

Tourism Industry, Globalization, Encounter or Interaction

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Abstract: *Current age is the age of globalization. An age in which the conceptual and semantic frameworks has immersed, compacted, and materialized human beings in the same texture. Hypermedia systems has turned knowledge into a wall-to-wall neighbor and cognitive geography has made people closer together. The world has gotten rid of scattering and dispersion, and the global village or meta-geographical virtual world has been realized so that virtual reality is more effective and influential in the development process than the reality itself. Globalization has a direct relationship with tourism, in other words, tourism is considered as one of positive aspects of globalization emphasizing the local attractions. This wonderful industry is one of factors facilitating the globalization and acts as one of internal flows of global economy alongside the flow of capital from the center to the periphery. The present research has tried to examine the multifaceted notions of globalization and tourism as well as their relationship. The purpose of this research is to study the relationship between globalization and tourism industry and their interactions. The results indicates that globalization will influence industries and services, whether positively or negatively, and since tourism and foreign travelers are considered as a major source of foreign exchanges, this industry play direct role in the gross national product. Tourism is rational and strong reason for globalization, and the path to globalization is possible through tourism.*

Keywords: *tourism industry, globalization, interaction, encounter, economic opportunities.*

Introduction

It is vital and necessary to study and examine the interaction of globalization and tourism as an industry generating income and employment in the current circumstances. As the world's cleanest and most sustainable industry, tourism has provided the world's peoples a golden opportunity to participate in the life and culture of each other, and to pass the enjoyment of such pleasant experience to future generations. In the situation of globalization, the products of tourism industry respond to the complex supply and demand processes in complicated and competitive markets with the right and standard price. Removal of territorial and identity borders in the globalization process and the extensive removal of ceremonial conditions has resulted in flourishing the tourism industry more than ever. Tourism as a clean and multifaceted industry has the potential to undraw the curtains of geographical limitations and borders, national interests, personal benefits, and cultural dependencies, and to create a natural flow of cultural interchange and interaction without belonging to any color, race and locality. Although the tourism industry is determining and providing national interests in the age of globalization, however, it is not considered as a political tool. Tourism is a rational and strong reason for globalization process and the way to globalization passes through tourism industry. Globalization defines as to welcome a unique world, to be united, to become familiar with other cultures, and to respect others' opinions and viewpoints, to be mobile process expanding all over the world. Globalization process results in global tourism industry, providing a world of new opportunities in a parallel competition, and regardless of main destination and interactive performance. In approaching to geographic areas, the tourism industry

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provides significant effects on touristic destinations. Space formed from the time and local compactness in the contemporary world is related to the process which offers such space to unorganized capitalization (Castells, 2000: 348). Tourism movement in geographical space as touristic destination encompasses a exchangeable trade. Today, tourism as passing leisure time has turned into a one of humans' vital and fundamental needs, thus it is evident the relationship between globalization and tourism industry. Tourism is one of the factors facilitating conditions of the globalization. This concept is known as one of the internal flows of global economy alongside the flow of capital from the center to the periphery. Globalization provides the humanity with an economy having a direct link to the tourism, in other words, tourism is viewed as one of the positive aspects of the globalization, which insists on becoming local attractions. To facilitate to travel to other countries, globalization has taken basic steps in removing the barriers and borders, and in creating common market to distribute manpower, materials and facilities for all people across the world.

Concept of Globalization

Globalization refers to the changes occurred in economical and culture affaires in postmodern era. These changes have formed so far many modifications at planetary scale in the postmodern era. It tends to even out the various communities in the world into a single and unique community in the third millennium (Boylis, 1997: 15) in order to provide the capitalism with a unique market in technological beds. So, the world should be transformed into a small village in where the financial trends flow easily, and the time and local changes should be formed and facilitate the cycle of consumption and profits at large scale (Waters, 2001: 67). Hence, globalization can be defined as "the process of increased compression of time and space as a result of capital flow, through which peoples in the world are less or more integrated into unique global community (Gol Mohammadi, 2002: 21). This definition of globalization emphasizes the economy, indicating the formation of innovative economy in new era. In this regard, and according to an extensive outlook on globalization, it can be stated the characteristics of globalization or in other words, its cognitive recognition as follows (Cohen, 2000: 24):

- Changes in the concept of space and time
- Similarity of created problems for all inhabitants on the Earth
- A network of growing transnational power, international organizations and companies
- Increase in the size of cultural interactions and practices
- Synchronization all aspects of globalization

