

THE NEW ECONOMY AND THE ECONOMY OF TOURISM

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ABSTRACT: *Together with the Internet, e-business and the new economy era, in general, fundamental transformation of the social and economic structure take place. In parallel, the assaults on the standard economic science amplify, in the sense of some conceptual reformulations and of some reinterpretations of the economic phenomena and laws. Besides the classical factors of production, work and capital, information is added, either as a distinct factor or as a detached one of the two mentioned. Also, the empiric findings regarding the so-called tertiarisation of the economy or the increase of the share of the services sector in the total of the national economy, as well as the so-called intangible investments in the total of the investment funds, have lead to numerous attempts of redefining what we call today a "modern economy". Other factors with major influence, regarding the adjustment of the economic science to the new trends from the real economy, refer to the following: the liberalisation of the international exchanges and the globalisation; the growth of the importance of the so-called free time (including here the household activities and the ones unfolded in the interest of the community, entertainment, but also the time destined to the development of the degree of culture and education on one's own) and the fluidisation of the limits of differentiation between this and the work activity in the formal sector as well as the informal one; the more rapid dynamic of the financial and banking markets than the so-called classic productive sector of the economy; the extension of the use of computers and of the means and techniques of communication, in the activity of the companies as well as in the households, and the impact on the structure of the time and the financial budget of the population etc. All these have an impact on the tourism unfolding.*

KEY WORDS: *tourism; sustainable development; new economy; trend.*

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1. INTRODUCTION

The success of the states in the new economy shall be more and more determined by the manner in which they shall manage to push forward the technological innovation, the entrepreneurial relations, the education, the specialised qualification and the transition of all the organisations, public and private, towards the new and the competence ... Within the amount of transformations produced in the social and economic life, the introduction of automation, the use of cybernetics and of the computing technique in various sectors of activity, the industrialisation of agriculture, the shaping of the science as a branch of production, the modernisation of the means of transport, - the human society, regardless of the form of production relations, of the existing social and political system, has industrialised at a world scale.

The industrialised societies, more or less developed, have as defining feature an important focus of the population in urban centres, with agglomerations of people for education and work, in the means of transport, or of the families in blocks of flats, on small surfaces. The industrialised society offers, through the scientific organisation of the production and of work, through the modern technology and the focus of the productive companies, unlimited possibilities of growth of the work productivity, with multiple positive effects on the members of the society, among which: the increase of incomes and of the purchase power; the increase of the free time, through the reduction of the work day and week, through the increase of leaves; the increase of the lifespan; the development and the modernisation of the informational means

Also, at the same time, the industrialised society has negative effects on its members, these manifesting under the form of biological aggressiveness (pollution, lack of movement), as well as the ones of the nervous type (psychic stress, constraints of the social and professional life). Hence, the desire and the tendency of the contemporary society people to spend their free time travelling, seeking or dreaming of quiet corners of nature, visiting cities and villages to meet people and places, or to take care of their health. And as the number of the population has considerably grown in the majority of the countries, and the influence of the distance and time factors has been reduced through the modernisation of the means of transport, tourism - as a manner of usefully and pleasantly spending the free time - has known an unprecedented explosion, constituting one of the most remarkable features of the contemporary times. Tourism represents a specific economic and social phenomenon of the modern civilisation, strongly anchored in the life of the society, and, thus, influenced by its evolution. Through its size and complex content, tourism engages a vast natural, material and human potential having profound implications on the dynamic of the economy and society, on the international relationships.

2. THE ROLE OF TOURISM - TOURISM - SUBSYSTEM OF THE NATIONAL ECONOMY

Tourism presents the features of a distinct field of activity constituting itself, according to some of the authors in the field: 1. in a branch of the national economy, which, through its specific, integrates in the tertiary sector; referring to the role of

tourism within the national economy, the literature emphasises the fact that it has a considerable impact on the economies, the societies and the cultures of different countries of reference; 2. tourism plays an important role in the economic and social life, acts as a dynamic element of the global economic system - picture 1 - as a manner of diversification of the economic structure, as a lever of attenuation of the interregional unbalances or as an active manner of education, of elevating the level of training, culture and civilisation of the people.

