolution and level of foreign visitors' arrivals in Romania is the geographical position, the distance between the home country and Romania.

Thus, the adjacent countries held 61% of the total number of arrivals in 2008, being an maintaining to be – the primary emitter, even if their share is in decline (in 2006 it held a value of 63.9%). For the touristic flow from these countries, the analysis should be continued through the study of the purpose of the journey: transit; one-day trips for different reasons; visits to friends and relatives etc. This information is not found, however, in current statistics. The scale of the phenomenon can be estimated with the help of two elements:

- The arrival of foreign visitors at the border is found only as 20-24% of tourist arrivals in accomodation structures;

- The home countries of accomodated tourists, organized after their number, are different than the adjacent countries (Germany, Italy, France, the United Kingdom, the United States of America, Austria, Israel, etc.).

In addition, the countries near Romania - geographically speaking – have registered significant rises. Poland, the Czech Republic and Slovakia reached a cumulated share of 6.3% of the total number of arrivals in 2008 (as opposed to 2.8% in 2006).

- The second influential factor is represented by the strong and developed economic relations between Romania and the respective countries. Thus, in the list of top countries partner in the international trade of goods (import and export of goods), as well as in the list of direct foreign investments in Romania, we find - mostly – countries with a rising significant touristic flow: Germany, Italy, Austria, France, Turkey, Netherlands, etc.

Table no. 2 Main partner countries in the international goods trade

Position	Country	Weight in total	Weight in total exports	Weight in total imports
1.	Germany	17.1	17.0	17.2
2.	Italy	14.3	17.0	12.7
3.	France	6.8	7.7	6.4
4.	Hungary	6.5	5.7	6.9
5.	Turkey	6.0	7.0	5.4
6.	Russian Federation	4.5	1.4	6.3
7.	Austria	4.0	2.6	4.8
8.	Netherlands	3.1	2.1	3.6
9.	Poland	2.9	2.2	3.4
10.	United Kingdom	2.7	4.1	1.9

Source: The *International Trade Yearbook of Romania*, 2008, National Institute of Statistics.

Table no. 3 Direct foreign institutes in Romania on the 31st of December 2007 -allocation based on home countries-

Position	Country	Millions of euro	% in total ISD
1.	Austria	9.161	21.4
2.	Netherlands	6.988	16.3
3.	Germany	5.020	11.7
4.	France	3.759	8.8
5.	Greece	3.192	7.5
6.	Italy	2.617	6.1
7.	Switzerland	2.191	5.1
8.	Cyprus	2.015	4.7
9.	Turkey	822	1.9
10.	Hungary	738	1.7
Total		42.770	100.0

Source: *Direct foreign investments in Romania on the 31st of December 2007*, National Bank of Romania.

At the same time, countries with economic relations similar to Romania are relatively modest and – in addition – the geographical distance which separates us is considerably large, record reduced levels of AFV (Denmark, Finland, Ireland, Portugal, Sweden, etc.)

- Another influential factor results from the existence of relationships of a traditional, cultural, historic nature. This is the case, primarily with Israel, but also with Turkey, Hungary, Germany and Greece.

• The touristic flows must also be analyzed by the population number in the emitting countries. Thus, absolute flows aren't significant in countries with reduced population. Given this situation, for a correct interpretation, the dynamic of the flows must be considered. For example, the flows from Slovenia and Estonia have risen in the 2006-2008 period three times (from 12 thousand to 37 thousand, respectively from 2 thousand to 6 thousand)

