INTERNATIONAL TOURISM FROM A GLOBALIZATION PERSPECTIVE

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Abstract:
Globalization, seen from the standpoint of the multiple areas of human activity, mixed with the social and cultural realities from across the world, is the process of interconnecting of the human, social and economic activities and values and the internationalization of the knowledge, customs, cultural values, technological advances through active exchanges across nations and societies.

The same stages of the globalization process (inception, consolidation and fast growth) are largely reflected in the travel & leisure industry, either at a general level or customized to the specifics of the this industry. Globalization resulted into the internationalization of the demand for tourism and the creation of a global travel market in which the travelers are global citizens.

Analyzing the tourism industry from a globalization point of view and looking at the over 1.2 billion international arrivals, one wonders whether the tourism phenomenon follows the overall globalization pattern or whether it’s just a side effect of it, impacting (and benefitting) only particular regions, countries and segments.

Keywords: globalization, tourism, impact, human development, economy

1. Introduction

We currently live in an amazingly mobile world, in which everything is on the move and everything changes around us at a rapid pace. The modern individual also became “global” through the easy access to the mass-media, which distributes information, cultural values, creates and turns lifestyles that become aspirations for most people. And since everything around him is on the move, the individual starts to feel the need to “be on the move” himself, to experience new sensations directly and not through a TV channel. This new desire of the modern individual turned into today’s tourism, a complex phenomenon precisely due to consumers’ diverse needs and increased demands that force a new development of the industry, not only in terms of size, but also in terms of structure. Tourism niches become more and more specialized, customer segmentation deeper and deeper, customized on detailed profiles based on a high number of criteria. As a result, we now have an almost endless range of types and forms of tourism, among which: adventure travel (split into branches focused on sports and extreme sports), exploration travel, cultural tourism (further segmented into several niches), urban tourism, religious tourism (pilgrimages and travel to religious events), wellness tourism (including spa tourism and medical tourism). The only constant in today’s tourism is it continuous change: an ongoing transformation of this industry, including a series of new shapes and methods.

The tourism industry, due to its characteristics, is very sensitive to the marketing efforts; information, the commercials and promotions are the only ways that can bring

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consumers to the travel destinations, since the travel “product” cannot be sampled in advance. Barring other sources of information, we trust the marketing messages, and their forceful nature pushes us to act, to leave our day-to-day lives and go search for recreation through new travel experiences. These days, tourism sells not only recreation, but also “experiences”. The airlines, hotels, the destinations – they all promise unforgettable memories through the experiences they offer. A hotel is not only a place to sleep, but a reason to embark on a trip in the first place. Otherwise, why so many commercials promoting 7-star hotels? And why 7 stars, considering that no 6-star hotels actually exist? Because the most frequently used classification system (the one using up to 5 stars to rate a location) cannot meet the clients' expectations, who are inundates by the similar offerings from thousands of hotels, all with the same rating. And if the stars become insufficient as well, alternatives are available: famous names and brands, celebrity designers who connect their names with the travel industry (so we now have Bvlgari and Versace hotels), as well as hotels that offer unique locations, themes and construction design: boutique hotels, underwater hotels, ice hotels or hotels built inside a cave. All these transformation occur in the background of a newly developed worldwide mobility – waves of tourists who travel from the north toward the “sunny south”, or to find new tourist attractions, combined with a global supply of travel destinations throughout most regions of the planet and a massive display of travel resources (natural or cultural) that transform the world into an enormous stage on which the key players of the industry mimic the role of the puppeteers who guide the flows of tourists.

2. Perspectives on the Theory of Economic Globalization

As a term, “globalization” was first mentioned in 1961, but started to gain notoriety only in the ‘80s, later becoming a common term applied to most areas of today’s life: global economy, global market, global governance\(^1\), globally applied technology, global knowledge, global production, global distribution chains etc. Basically, in today’s world, every science can – and ought to – be analyzed through a global lens, considering the multitude of definitions and theories that evaluate this concept and allow its study from various angles and points of view.

The foreword to the 1999 Human Development Report, titled “Globalization with a Human Face” mentions that “This era of globalization is opening many opportunities for millions of people around the world. Increased trade, new technologies, foreign investments, expanding media and Internet connections are fuelling economic growth and human advance”\(^2\), supporting the idea – in an optimistic view – that the global market and technology and the universal solidarity have a decisive, positive impact on the quality of life for people everywhere, offering them choices that otherwise would not be available.