Tourism represents a complexity in continuous growth, on an economic level, it synthesises the results of a large number of activities, on a psycho-social level, it is constituted as a superior manner of organising the free time.

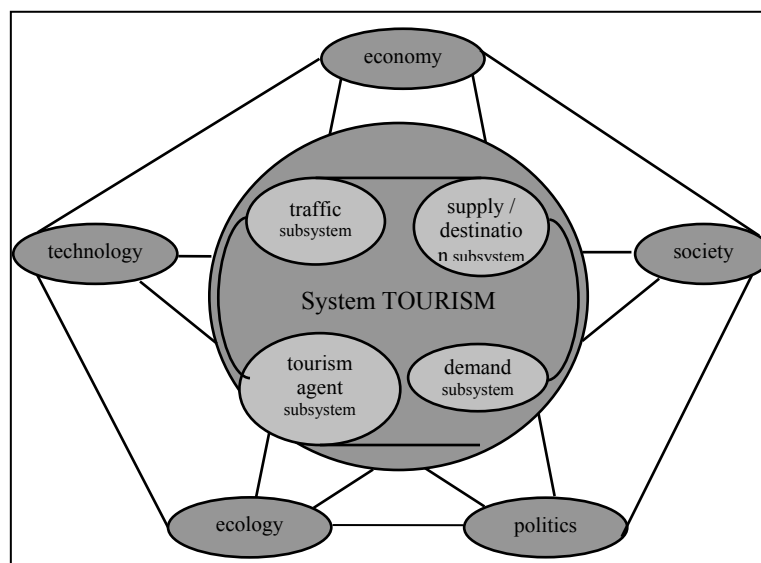


Figure 1. Tourism - subsystem of the national economy (Mazilu, 2010)

The social importance of tourism may be emphasised through the following aspects: tourism contributes to the maintenance of the biologic and the physiological balance of the contemporary man, for which tourism offers solutions to the constraints to which one is exposed; tourism and travels, seen as an intensely technological industry, can help Romania obtain and apply the technological systems of information and telecommunication at a competitive level; a larger part of the operations in tourism and travels - as well as all the virtual operations of sales and distributions - communicate through the telecommunication systems; e-marketing - on a competitive global and more and more developed market nowadays, there is a great need for a powerful national branding of tourism management which could optimize the resources, could concentrate within a nucleus the interests - the public and private sector, the national, local and regional sector - and capture the tourists' attention (Van der Merwe & Bekker, 2003).

This will need a certain type of interest for a coordinated approach on marketing and distribution through the internet in order to optimize the vision on

Romania, as competitive tourist destination. Of course, the development of such a facility must develop in parallel with the development of the internet and of the telecommunications at the level of the whole country. The recommendation of the World Tourism and Travels Council (WTTC) is that the Government of Romania to keep on following the policy of an open market of telecommunications, which shall generate low costs and better quality services for tourists and tourism companies.

Table 1. Fundamental elements: the old and the new economy

The general features of economy	The old economy	The new economy
The markets	Stable	Dynamic
The sphere of competition	National	Global
The form of organisation	Hierarchic, bureaucratic	Relational, entrepreneurial
The geographical potential and the mobility of the business	Reduced	High
The competition between the regions	Low	High
The industry		
The organisation of production	The mass production	The flexible production
The key factor of production	Capital / work	Innovation / knowledge
The leading technology	Mechanisation	Digitalisation
The source of the competitive advantage	The cost reduction through the scale economy	Innovation, quality, regulation on the market, cost
The importance of research / Innovation	Moderate	High
The connection with other companies	Directly established	Alliances and collaboration
The labour force		
The main purpose of the policy	Full employment	High salaries and incomes
Qualification	Specific qualification	Wide qualification, multiple training
Necessary education	A qualification	Continuous learning
Work relations / Management	Adverse	Collaborative
The nature of the employment	Stable	Risk and opportunity
Government		
The business - government relations	Imposed requirements	The companies' support for innovations / growth
Regulations, norms	Command and control	Market instruments, flexibility