5. Recent Evolutions

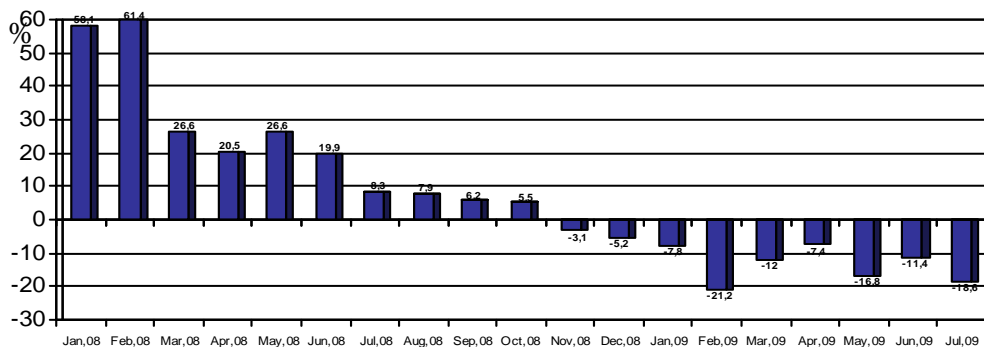
With all the inevitable limits, the arrival of foreign visitors at borders can be considered one of the most sensitive indicators to the modifications of the internal and external environment, being the result of the correlated actions of several factors:

- objective factors, essential and systematic, that reflect tendencies.
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The year 2008 – as presented – was the peak year regarding international touristic flows to Romania, registering a rise of aprox. 47%, respectively 2.8 million more arrivals than the year 2006. A monthly detailed analysis, reveals, however, an expected phenomenon when looked upon retroactively. Thus, the growth rhythm of the AFV, calculated against the corresponding month of year 2007 (to eliminate the influence of the seasonary factor), reflects an unexpected but perfectly explainable path, when the impact of the economic and financial crisis was felt.

Chart no. 2 The evolution of the arrival of foreign visitors in Romania in 2008 and 2009

The percentual variation (+/-) compared to the corresponding month from the previous year



Source: Created based on the Monthly Statistical Bulletin no. 1-9 / 2009, National Institute of Statistics.

- During the first two months of the year, the percentage rises were spectacular (58-60%), although January and February are – usually – the months when the AFV is reduced.

- Next is a period of eight months (March - October), in which – even if the AFV rose comparatively to the same month of 2007 – the rhythms were much less alert, situating on a declining trend (from 26% in March and May, to 5-6% in September and October).

- From November, the AFV started to decline: –3.1% in November, –5.2% in December and further, –7.8% in January 2009.

In conclusion, the AFV is one of the first indicators that signaled the inevitability of the crisis. The systematic influential factors such as the size of the demand and the touristic potential, the geographical distance and the accessibility of the infrastructure, the prestige and the opportunities of the touristic zones, haven't managed to contract the negative effects of foreign visitors' anticipations, especially about the reduction of future income.

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Annex no. 1 The structure of arrivals of foreign visitors in Romania by home country

percent of total -

	2006	2008
Total	100.00	100.00
European Union	53.03	62.81
Hungary	22.64	22.01
Bulgaria	6.61	12.57
Germany	5.68	5.89
Italy	4.60	4.89
Poland	1.24	3.12
Austria	2.50	2.37

France	2.14	2.07
Slovakia	0.68	1.68
Czech Republic	0.86	1.53
United Kingdom	1.49	1.45
Greece	1.06	1.33
Netherlands	0.83	0.90
Spain	0.71	0.80
Belgium	0.45	0.50
Slovenia	0.20	0.41
Sweden	0.30	0.28
Denmark	0.28	0.19
Portugal	0.15	0.18
Ireland	0.18	0.16
Cyprus	0.15	0.13
Finland	0.11	0.11
Lithuania	0.07	0.11
Estonia	0.03	0.07
Latvia	0.03	0.05
Luxemburg	0.02	0.02
Malta	0.02	0.01
Other states, of which:	46.97	37.19
Republic of Moldova	24.68	16.12
Ukraine	7.17	8.23
Turkey	3.63	3.41
Serbia and Montenegro	2.77	2.07
United States of America	2.15	1.55
Israel	1.03	1.08
Russian Federation	0.89	0.71

Source: Calculated based on the information in the *Statistical Yearbook of Romania*, 2008, National Institute of Statistics.