Today world' economy has provided various economic opportunities in its different parts for employment and income in the field of globalization, based on free trade and an approach to economic modifications in land spaces, and in a trend of accepting "relative advantage" (Weaver, 2000: 257), which indicate the new approach to unorganized capitalism in shaping a rapid and simple flow of capital across national borders and forming new paradigm of regional development in passing to postfordism in which the regions are in competition against the global markets (Francois, 2002: 14-15). Indicators of such economy can be recognized in the form of world trade figures especially export coefficients in world trade, direct growth of foreign investment, and full-scale development in capital flow. Thus, the capitalism is organized stronger than before through expansion, geographical mobility, and flexible responses to labor markets, labor processes and consumption markets (Harvey, 1989: 159). Accordingly, Harvey deals with the spatial and temporal mobility of capital on the globalized economy based on the arguments on "compression of space and time" in the post Fordism age. For him, the flexible accumulation of capital along with the sense of compression of space and time provides the rapid movement of capital. In time displacement, the not-produced goods are bought in line with some type of financial oligarchy (bonds, loans and mortgages) and anticipating the time in a manner of pre-purchasing goods and waiting the price to be increased in the time of supply, and hence the flexible accumulation is prevented and the inventories (or goods in stock) approaches to zero. The spatial or place displacement also results in transferring the capital to upstream areas to the place of capital accumulation, that is, the place where the investment is needed, and creates somehow a reverse model of center-to-periphery (developments in East Asia is due to the movement of capital).

In this regard, heavy industries with their increasing pollution and blue-collar workers were transported to the peripheral countries in order to break down their space and time, while the central capitalism seeks to resolve the problems resulted from the accumulation of goods holding the immaterial production of huge industries of communication-information (Doppoi, 2000: 14). It is when the spatial displacement of capital is in turn changed in the decentralization process in specific areas such as information and communication technology, automation technology, and digital computers changed by advanced technology. The capital of capital surplus is regulated by using the temporal and spatial, time and space displacement, though it is followed by consequences emerged in the place and country where the investment is occurred. In general, and based on above issues, globalization of economy can be defined as an increase in international trading in markets of goods, services and production factors associated with the growth of transnational actors' numbers and fields of activities, such as corporations, international institutions and non-governmental organizations. Globalization of economy encompasses various factors, including expansion of direct foreign investments, transnational corporations, and integration of global markets of investments and transferring their resulted capitals, extensive governmental policies, non-governmental organizations' attention to global issues and constraints of state's policies arose from membership in international organizations (Deardorff, 2000: 3).

Based on aforementioned, globalization of economy is formed through integration of world economies. Deregulation in various fields facilitates the movement of capital from one place to another, removing tariff in order to support greater integration of national and regional markets, establishing international juridical systems especially in the framework of GATT activities in order to regulate the affaires and technological developments especially information and communication technologies which makes possible different markets around the world to be connected together. Thus, more compressed time and space has been possible in the form of global economy. In the modern era, the gap between the surface and the depth of time and space is larger than before, and the relations between states and governments and far away social events are interwoven. Globalization is basically associated to such derivation as far as the methods of communication between different social fields or regions are formed into a network across the world. "Globalization" can be defined as the intensification of worldwide social relations, the very relations which connect local situations so that every local event is influenced by other events miles away from it, and vice versa, local changes as circumstantial development of social relations in time and space scopes are indeed a part of globalization process. In fact, globalization refers to enhancement of those groups of social relations which link the farthest geographical points and this relation is formed so through which the events emerged in one point of the world influence the other point's miles away, and vice versa.

According to "McGuire", "globalization" increases the number of connections and interconnections that transcend governments and builds the new global system. "Globalization" refers to a process by which events, decisions and activities of some part of the world can lead to important consequences for individuals and communities in faraway parts of the earth planet. However, Anthony Giddens knows globalization as a series of complex processes whose driving force is made up of economic and political effects. While creating new transnational systems and forces, globalization changes everyday life especially in developed countries. Giddens doesn't believe globalization the only context for contemporary politics, but he argues that globalization changes the institutions in the society we live. Giddens doesn't believe globalization as the extension, development and continuation of what existed in the past, but a phenomenon which is fundamentally new and innovative. Unlike other standpoints on globalization, Giddens believes that such phenomenon doesn't emerge merely in the economy so that to be understood based on market economy. Such phenomenon isn't end of politics, state, nation, family, culture, and affections, on contrary, it reinforces some of them. He also emphasizes that "globalization" doesn't mean that the international community faces the unity and integration. Albert Martin is one of other theorists defines the theory of "globalization" as a process connect and unify all peoples in the world into a global community. Also, Emmanuel Richter knows "globalization" as the formation of a network in which the previously remote and isolated communities are integrated into an interdependence and global unity. So, according to the above definitions, "globalization" is a phenomenon which minimizes the role of geographical borders in decision making processes, economic, cultural, and social