The process of globalization has integrated into the social-economic realities of the world, not only as a result of the direct influences from the market-based economic

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\(^1\) "Global governance refers to, on one hand, the current institutions, such as the United Nations (UN), the World Trade Organization (WTO) or the World Tourism Organization (UNWTO); on the other hand, it refers to the actions of various players who fight for human rights, from nation-states to regular citizens and the civil society", Annabelle Mooney, Betsy Evan, - Globalization The Key Concepts, Routledge Taylor & Francis Group London, 2007, pp. 107-108.

system and the introduction of new technologies, but mainly because of the changes in the social fabric of the society. We live in a complex world and its complexity is triggered by the way the different societies interact with each other and by the decision mechanisms and the various economic systems. These are international efforts trying to prevent globalization's numerous adverse effects; until the globalization process reaches the stage at which it can provide the mankind with the benefits touted by the researchers, it is still a tool used mainly by the elites from the economically developed countries to increase their wealth. The human aspirations for economic equality and development for all remain, in most cases, just a string of words in the foreword of various declarations and plans for future action. According to many researchers, globalization creates a framework "that allows the rich from the most developed countries to get richer, while the poor can't even hold their own (...) resulting in rich countries of poor people".1

Going back to the analysis of globalization, it involves "an increased cross-border flows of goods and services, information, communications and people"2 that is facilitated by a series of factors, such as:

- The trade liberalization and the increase in the international trade;
- The large volume of foreign investments;
- Privatization of state-owned companies;
- Deregulation of the financial markets;
- The large volume of international freight transportation;
- The increased global air transportation traffic;
- The surge in the number of multinational and transnational companies etc.

At the same time, globalization is based on a number of principles, among which:

- The way in which it forces efficiency, competitiveness and profits for states, markets and companies at an international level;
- Social reorganization of individuals, institutions and organizations, who go through continuous transformations, becoming a leading globalization factor;
- The ability of the economic resources, such as the capital, human resources, technology, manufacturing and consumption, to quickly migrate toward the more profitable areas of the economy, without concern for the major social-economic impact these transitions have upon the affected countries, communities and individuals.3

To summarize, in today's society it is unconceivable for one part of the world to act without considering the other ones. Whether we are for or against globalization, we are all involved in this process and feel its impact. It is also obvious that the globalization process is not yet finalized, since the level of participation of various countries in the international exchanges is still extremely different and diversified.

New research efforts in the area, attempting to collapse and distinguish among the different existing visions, identify 3 main perspectives that attempt to clarify the wide

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range of – sometime conflicting – ideas and theories related to globalization: the hyperglobalist, the traditional and the transformative approach.

The hyperglobalist theories look at globalization as the result of a "Mc World"\textsuperscript{1} type of world, where the global society becomes the image of a single market reflecting the characteristics of the American society and in which the role of the governments diminishes, according to the neo-liberal school of thought that focuses on the free market. The countries that are unable to keep up the pace with the new technologies and with the rules of the global market are left behind, resulting in new threats to the efforts to close the already existing gap between the rich and poor countries. Globalization changes the north-south equation, creating new types of winners and losers.\textsuperscript{2} The hyper-globalization theories see the humankind on a continuous journey, with globalization being the next stop, the next stage in the human history.

The traditionalist perspective. The supporters of this approach claim that the hyper-globalization advocates based their theories on unsustainable myths and that their debates on this topic resemble a mass hysteria, far from reality, since all the studies done reveal that there's no perfect global market, governed by the same rules and offering the same prices and that there are no truly global market interactions. The traditional approach claims that the economic activities are not becoming globalized, but regionalized. Even the trans-national corporations (seen as the main globalization agents by the hyper-globalization supporters) get 2/3\textsuperscript{rd} of their revenues in their own country or region, thus proving the case for regionalization and localization.

Another traditionalist theory analyzes the gaps in wealth among the world's regions and countries, which is still a reality of the economic world, observing that these inequalities and differences in social hierarchies have not been mere exceptions, but common occurrences of the past decade. "The world is not becoming a place of mutual understanding and collaboration, but an arena for the struggle of the civilizations"\textsuperscript{3}. Globalization and regionalization processes also appear to be conflicting trends in the future of the economic development.

As far as the role of the of government is concerned, this school of thought believes that the government-originated national policies are crucial for the development and internationalization of the economies, a view opposite to the hyper-globalization, which sees an overwhelming role for the free market forces, with the national governments virtually relegated to the role of a minor player.