Seen in correlation with the ensemble of the national economy, tourism acts as a dynamic element of the global system. The unfolding of tourism means a specific request of goods and services, request that engages an increase in their production sphere. The main arguments which determine the necessity of tourism development are the following: 1. the tourist resources being practically inexhaustible, tourism represents one of the economic sectors with real perspectives of long term development; 2. the complex exploitation and revaluation of the tourist resources accompanied by an efficient promotion on the external market, may constitute a source to increase the currency revenues of the state, thus contributing to the balance of the external payments; 3. Tourism represents a safe market of the work force and of the

redistribution of the unemployed work force from other structured economic sectors; tourism, through its multiplicative effect, acts as a dynamic element of the global economic system, generating a specific demand of goods and services which engage an increase in the production sphere, contributing thus to the diversification of the national economy sector structure.

Regarding the guiding lines which should be taken into account by the governments in order to obtain a progressive public policy oriented towards innovation, in order to stimulate the success in the new economy, we mention the following give key strategies: the co-investment in the qualification of the work force; the co-investment in the infrastructure for innovation; the promotion of the governmental actions of support for innovation and clients; the stimulation of the transition to the digital economy; the support for the civic collaboration.

The states that shall focus their policies in these fields shall be better positions, fact that shall allow them to obtain a strong economic increase, especially of the incomes of the citizens belonging to all the social and economic classes. This should represent in fact the real objective.

2.1. The new economy era

The development of a new prosperous economy is not a purpose in itself. This represents only a means to advance on the path in order to achieve wider more progressive purposes: new economic opportunities and a higher standard of life, more individual initiative and freedom, more dignity and autonomy for the workers, more powerful communities and a more extended participation of the citizens in the public life. The economists have thought that the new era that would come, would bring the supreme productivity. But, as a paradox, the growth of technology has not lead to an explosive and measurable at the same time increase in productivity. Is it a consequence of our measurement methodology? This indeed continues to be based on the old conception about the classic type of economy, as well.

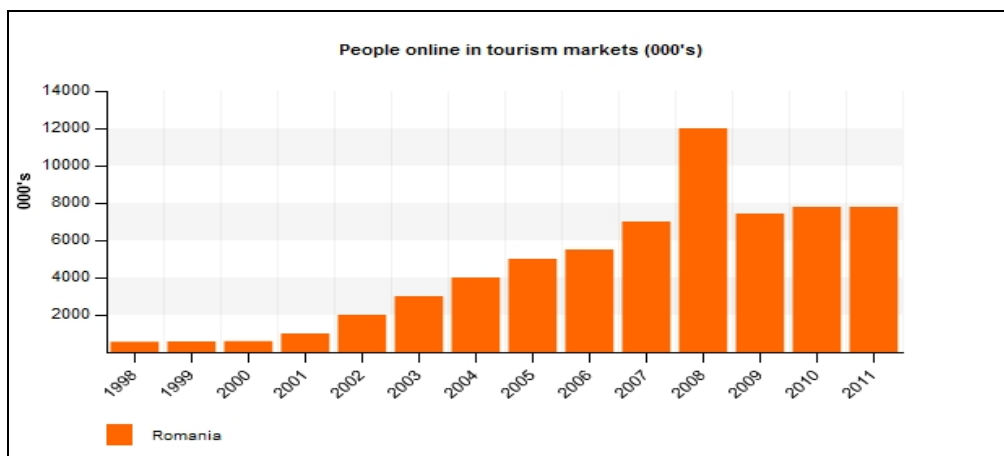


Figure 2. No. of users in the online tourism market in Romania

Together with the Internet, e-business and the new economy era, in general, fundamental transformation of the social and economic structure take place. According to the New media Trendwatch website the level of users in the online tourism markets has registered an imposing growth from 1998 until 2007, and then reached its peak in 2008, recording a growth of 22.5% (5 million people) compared with one year before. But the impressive increase met its downside just the next year, in 2009, when the percentage lowered to 33.4% (a little over 7 million people), probably because of the strike of the economic crisis in September 2008.