activities. In this way, the interests of every individual and country are intertwined with the interests of all peoples in all countries in the world more than before. In the globalized world, the term of national is replaced with the international. In fact, globalization provides all countries in the world with unique environment in which international links would be reached to its maximized level. In this alien environment, laws are universal and should be obeyed by the international community. "Globalization" as a common term in the 1990s, as the metamorphic process, exceeds the boundaries of politics into the economy, and encompasses the science, culture and business. Therefore, "globalization" is a phenomenon that extends to various forms of social, economic, political, legal, cultural, military, technological actions as well as different areas of social practices such as environment. Robertson, one of other experts in this field, states that it can no longer talk about the international system of states, but "globalization" on a cultural level, also brings forth this concept in a definition as follows: "globalization" "is a meaning that refers both to the density of the world and the increased awareness about the world as a whole, both to the actual global interdependence and consciousness of the unity of world in the twentieth century. Sometimes globalization is interpreted as the shrinkage of the world and other times as the universal values and behaviors. Globalization is a natural and common phenomenon and a concept which is created by the natural trend of human societies. James Rosena believes, "globalization" is a process resulting in compression and density of human beings because of the development of information, communication, and electronic technology. Thus, this comprehensive globalization integrates into all aspects of evolution, moving in high speed such as stormy river, compressing time and space, and making them closer (Rosena, 1999: 1023).

In other definition, globalization is the expansion of the different relations and links between the governments and societies which form the global system. The processes based on which the events, decisions, and activities in one part of the world have important consequences on peoples in other entirely separated part of the world. The cultures are more and more merged together by transferring peoples. Rapid and increased communication is followed by dramatic consequences (Mokhtari, 2008). The globalization isn't a one-dimensional and limited process and one of economic, cultural and political aspects, but a unified and integrated phenomenon penetrating all aspects of the society. The globalization is a challenging phenomenon in its first meaning, so that its dimensions cover many domains of classical notions such as territory, authority, culture, identity, security and provides backgrounds for interpretation and redefinition. Globalization is a process, not a final industry. In the process of globalization, we are faced with "To Become". A process which passed the national borders with the aid of important forces such as communication system, multinational companies, and international organizations, and changed, transformed, and affected many phenomena. Globalization with all its agreements and disagreements is neither good and nor evil, but it can be both good and evil. In other word, it is both Savior and fatal. Globalization is a contradictory phenomenon, accompanied by dual concepts such as universalism, localism, regionalism, nationalism, convergence, divergence, and so on (Kiani, 2001: 97 - 98).

Effects of Globalization and Tourism

In the era of globalization, tourism is affected by technological and economic developments, and finally the tourism industry has turned into an important principle in economics. In the era of globalization, tourism is expanding practically in real space and partly in virtual one. Nowadays, tourists are looking at travel and services in other way. Cumbersome and tedious requirements and travel plans has lost their traditional sense and concept. Time and space have lost their importance, time of residence is reduced, and time of accessibility is minimized. Tourism is one of foundations of globalization and is the prominent symbol of the time and space compression. Tourism has overcome the limitations of the geographic spaces and as a leading stream has ignored space and territory. Mass media has formed and shaped various information, communications, and cultures, and are penetrating all areas of personal and social life. On the one hand, media has provoked the virtual tourism which led to increase the number of tourists through internet and virtual simulation of attractive landscapes of geographical life with no need to travel. Countries, regions, and communities has increasingly have realized that to maintain their economic status, they should take initiative and find innovative solutions.