The transformationalist perspective. “At the core of the transformative school of thought there is the idea that, at the beginning of the new millennium, globalization is the main driving force behind the quickly paced social, economic and political transformations that shape the modern societies and the international order”.\textsuperscript{4}

Among the proponents of transformationalism, globalization is behind the deep transformations across all areas of human activity, an opposite view compared to

\textsuperscript{1} Barber, B.R. „Jihad vs Mc. World”, New York: Times Books 1995
\textsuperscript{3} Munar, Ana Maria –op.cit., p.356.
hyperglobalism’s belief in a perfect global market, but also to traditionalism’s view of
globalism as a myth or as a result of a worldwide mass hysteria. The transformationalists
believe that the unprecedented changes in the social, economic and political life make life
in today’s society more complex than ever. We are currently living in an inter-dependent
world and are in the middle of a complex process of inter-connections, a world in which our
decisions can impact individuals and communities on the other side of the planet.
“Globalization is best understood as expressing fundamental aspects of time-space
distanciation. According to this concept, globalization implies an expansion of the social,
political and economic activities beyond a country’s borders, so activities, events and
decisions from one region are relevant to individuals and communities in a different one”.

Globalization must be seen as being a very differentiated process, in which change
has the key role and involves not only economic and technological changes, but an overall
set of changes impacting all human activities: economic, political, social and cultural.

“Glocalization” is another term popularized by the proponents of transformationalism;
glocalization is the globalization of the local values, activities and norms, an idea best
reflected by the economies of the large modern cities, which reveal main a process of
localization, rather than globalization. The idea of “global”, while apparently opposing the
concept of local, is meaningless outside the idea of “local” communities, micro-regions or
states; at the same time, the concept of “local” only becomes meaningful within the context of
a large, global community. “If the idea that globalization turns the nations into large
neighborhoods is true, the fact that the neighborhoods become small nations is also true.” The
local cosmopolitan distinction questions the assumption of a global uniformity. “North” and
“south” are not only geo-political entities anymore, since the globalization creates new
hierarchies that penetrate all the societies, while the social stratification covers all levels of the
society: local, national and global. The classic north-south division is not just a macro reality
anymore, as it now starts to cross all geographical and territorial divisions, becoming apparent
in all the large cities of the world.

From a political standpoint, globalization in a transformationalist perspective
represents a new challenge for the modern nation-states, as they are in a process of
reconstruction and re-invention. These nation-states have to start sharing the power
monopoly with other political structures at both local and trans-national level. Strong,
non-territorial, economic, social and political organizations impact and create new power
centers across the world.

From a geographical standpoint, today’s world is very different from the one in the past:

- Larger metropolitan areas (urbanization is a trend generated by globalization);
between 1985 and 2005, the urban population in developing countries grew by more than
8.3 million a year. The big difference is that the world’s largest cities are much larger
today. The average size of the world’s largest 100 cities has grown to almost 10 times
their size in 1900.

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1 Held, D; Mc. Grew, A.; Goldblatt, D.; Perraton, J. –op.cit., p. 15
2 Robertson, R. 1995. ”Globalization: Time – Space and Homogeneity – Heterogeneity”, in M
3 Mamulea Mona, „Glocalizarea: o ipostază modernă a acculturației”, www.respiro.ro
4 The International Bank for Reconstruction and Development / The World Bank- “World
• Markets are becoming wider because of the advances in communications and transport technology; global trade as a share of production is now more than 25 percent, almost five times more than in 1900.1

• Production of goods and services is spatially concentrated; nine-tenth of the world’s GDP is produced on just 16 percent of the land area. China, Japan, and the United States produce about half of global GDP and the 15 largest economies produce about 80 percent.2

• At the same time, while the so-called "global village" is mentioned more often than ever, the world is also more fragmented than ever. While some domestic markets have merged together and thus have grown larger, the world has been witness to unprecedented political fragmentations, as the former European colonies from Africa and then the former members of the Soviet Union and Yugoslavia gained their independence. In 1900 there were about 100 international borders. Today, there are more than 600 (Fig. no. 1), as nations in Asia and Africa gained independence from European colonizers, and the Soviet Union and other communist countries (such as Yugoslavia) broke up into smaller nations. Geographically speaking, was the world really more global more than a century ago? Is globalization just a form of modern colonialism and is the global market actually the world's largest shopping mall?

