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## GEOECONOMIC GUIDLINES OF DEVELOPMENT OF TOURISM - Model of Dubrovnik

**Abstract:** As a consequence of the new political world geography, today we can reflect about the relationship that links geopolitics and geoeconomy, both on a global scale and in the European enlargement process. There is a number of participators in european tourism on the beginning of the 21<sup>st</sup> century. Many international organisations and commissions are directing tourism development today. Some countries leave their old principles and practise and they adjust on common european interests. Furthermore, development plans, which observe tourism in line with spatial, economical and social development, are made in Europe. One of them is a famous plan FORCE that associates development activities and stimulates tourism development in Europe. So, Europe has a tendency to explore all production potential and to reinforce the tourism on national, regional and local level.

**Key words:** geopolitics, geoeconomic and development of tourism in EU.

### Introduction

The origin of European integration can be interpreted as an urge for economic convergence, and the need of extending the 'market' dimensions. Nevertheless, a closer look to the enlargement processes of the sphere of influences and of the consequences brought about by the countries of the new European Union unveils certain dynamics<sup>†</sup>. As a consequence of the new political world geography, today we can reflect about the relationship that links geopolitics and geoeconomy, both on a global scale and in the European enlargement process. Such observations should start from the fact that over the past fifty years profound transformations in the international economic order have caused:

- a progressive trend towards economic systems' interdependency (D'Aponte, 2003);
- a clear polarization of economic growth and of development processes.

In other words, while the integration between rich countries' economies has evolved along a model that has determined a notable welfare increase, the gap between these and

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† Not earlier than in 1993 the first *Geography of European Integration* was made, representing guidelines to economic and geoeconomic development of EU and together with geopolitical interests include various activities in straight direction to one and only integrated Europe. European interests are based on two basic principles (Dawson, 1993, page 189):

1. area inside the borders of Europe;
2. area of European sphere of economic interests.

less developed or less resourceful countries has increased causing serious economic, political and social consequences.

Spatial development characteristics of EU have been inherited by economic monocentrist model and urban polycentrism. Economic space can be also characterized as the relation between center and periphery (Grčić, Sluka, 2006, page 171). Europe has developed powerful urban systems of metropolis which have to support the urban balance (METREX, 2005). All these mentioned problems are the ones with which are reconciled the common economic and nowadays tourist development with the European regional development.

At the beginning of the 21st century, tourism obtains important role in the economic development of some countries. Activities such as: supply and demand, marketing, transportation and accommodation are being promoted. In that way tourism represents powerful promoter of both social and economic developments.

The first spatial economic models of the development of tourism were made in the course of the Seventies of 20th century (Christaller, 1966), while in the Eighties and Nineties prevailed balanced models of regional development. (Yokeno, 1969; Sessa 1988). In the latest research of tourism, region becomes dominant. Overwhelming majority of such research is based on the European tourism (Manente, Mingheti, Mira, 1998).

The question arises about the effects of tourism with regard to development of certain countries. Promotion of regional tourist development enables the balance of both, rural and urban environments. Mentioned process lies at the root of spatial rebalancing, i.e. those agrarian towards rural or industrial. In terms of spatial economic point of view, effects based on this development promote social course of events.

Today as never before, tourism development obtains more significant role for the overall economic development. Although rates of growth of tourism in Europe are lower than those average, in the course of next few decades Europe will be one of the most visited destinations in the world (EU, ESPACES, 2000). By adopting of mutual development plan »Force«, the European tourism has made a new departure. After the most recent enlargement of EU by new country members, regional principle with regard to tourism development was not modified. Regional characteristics of the European tourism are as follows:

1. in world tourist traffic it participates with cca 50% ;
2. cca 85% of tourist traffic takes place city wide;
3. in urban system metropolis are in progress;
4. guidelines regarding mutual regional tourist development are adopted;
5. cca 2 million of tourist companies and cca 8 million of business units are established;
6. tourist industry accounts for cca 4% of employees;
7. tourist trade earnings amount to cca 200 billion of USA dollars.

The above mentioned figures represent the European tourism as a moving force of regional development with its perspective as one of more important chain links with regard to economic development.

### **Integration guidelines**

Countries can be grouped together making association. In the European integration processes arises question regarding territorial organization of states. What are the reasons for integration of countries forming international organizations and to what purpose corresponding geographic structures are being organized? States themselves define their both internal and external territorial organizations. Fundamental issue would be the following: in what manner one country organizes its internal space? Are there more or less efficient and honest means and ways for such organizing?