Despite the differences, tourism has been the catalyst for economic recovery. Undoubtedly, with the beginning of the transition of traditional tourism to new era of tourism, the 80s changes have been under the influence of complex segmentation of demand, mobility, supply, profitable motives, unorganized distribution, and innovation in products. Tourism paradigm in new age has created circumstances under which tourism products should be offered in markets with intense competition and respond to the complex and various demands with reasonable and standard prices. Tourism industry is the largest service industry with very remarkable income. A wide range of economic, social, cultural, environmental, public and private, human, urban and rural sectors are affecting or being affected directly or indirectly, actively or semi-actively in this industry, and tourism is influenced by all economic, social and cultural sectors. Globalization impresses the industries and services positively or negatively. Since tourism and foreign tourists are considered as a major source of foreign exchange, it plays a direct role in increasing the gross national product. Balance of payments indicating every country's international transactions represents the effect of the tourist industry on the country's economy. Employment in tourism industry has been allocated directly or indirectly a high percentage of skilled and semi-skilled labor. Of every 9 employees around the world, one person is busy in tourism industry. Tourism is the most dependent industry to information. Without a coordinated system and timely flow of information, along with new information technology can never survive in this competitive market. Lack of necessary data causes current tourists to fail to experience the expected travels and to get complete satisfaction and they would be attracted likely by other markets. Informing and advertising results tourism industry to achieve an appropriate contribution in a particular area in the competitive market. The existing statistical figures show amazing speed and high desire to reach the top of the table of services through tourism industry. In 2010, nearly one billion people traveled as tourist, and it is estimated a billion and half people to travel. Income from tourist industry was one thousand billion dollars and it would approach to two thousands billion dollars, and every six tourists create a new employment opportunity and 50% pure income is resulted for all services offered to a tourist (Statistics, 2004). Tangible challenge which economic and social researchers are facing today will influences all economic sectors in the process of globalization. Efforts to reduce its negative effects and to enhance its positive ones will keep industries and sectors in close competition, with lowest governmental support and greater flexibility in improving the quality and responsibility. Tourism as the largest service industry in the world, has its direct impact on the economy.

Tourism plays an important role in approaching peoples and cultures closer together, and since tourism is created in a framework of demand and supply system, the growth of world trade turns tourism into a profitable trade in different parts of the world. Tourism is considered one of facilitating factors of and one of the main tools of globalization and globalization of economy has a direct relationship with tourism. Regarding the increased accessibility, easiness of movement across the countries, becoming familiar with different cultures, tourism has developed to meet the growing demand to accept different types of travelers. The more destinations develop, the more peoples are seeking different and particular experiences. One of the most common symbols of tourist economy, that is number of tourists visiting a country, isn't any more appropriate index of the growth of tourism industry in the countries. If it was a good index, then it wouldn't be necessary to worry about the impact of arrival of numerous tourists on the countries. Tourism and Globalization are varied, multi-dimensional and complicated concepts and it is complex and unfamiliar to process the technological changes in the world. Extensiveness of information and technological changes is significant and obvious in a meaningful challenge at the level of international community. Today, tourism is prevailing, and its consequences are observed obviously all over the world. The concepts in which space and time have lost their meaning. Based on technological innovations, cyberspace has emerged and created a reality beyond time and space. Changes formed in time and space facilitate this compression at large scale. Globalization is the compression of time and space resulted from the capital flow by which people more or less are integrated into a unique global community. Formation of modern economy in an era of globalization and astounding growth of tourism which economists believe by 2020 will be the first dominant industry in the world have brought these two concepts, tourism and globalization, together more than ever. In this regard, globalization can be characterized by a pervasive attitude as follows:

- Changes in the concept of space and time
- Similarity in problems created for all peoples on the earth
- Strong and complex network of increasingly transnational forces, corporations and international organizations
- Increase in trade and cultural attractions
- Synchronization all aspects of globalization

Tourism is one of the factors facilitating the prerequisites of globalization. This concept acts as one of the internal flows of global economy from the center to the periphery. Globalization provides humans with an economy which has a direct link to tourism, ie tourism is observed as one of positive aspects of globalization insisting on becoming local attractions.

Globalization has taken major steps in removing barriers and borders in traveling to other countries, and will act to create a common market for all peoples in the world by distributing manpower, materials and facilities.

- Tourists possess the financial ability to pay for the costs
- In some cases, they select short distance destinations
- Tourists tend to gain maximum experience with minimum efforts
- Tourists engage in scheduled travels

It is shown by investigating the characteristics of globalization and tourism that there is a perfect correlation between these two phenomena and they have reciprocal effects. Considering the accumulation of information resulted from globalization and by means of information technology, tourists seek the maximum experience with minimum stay time and highest benefits. Interrelation of globalization and tourism is obvious and remarkable and extensible. Advances in technology, especially in information and communications technology, have facilitated tourism and has resulted in virtual tourism in cyberspace.