Globalization is definitely a key component of today's development trends, but it must be accepted – without considering this as an anti-globalization posture – that this phenomenon requires a very balanced political approach in order to reach fairness for all nations. As Albert Einstein was saying: “As long as sovereign states continue to have separate armaments and armament secrets, new world wars will be inevitable. In my opinion the only salvation for civilization and the human race lies in the creation of a world government.” Einstein's statement implies that the risks of globalization can only be controlled through a strong and credible institutional system that would function at local, national, regional and global levels. It's within our power to turn this reality of our times into a tool for economic development that would benefit the entire mankind.

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1 The International Bank for Reconstruction and Development / The World Bank, op.cit. p 12.
2.1. Tourism, Integral Part to Globalization

The growth of the global financial markets and international trade – which resulted in an increased role of the transnational corporations and their domination over the domestic economies – completely transformed the world, from one based on individual economies and societies into a single large economy, governed by the special interests of corporations and other various elites. The formerly diverse societies are becoming standardized and homogeneous under the rule of the mass-media empires and common consumerist tendencies. Globalization is thus creating a new social construct – the "global village" (a term popularized in 1960 by Marshall McLuhan). Globalization brought along a standardization of the production and a "McDonald"-ization frenzy seized the business world eager to grow sales and profits as a result of implementing proven American business models. The impact of consumerism, standardization, and mass-media' manipulating effect of the masses of consumers are seen not only in the worldwide consumption of some brands, such as Coca-Cola, but also in the internationalization of some traditions and celebrations: the Christmas holiday and the classic Santa Clause image are now frequently encountered on the Asian continent, while the myth of Dracula brings significant profits to operators in countries such as UK, Canada or Hungary – countries that were able to exploit this concept and create travel destinations for those wanting to experiment bizarre sensations during their trip, despite being located far from Dracula's Transylvanian birthplace. Using economic, technological, communication and political tools, globalization managed to eradicate any time, space, linguistic and cultural barriers.

2.2 Perspectives on the Globalization of Tourism

Globalization was the result of the capitalist society's desire to expand and grow, combined with the desire for quick profits from the investors targeting the cheaper natural resources and market potential of the poor countries and further combined with the developing and poor countries' desperate attempts to grow their economies by opening them to the transcontinental flows of capital and goods, seen as engines for economic growth and higher employment. However, these governments are now being faced with the consequences of globalization, risking losing their power of decision and having to take unpopular decisions that negatively impact their own societies, but favor the multinational corporations. The countries impacted by severe economic crises are the perfect example in this sense: placed under pressure by the foreign investors (who show little interest in the positive economic or social impact their businesses have on the local communities, while focusing primarily on their share of profits from their investments) who threaten to withdraw their capital, close (or relocate) their manufacturing facilities, these governments have little choice but to issue tax waivers, subsidies and other fiscal measures benefiting the foreign investors, while raising the taxes paid by the local residents or giving up legislation meant to protect their natural habitat and resources. Such situations are frequently encountered in the travel industry, where developing and emerging countries open their doors for foreign investments made by hotel chains, mass tour-operators and airlines on terms very favorable to these foreign players. Undoubtedly, these arrangements do provide benefits for host countries, contributing to their economic development, but the negative impact at the local level is significant and cannot be
ignored. An obvious example here is the all-inclusive system used by many hotels (most of them affiliated to an international brand) to make them more competitive and lower their prices. Such a system tends to significantly lower the tips received by the local workforce, which are a key source of income in the industry, thus preventing many of the employees from achieving a middle class standard of living.

From these countries' standpoint, their social, environmental and even economic costs are massive and mainly influenced by the following: outgoing liquidity transfers caused by corporations' transfers of profits to their home countries; relatively low economic benefits compared to the amount of natural, human and capital resources made available; changes in the social structure of the society; mass domestic migrant flows, as people relocate to the economic power centers; the use of productive agricultural land for the development of tourist facilities – hotels, golf courses and resorts; pressure on the protected areas etc.

"Globalization is the result, on one hand, of the capitalist system's constant need to grow and expand and, on the other hand, of the intensive development and ubiquity of the new technologies. At the same time, tourism is one of the main products being globalized, as well as one of the main sources driving globalization."

Globalization, through its patterns of economic, social, cultural and political interactions, allowed tourism to expand globally, while also functioning as a basis for the globalization of other related industries, such as transportation, communications and banking. All these made the experts conclude that the tourism industry has a dual role – a global phenomenon and a catalyst for globalization.