Within regional development, models showing uniform development are worked out and called level playing field. Thanks to them, previous obstacles existed prior to integration have to be eliminated. It takes into consideration the level of natural advantage of one country over another one concerning production of goods and services, distance between them, their markets' size, level up to which their economies were competitive rather than complementary, level of recognition of quotas or tariff barriers between them, immigration policy as well as control over capital movements. Despite some disputes in regard to carrying out integration process, models treating spatial economy in EU are based on the hypothesis that economies in some countries have to be adjusted to arisen changes.

As we have mentioned at the very beginning, Europe has a dominant role in international tourism. The European characteristics of integration process in tourism are the ones of the global process components. Therefore strong activities are developed putting tourism in the centre of their interests. At the top are EEC (European Economic Community) and NAFTA (Nord America Free Trade Agreement). The economic sphere of trade and tourism offers many organizational improvements. Hereby is accepted necessity of promoting international trade relations focused on trade and services.

Therefore GAT's negotiations are followed by GAT's activities. The great number of international institutions take part nowadays in international political relations being of great influence on a world of tourism development (OAS, OECD, OPEC, WTO and PAT).

On the other side, it came to the opening of the East European and other newly established countries and their willing to include themselves in international tourist developments (Johnson, 1995; Fletcher, Cooper, 1996; Richards, 1995). The guidelines of the European integration in tourism are based on the following activities:

1. integration activities;
2. local, national and regional activities;

3. carrying out mutual political activity with newly associated country members of EU.

The European Union has powerfully encouraged integration processes in tourism. Comparing other regions in the world, the European integration processes in tourism are closely and strongly linked with those on local, national and regional development. In integration process of tourism globalization in EU, numerous activities are included (table 1). They are carried out by the following activities: geoeconomic, geotrafic, geopolitical, common development plans, international bodies, mutual commissions, and coordinated activities & operations and international regulations.

EU has worked out vision of tourism in future. That is so called plan »Force« (Connan, 1995). The intention is to realize synthesis of social integration purposes. Questions arise with regard to redirection of transport, liberalization and globalization, reinforcement of business organization and the like, while finally would be the organizing of association of tourist product consumers.

In the mentioned disputes is emphasized that will survive only companies dealing fairly and clearly with customers with regard to the quality and price of products and their interests. It would influenced on strengthening of both tourist industry and economic concentration accompanied by intensive necessity of horizontal, vertical and diagonal integration (Weimair, 1995). Concerning that matter, so called »Green Book« is issued showing the role of EU at all levels of tourism.

Table 1. Survey of integration activities, bodies and tourism policy in EU

Type of activity	Description of activities
<b>SPATIAL</b>	<i>PLAN FORCE</i> European, national, regional, local, corporation, company
<b>INTERNATIONAL BODIES</b>	<i>INTERREG</i> -fund for interborder international and interprovincial cooperation stimulating territorial organizing <i>LEADER</i> - activities for countryside development <i>FEOGA</i> - fund for orientation and guarantee of agriculture development <i>URBAN</i> - fund for economic and social recovery of cities in crisis <i>ECTAA</i> - travelling agencies associations <i>FES</i> - European social fund <i>DG</i> - activities in entrepreneurship

<b>COMMISSION</b>	<b>WORKING GROUPS</b>
	A - for exchange and spreading of information and new economies
	B - for promotion of education and professional training
	C - for improvement of tourist product quality
	D – for promotion of environmental policy (sustainable development ) and permanent tourism
<b>COMMON POLICIES</b>	development p., economic and monetary p., education and upbringing p., occupational p., environmental p., information technology., trade and transport
<b>CARRYING OUT OF ACTIVITIES RELATED TO BODIES AND COMMISSIONS</b>	production of pilot business programs; promotion of the European common strategy; establishing of criteria for sustainable tourism development; support and develop connections with authorities; exchange of information; introducing of new technologies including e-trade; standards in business operations as per common criteria; studying and resolving of problems in business and entrepreneurship; introducing of experts from civil society; proposing of quality promotion in business operations; improve quality of tourist offer and consumers' protection; develop comparative tourist advantages; improvement of working conditions, training qualifications and professional orientation; introducing of »keep on eye« system control over employees in tourism; intensifying cooperation with Commissions and big associations (both European and National)
<b>INTERNATIONAL STANDARDS, REGULATIONS, RECOMANDATIONS</b>	<i>ISO 9000, 14000, 14001, 14004; Agenda 21; International declarations</i>

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Source: Đukić, 2001. page 96., supplementary volume

The aim of this document is to achieve cultural purposes as well as economic integration. So, integrated are the purposes bringing together managing country interests on regional, national, European or international level. That indicates complexity and correlation of tourism development with those social, economic and demographic. This is a very sophisticated concept organizationally based on hierarchy. Substantially all integrational processes are embraced from international to intranational, till the lowest organizational level.