As we have concluded from the figures presented previously, the E-tourism industry in Romania is in an early stage, although, the interest of people for e-tourism is steadily increasing.

Table 2. Threats caused by the Internet

The threat of new entrants	T ₁ : “Lowered consumer search costs and decreased switching cost open a market for potential new entrants; this reduces the entry barriers for new companies by opening the distribution channels (Reintermediation) and capital requirements.” T ₂ : “The Internet is a possible instrument to bypass wholesale or retail channels (disintermediation), this can also reduce entry barriers.”
Rivalry among existing firms within an industry	T ₃ : “The Internet brings many more companies into competition with one another by expanding geographic markets and reduced entry barriers, it can raise the rivalry within the industry and increase the pressure for price discounting.” T ₄ : “The Internet offers new possibilities and instruments to meet customer needs and offers new products and services, thus the rivalry among existing companies within an industry can increase.”
Threat of substitute products/services	T ₅ : “The Internet offers new possibilities and instruments to meet customer needs by offering new products and services, which could substitute existing ones.”
Power of suppliers	T ₆ : “By reduced entry barriers and the increasing number of competitors the power of the suppliers will increase”
Power of buyers	T ₇ : “The reduced switching costs of buyers increase also the power of the buyers.” T ₈ : “The customer can easily compare different prices and gain knowledge about products, thus the price becomes the most important decision criterion.”

Source: adapted from Markus GRATZER & Werner Winiwarte, A Framework for Competitive Advantage in eTourism, 2010, www.citeseerx.ist.psu.edu)

To overcome these threats, companies have to employ appropriate pricing strategies for selling products via the Internet. Value can be created and extracted by enhancing value to customers, reducing distribution costs, and improving the match between consumer preferences and products. In parallel, the assaults on the standard economic science amplify, in the sense of some conceptual reformulations and of some reinterpretations of the economic phenomena and laws. Besides the classical factors of production, work and capital, information is added, either as a distinct factor or as a detached one of the two mentioned. Also, the empiric findings regarding the so-called

tertiarisation of the economy or the increase of the share of the services sector in the total of the national economy, as well as the so-called intangible investments in the total of the investment funds, have lead to numerous attempts of redefining what we call today a "modern economy".

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It is well known that tourism implies commercial trading, commitments, development and cultural sustainability, (Mazilu, 2011, p.281) for the tranquillity and the satisfaction of people's aspirations. The world crisis means a moment of incertitude, but also opens immense possibilities. It is true that we confront with one of the highest economic deficits of the last half of the century, with an economic disorder, with the increase of unemployment and with the reduction of the trust in the market, all these generating a recession whose end is not entirely known. The fact that this crisis overlaps the problems caused by the climate changes, determines the big difficulties in the creation of new work places, in the imperious attempt to reduce poverty. These crisis places, at the same time, a constant pressure on the tourists, but also on the employees of the tourism field, threatening the policies and the current practices.

3. CONCLUSIONS

It is true that, for several decades, the tourist activity sector has known numerous come backs, confronting with serious crises because of natural causes or as a result of human activity. But, like Phoenix which revives from its own ashes, tourism has always proven a remarkable capacity to revive even stronger, demonstrating that it is a perfectly viable sector.

The re-launch is synonymous with this sector of activity. This economic crisis does not have very clear terms, but in tourism it is certain that a new state of mind is necessary. History shows us that the most difficult periods were also the ones that offered major opportunities. The leaders of the world, who have had divergences over a number of problems, are now engaged together in the battle against the crisis and work in harmony, unimaginable a while ago. They collaborate in the economic field, looking for solutions for the reduction of the effect of the climate changes with unwanted effects on the unfolding of a quality tourist phenomenon, all in favour of the global, sustainable development (Mazilu & Marinescu, 2008).

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