Main indices for globalization and tourism can be examined in the following cases

- *Reduced restrictions and increased openness to business and financial affairs:* in this regard, tourism can not only exploit the special framework to finance the production, but also move to all regions in the world and expand the common market of tourism.
- *The rapid growth of world trade:* Since tourism is formed within a system of supply and demand, the growth of world trade would lead to the development of tourism in different regions of the world in the form of a profitable trade.
- *The rapid growth of foreign direct investment:* to earn more profit, the investments move to different tourism destinations, whether traditional, modern, or postmodern. This leads to the formation of reversed flow from the periphery to the center discussed above. Generally, this indicates the dynamics of global capital which dominates different spaces and integrates into the cycle of consumption and profit, along with the spatial and temporal dynamics of investment in tourism that provides rapid accumulation.
- *Convergence of domestic and international prices:* in this regard, tourists are provided with cost-effective travels in order to be able to visit different destinations in the world.
- *Expansion of business and economic organizations:* business and economic performance is expanding in a global scale in the area of tourism and common markets, and will end in the competitive global tourism market, and encompass the framework of supply and demand.
- *Geo-economic and Geopolitical strategies:* since there are different important regions in gaining economic advantages in the process of globalization, so special geo-economic and geopolitical strategies are formed for the economy, and because tourism as an economical aspect has many advantages for every territory, so globalization provides the opportunity to attract tourists and to expand tourism industry in different parts of the world by executing desirable strategies.
- *Development of information and communication technology:* in addition to the increase and accumulation of information on tourism and touristic destinations, development of such

technologies facilitate the flow of tourism especially travels and travel-related actions in the shortest possible time, ending to the formation of “electronic tourism”

According to the abovementioned, it is to state that tourism has created a common market at global level, and since economic policies emphasize the development of tourism to resolve the economic problems, so it is the suppliers' duty of tourism products to exploit this market and to resolve their economic problems by developing and expanding the tourism in conformity with the globalization of economy and the resulted competitive market. Globalization is a golden opportunity for everyone to participate in other fellows' life and culture and to transfer such a sweet and funny experience to future generations. World tourism as one of development strategies has a direct impact on the peoples' lifestyle and the family income to increase and is to create new valuable opportunities, social and cultural interactions, comprehensive and sustainable security.

In globalization, tourism products are offered in the markets with very complicated competition and the very complex and sophisticated demands are supplied. In other words, a market with perfect competition has formed in this industry, which paves the way by a deep understanding of the concepts of quality and competitiveness, adopting appropriate policies and strategies to promote growth and development. Tourism is the reason and justification for globalization. In other words, the way to globalization passes through the tourism industry, because globalization means to welcome a unique world, to become united, learn about other cultures and respect the opinions of others, and it is the fluidal process and is spreading globally. In globalization, we witness the elimination of territorial and identity borders. Tourism as a clean and multi-dimensional industry has the potential to undraw the curtains of geographical limitations and borders, national interests, personal benefits, and cultural dependencies, and to create a natural flow of cultural interchange and interaction without belonging to any color, race and locality. Although the tourism industry is determining and providing national interests in the age of globalization, however, it is not considered as a political tool. One of the effects of globalization on tourism is the removal of ceremonial conditions by travel agencies, reduction of costs, and greater accessibility to the Internet. This makes it possible that tourists choose online their flights and destinations to their taste. In the globalized world, tourism and relevant services are in an unequal competition with multinational companies and these companies have captured tourism interests and incomes by direct access to exporting markets of tourism and special instruments and accommodations such as hotels, large tourism agencies, airlines, widespread advertising, internet services, and so on. These companies can enhance the quality of tourism products, while reducing the costs. In fact, these companies can create many tourism productions using the tools such as investments, advertising, marketing, technology and management.

Conclusion

An age in which the conceptual and semantic frameworks have immersed, compacted, and materialized human beings in the same texture. Hypermedia systems have turned knowledge into a wall-to-wall neighbor and cognitive geography has made people closer together. The world has gotten rid of scattering and dispersion, and the global village or meta-geographical virtual world has been realized so that virtual reality is more effective and influential in the development process than the reality itself. Tourism in the present age has experienced significant changes in the trend of economic and technological developments and turned into an essential principle of economy. Tourism has developed increasingly at the same time in real and virtual domains. Today, tourists in the postmodern era are the hosts who travel with a backpack and a tent as their own accommodations, and there is no trace of those glorious travels. These tourists need no more the residential accommodations, they engage in travel by booking in various places and in different times and disturbing the scheduled routes of travel. Time and space have lost their importance. While every destination plans to get more profit by extending the stay time, tourists shorten this time. It is when the necessary bureaucracy for travel has been reduced in different parts of the world, and the time of accessibility is minimized. It is better to say that tourism in the postmodern has been shrunk and depends on new technologies more than before. Meanwhile, recognition of the tourism development depends on other factors, including existence and optimization of the soft and hard wares which is performed in the trend of flexible management.

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