Faced with this challenge, the EU Commission for tourism has submitted proposals concerning upgrading of partnership in tourist industry on common level after 2004 i.e. upon the enlargement of the Union. Elements of the new strategy are as follows (EU, 2006):

1. More policy-coordination: to make sure that policy initiatives effecting tourism do not hamper the competitiveness of the sector. Member State and tourism stakeholders should be regularly consulted.
2. Improved use of available European financial instruments that support tourism financially.
3. «A European Agenda 21 for Tourism» to promote tourism sustainability: proposal for an Agenda 21 in future.
4. Better regulation: Tourism-related legislation will be part of the better regulation process.
5. Enhancing the understanding of the importance of tourism by providing all decisionmakers with higher quality data.
6. Promotion of new European tourist destinations. To contribute to the marketing of Europe, the Commission financed.
7. Improving the visibility of tourism: The Commission, together with all involved actors, will promote the visibility of this important industry through events organised by the ED Presidencies and the Annual European Tourism Forum.

As tourist market recognizes Europe like exceptional world destination, the Commission has analysed it above all in marketing terms (they invest in marketing to promote EU destinations). It is necessary to retain competitive advantage. Trends of the European tourism at the beginning of 21<sup>st</sup> century are as follows:

- increased demand for travels of short duration
- higher demand for out of hotel accommodation
- changes in travelling motivation ( from traditional recreative to attractive one )
- increased interest of older aged tourists
- higher demand for attractive areas
- encouragement of economic integrations
- support to development and new destination capacities of Central and East Europe
- higher tourist demand segmentation
- increase demand for cruise tours.

This is to indicate that at the beginning of 21<sup>st</sup> century tourism has entered new demands. By the EU enlargement, this process brings constantly itself in line with new challenges and ideas. Moreover, the European integration process is being continued successfully.

### **Geoeconomic guidelines of EU**

Political changes in EU have provoked new vision of economic development. In that area we have reached such a state that in metropolis we have concentration of specialized labor force, infrastructure based on high technology and technological

capacity which come from various world provenance. Therefore, this highly developed area asks for broader intervention in acting, outside the borders in which is situated.

The big workshop in the centre of Europe intends to start up all neighbouring production forces establishing development corridors which would reach Euro-Asian area somewhere on the East. In the centre of these corridors is situated large railway artery made up of systems with big conventional speed either for transport of goods or passengers, close to which would be connected local network of road and river transports (Solidarieta, 1999). By opening of this potential economic area, to traffic infrastructure would be assigned a first place.

Europe is one of the nodes in a globalised world. In addition to its intrinsic interest as a global macro-region, Europe is of special importance for countries outside them because of persistent and very strong cultural, economic and political linkages. European integration (emergence of the EU, and changes in Eastern Europe) contributes to an increasingly homogeneous and interrelated European economy and society (Perry, Williams, 2007).

However, geographers also emphasis continuing diversity within Europe, reflecting variation and differences in environment and resources and economic and political histories. The geography of the new Europe is being built on the ruins of the old.

### **Conclusion**

Process of the European integration in tourism indicates the great number of adjustments which Europe has developed in the past and is going to develop in the future. Tourism has been shown as very successful in the European integration. Tourism development has obtained on its importance. Numerous bodies and organizations following tourism development enable successful way towards the European tourism. Its regional variety has opened the possibility for better exploitation of resources for tourism, while the European urban systems become important cultural centers of the European diversity. Its characteristics are taking root not only inside but also outside Europe.

For the European tourism at the beginning of 21<sup>st</sup> century will be very difficult to offer resistance to globalization process. It is very difficult to separate the European tourism and integration processes and comprehend one without other one. It is a mutual process including in its essence many interdependences.

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## **GEOECONOMIC INTEGRATION OF TOURISM IN EU Geopolitical scenarios and goeconomic perspectives**

### **Summary**

From the moment of its foundation till today, for more than half of the century EU has been developed continuously. In line with its economic development, tourism has been developed and expanded, too. In 1995. tourist plan *FORCE* and *Green book* were made. They were basement fot setting up long-term guidelines for development of tourism in EU. In respect of spatial organization, the guidelines are conducted on local, national and regional principle. Furthermore, many participants (enterpreneurship, demographic policy etc) are included in organizational structure. In the period of its existance many bodies and organizations that provide qualitative development of tourism in EU and other european countries, are formed.