The multinational tourism companies, their worldwide expansion and the way in which they create the rules under which the industry functions are solid proof that the globalization covers the tourism industry as well – an industry traditionally consisting of small and medium-sized companies of various profiles, but also with giant corporations that now guide the development of this economic sector. While different and atypical compared to other industries due to its particularities, tourism's globalization trends are no different than those of other industries. Its globalization strategies and tactics are the same: mergers and acquisitions, horizontal or vertical integration, rapid global expansion combined with strict controls over the products, prices and suppliers. The companies' main goal is to take advantage of the opportunities offered by the attractive travel destinations and not to contribute to the economic development of the community nor to help raise the standard of living for its members. These multinational companies see the world as their playground, creating business strategies for a global presence. The main barrier to these companies' global expansion is the difficulty of implementing a set of standardized, centrally-coordinated from a different region of the world tourist offerings across various economies, cultures and legal environments that vary from one country to another.

Comparing globalization and tourism side by side we can notice a series of similarities in terms of negative impact on the social-economic and cultural life of the local communities. Both globalization and tourism:

- Deepen the inequality gap between the rich and the poor;
- Amplify the social inequalities within a society;

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• Make use of the "poor"'s resources for the benefit of the "rich";
• Impact the life of the community through the introduction of new social values, customs and traditions;
• Cause harm to the environment and increase the pollution levels.

Pessimist hyperglobalists see the growth of the global tourist market and the birth of the global society as a concern, considering that we can expect to witness a large growth in tourism in the coming years, leading to more than 1 billion international arrivals annually. This is an impressive number and a reflection of what Reid called the "golden hordes" of tourists spreading across the globe, a phenomenon that needs to be treated seriously, since its negative consequences can impact the environment, local cultures and societies.

The claim that tourism amplifies the social and economic inequalities is also supported by the statistics available and by the forecasts for the future: despite the overall growth in global tourism, travel will remain a privilege accessible by few, as UNTWO predicts that only 7% of the world's population will travel outside their national borders by 2020.

Globalization's economic characteristics highlight a few key elements, such as the formation of strategic alliances and the rise of global players (airlines, hotels and tour-operators), the expansion of global travel markets, the horizontal and vertical integration of the industry and the strong competition among the travel destinations worldwide. As a result, the industry giants are being wooed for their abilities to develop travel destinations, but, at the same time, they misuse the local resources, restrict local initiatives and limit the economic benefits for the local communities. The hyperglobalist model also analyzes globalization in tourism through the lens of the standardization process of the mass-produced travel products and services, a process that converts tourists into global consumers. Mass tourism is the recipe for growth, but it is not the perfect solution for a sustainable development, considering its size, action patterns and impact upon the other areas of human activity.

From an environmental standpoint, tourism bears the stigma of having a harmful influence, increasing pollution levels and affecting the environment and its ecosystems. This whole issue of environment degradation caused by tourism's expansion remains a topic only dealt with during political talks and by the environmental organizations. The hard truth is that, as long as mass tourism is being intensively promoted and expanded, no travel destination is safe from the environmental side-effects generated by the large numbers of visitors.

From a social standpoint, the hyperglobalists see tourists as global consumers, with homogenous consumption patterns, who are part of a single global community. At the same time, traditionalists see tourists as the representatives of their own individual nations, bearers of their own cultures and with personalities shaped by their origins. The same traditionalists see consumerism as a Western-originated phenomenon and, as a direct consequence, they believe that the global expansion of tourism is simply the extension of the Western world, rather than the birth of a new global society. For transformationalists though, tourists are global citizens with rights and responsibilities.

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that originate from their status as tourists. While we believe that this vision has a number of idealist features, it still needs to be considered for further analysis, since it'll definitely become a feature of the tourists in tomorrow's global world.

3. Conclusion

Tourism is becoming a must-have of today's world and a general lifestyle, being a modern, global phenomenon that is a direct factor of the economic and social globalization, due to its complex nature and impact upon all the other human activities.

While arguments exist for defining tourism as a global phenomenon, its complexity is proven by many of its specifics, specifics that seem to highlight mostly its regional and national character, rather than its global one; the tendency of tourist flows to be mainly concentrated at regional and national levels emphasizes the concept of "glocalization", or regionalization in tourism, as 80% of the trips take place with the national borders or within the same geographical region. At the same time, the tourism industry's structure is different from those of other industries: small and medium-sized companies account for a majority of industry, while the limited presence of the multinational companies makes it a very fragmented industry, unlike many other highly consolidated economic sectors.

References: