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Globalization and Tourism-Impact and Prospect

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Abstract: ***The process of connection and integration between the people, businesses, and governments of other countries is known as globalization. One of the most significant sectors that globalization has an impact on is tourism. This process is supported by information technology, international trade, and investment. National boundaries are being eroded by globalization, a process of economic, social, cultural, and political activities, and this has an impact on tourism. A wide range of economic sectors have been effected due to globalization. This paper summarizes how the tourist industry has been affected by globalization.***

Keywords: Tourism, Globalization, Social, Economic, World, Infrastructure

I. INTRODUCTION

The economic, social, political, and cultural aspects of the modern world are all characterized by globalization. Tourism has long been credited with playing a significant role in shaping globalization, but at the same time, the growth of the tourism industry is influenced by the world's increasing interdependence. The process of globalization cannot be stopped. Every aspect of each nation's social system has been impacted by globalization, which has significantly impacted their progress. In order to influence social, cultural, and political activities through the development of their mechanisms, economic globalization processes have arisen. A driving force behind the expanding and intensifying effects of globalization was information technology. The globe is becoming into a global village, and globalization has had a great influence on developments at every level, both local and global.

The tourism sector is a newly developing sector that is getting more and more competitive internationally. Because of the employment produced and the infrastructure built, it is being more recognized as an important industry for inclusive socio economic progress. By its both forward and backward links and capacity to increase employment owing to the economy's multiplier impact, it also has the potential to boost other economic variables.

II. TOURISM DEVELOPMENT AND NATIONAL ECONOMY: A GLOBAL SCENARIO

International trade and domestic economic activities are significantly influenced by tourism. Even domestic travel enhances public awareness of shared interests and helps a country's balance of payments. The primary drivers of rising domestic and international tourist involvement include the right to vacation, national identity awareness, the chance for residents to learn more about their own environment, etc. Without regard to race, religion, political views, or social, economic, or societal structures, tourism raises the quality of life for all people worldwide.

III. IMPACT OF GLOBALIZATION ON TOURISM

A. Easily Access to Convenient International Travel

Extremely significant are the developments in transportation that have made it possible for global movement. Today's trains, aeropla nes, cruise ships, and other modes of transportation make it possible for individuals to travel rapidly and reasonably. People may tra vel, tour, and experience the world thanks to the past railroads, road systems, and even city bike rental programmes.

More individuals are now able to travel more frequently in less time because to these advancements. Almost every country on the gl obe has access to money thanks to a worldwide financial system. One stop travel shopping is now possible thanks to multinational firms that offer flights, local transit, lodging, and meals.

B. Trends in Population and Demography

The world population reached 7,954 billion people in 2022, and the United Nations Population Fund estimates the number will top 12 billion by the year 2050. The world's population is still growing, but not everywhere. The youth population in the globe (those between the ages of 10 and 24) is over 24 billion, which is the highest number ever. They provide enormous potential for social and economic advancement, creating a "youth dividend" for nations that value this population and its young vigour. Also, this group is travelling more frequently than ever before.

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And over half of the world's population lives in urban areas, and as more people look for employment, services, and activities, the trend towards urbanization is anticipated to continue. But so far, not everybody benefits equally since infrastructure such as housing and other areas are unable to keep up with the expanding urban population.

Destinations will need to offer goods and services that appeal to both the elderly, culturally varied, multi-generational visitors as well as the ambitious youth in order to stay up with all of these demographic shifts. Also, in order to hire and retain people, it will be necessary to re-evaluate salary, human resource policies and processes, and other factors in light of the shifting workforce demographic.

C. Security, Safety, and Terrorism

Terrorist acts and political unrest throughout the world have undoubtedly hampered tourism industry, but not prevented it. Naturally, the places that have had turmoil and received the greatest media attention are those that have been most negatively impacted. The Institute for Economics & Peace (IEP) uses information from Terrorism Tracker and other sources to generate the GTI report. From January 1, 2007, Terrorism Tracker has kept records of terrorist attacks. Almost 60,500 terrorist attacks from 2007 to 2021 are included in the dataset. While lack of safety and security may not be the primary factors in tourist choosing a certain site, it is undeniable that it frequently removes a place off travellers' "wish lists." Travelers' safety and security are becoming increasingly crucial as governments take steps to safeguard their citizens. Government organisations all around the world issue recommendations and cautions urging their (tourist) nationals to avoid risky areas and times of political instability.

D. More Knowledge of New Destinations

An further effect of globalisation on tourism is a better awareness of locations and the variety of recreational opportunities, tourist destinations, and other cultures to experience. Creating awareness of a place is undoubtedly a crucial first step in marketing it, and travel documentaries, television programmes, blogs, and other types of media help with this.

E. Raising Poverty

As tourism is a substantial or expanding economic sector in the majority of nations with high levels of poverty, its ability to eliminate poverty is reinforced by its significance for nations that are developing or less developed. The difference between the most wealthy and least wealthy people has widened at the same time. The vast majority of people on the earth just cannot participate in or benefit from tourism. In a developing nation like Honduras and a developed one like Canada, the economic benefits of a tourism industry are not similar. In other words, individuals do not all have equal chances to make money.

IV. CONTRIBUTION OF TRAVEL AND TOURISM TO WORLD GDP AND EMPLOYMENT

The contribution of Travel and Tourism industry to World Gross Domestic Product and Employment is significant. Its multiple effects contribute to world economy directly, indirectly and through inducement activity of travel and tourism. The following table shows the contribution of travel and tourism to world GDP and employment.

Table-1- World Travel and Tourism GDP

Year	GDP in USD	USD in Billions
2019	10.3%	9630
2020	5.3%	4775
2021	6.1%	5812

Source: World Travel and Tourism Council- Travel and Tourism Economic Impact 2022

Travel & Tourism GDP declined by 50.4% (USD 4,775 billion) in 2020 vs the overall economy's decline of 5.3% and Travel & Tourism GDP grew by 22.7% (USD 5,812 billion) in 2021 vs the overall economy's growth of 6.1%.

A. International Tourist Arrivals

Arrivals of foreign tourists worldwide fall by 70% in 2021, hitting a historic low of 429, down from 1465 million in 2019 due to Covid. An estimated 340 million foreign arrivals were registered worldwide in the third quarter of 2022 (-26% over 2019), accounting for about 50% of the nine-month total. By September, Europe (+126%) took the lead in the recovery of global travel, with numbers 81% higher than they were before the epidemic. Between January and September 2022, foreign visitors to the Middle East increased by more than double (+225%) year over year, reaching 71% of 2019 levels. The Americas (+106%) and Africa (+166%) surpassed 2019 levels at 63% and 66%, respectively. Arrivals increased by more than threefold in Asia and the Pacific (+230%) in the first nine months of 2022, indicating the inauguration of several locations, although they were still 83% below 2019 levels. According to the UNWTO's first projections, international arrivals might reach 65% of pre-pandemic levels in 2022. Despite mounting obstacles that might slow the rate of recovery in the upcoming months, tourist export revenues could reach USD 1.2 to 1.3 trillion in 2022, a rise of 60–70% over 2021 and 70–80% of the USD 1.8 trillion recorded in 2019.

Table -2 International Tourist Arrivals in the Sub Regons of the World

Countries	2019	2020	2021	Share % 2021	Change% 20/19	Change% 21/20	Change% 21/19
World	1465	406	429	100	-72.3	5.8	-70.7
Advanced Economies	777	218	227	52.8	-71.9	4.0	-70.8
Emerging Economies	689	188	203	47.2	-72.8	8.0	-70.6
Europe	745.2	238.1	288.4	67.2	-68.0	21.1	-61.3
Northern Europe	83.7	23.3	22.4	5.2	-72.1	-4.1	-73.3
Western Europe	204.2	79.8	72.4	16.9	-60.9	-9.3	-64.6
Central Europe	153.3	46.7	54.7	12.7	-69.5	17.2	-64.3
South Europe	304.0	88.3	138.9	32.4	-70.9	57.3	-54.3
EU 27	540.5	181.4	209.5	48.8	-66.4	15.5	-61.2
Asia Pacific	359.6	59.2	20.6	4.8	-83.5	-65.1	-94.3
North East Asia	170.3	20.3	11.3	2.6	-88.1	-44.1	-93.3
South East Asia	138.0	25.5	2.9	0.7	-81.5	-88.8	-97.9
Oceania	17.5	3.6	0.7	0.2	-79.2	-80.2	-95.9
South Asia	33.7	9.7	5.7	1.3	-71.1	-41.3	-83.1
America	219.3	69.8	82.4	19.2	-68.2	18.1	-62.4
North America	146.6	46.5	57.0	13.3	-68.3	22.8	-61.1
Caribbean	26.3	10.3	15.0	3.5	-60.8	44.9	-43.2
Central America	10.9	3.1	4.9	1.1	-71.6	58.1	-55.2
South America	35.4	9.9	5.5	1.3	-72.0	-44.5	-84.5
Africa	68.1	18.8	19.4	4.5	-72.5	3.3	-71.5
North Africa	25.6	5.6	7.0	1.6	-78.2	25.8	-72.6
Sub Saharan Africa	42.5	13.2	12.4	2.9	-69.0	-6.2	-70.9
Middle East	73.0	19.8	18.6	4.3	-72.9	-6.2	-74.5

Source: World Tourism Organization (Data as Collected by UNWTO) 2021

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V. INTERNATIONAL TOURISM RECEIPTS

International tourist revenues are the money spent on lodging, food, beverages, local transportation, entertainment, shopping, and other products and services in the destination countries. In terms of macro economics, foreign visitors' spending is accounted for as exports to the country of their destination and imports to the country of their residence. In the balance of payments, incoming tourism earnings are shown as a travel credit under the services balance, while outward tourism expenses are shown as a travel debt. Tourism is a significant source of foreign exchange profits for many nations, as well as a significant factor in the creation of jobs and economic growth. The following table reveals the international tourism receipts

Table 3 gives the year-wise receipts from international tourism by regions during the years 2019-2021. During the year 2021, Europe accounted for about (50.7%) of the world's total receipts from international tourism followed by Americas (22.5%), Asia & the Pacific region (16.1%), Middle East (8.0%) and Africa (2.7%).

Table -3
International Tourism Receipts Worldwide And By Regions, 2019-2021
(Receipts in Billion US$)

REGION	2019	2020	2021
World			
Receipts	1483	546	602
% Annual change	3.1	-63.2	10.3
Africa			
Receipts	38.8	14.8	16.2
% Annual change	2	-61.9	9.5
% Share in world	2.6	2.6	2.7
Americas			
Receipts	330.9	126.2	135.3
% Annual change	1.4	-61.9	7.2
% Share in world	22	23.7	22.5
Asia and the Pacific			
Receipts	441.4	126.2	97.1
% Annual change	1	-71.4	-23.1
% Share in world	30.1	24.5	16.1
Europe			
Receipts	572.4	235.9	305.2
% Annual change	4.6	-58.8	29.3
% Share in world	39	43.9	50.7
Middle East			
Receipts	99.2	43.2	48.4
% Annual change	29.7	-56.5	12.0
% Share in world	6.2	5.3	8.0
India			
Receipts	30.05	6.95	8.79
% Annual change	5.11	-76.87	26.4
% Share in world	2.02	1.27	1.46

Source:- UNWTO World Tourism Barometer May 2022

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VI. CONCLUSIONS

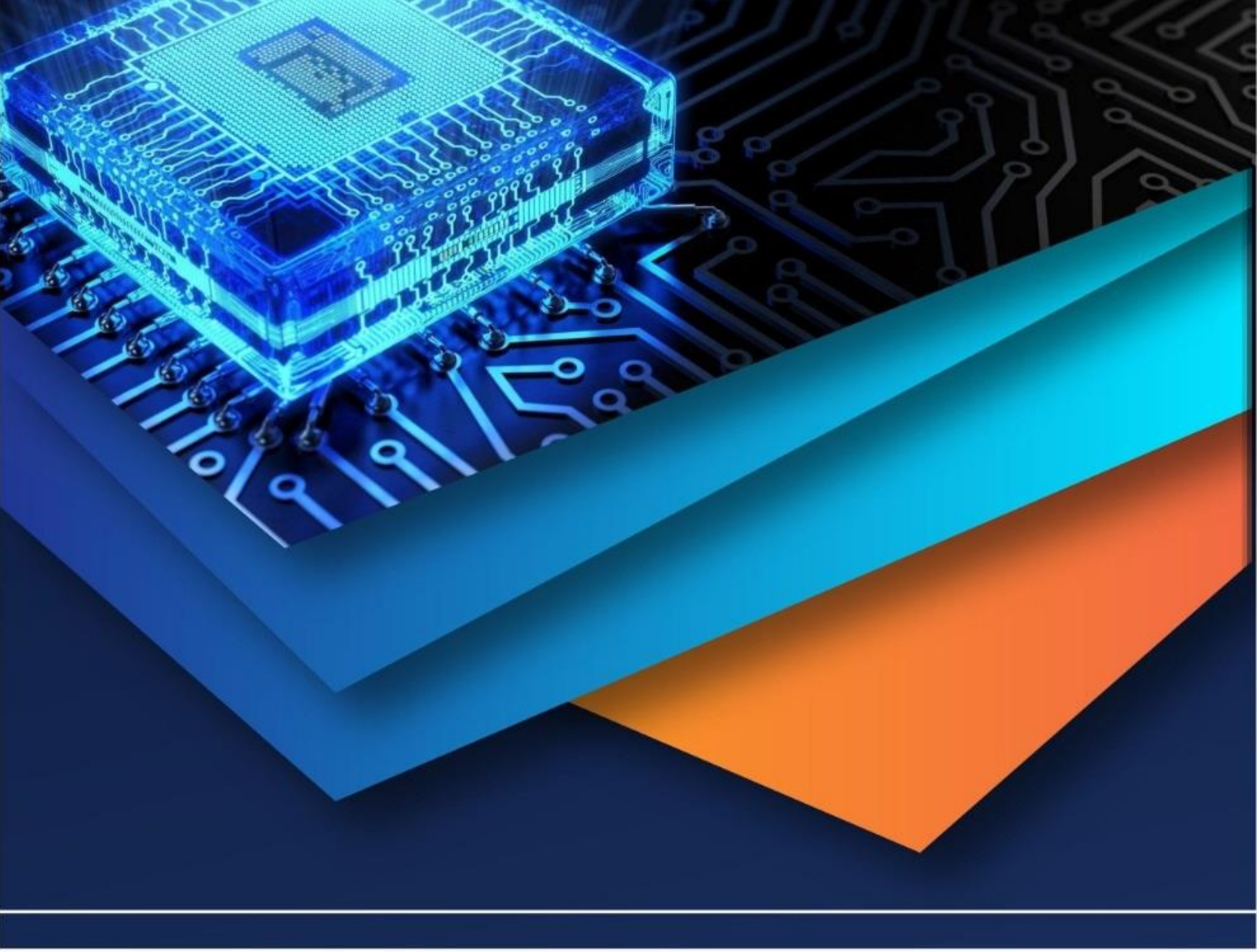
Globalization has expanded over the world and imposed its own set of laws and working practices. As a result, globalization has both beneficial and harmful aspects. Citizens are moving about more, which has contributed to the good consequences of globalization, particularly in tourism. It has facilitated the flow of wealth and people, which has increased tourist numbers. It has lowered obstacles to people and capital as well as products migration. This explains why there is an increase of tourist from all over the world. In addition to its benefits, globalization has drawn criticism. One of the striking examples of the negative effects of globalization is the migration, abandonment, and eventual extinction of entire areas. The values of one nation, including those of family, nation, and cultural identity, are significantly impacted by the processes of globalization. Every nation has to implement laws and restrictions to keep its historic values from dying. The first stage is tourism, which, when planned properly, may bring back traditional values.

Due to the fact that tourism is a luxury commodity, there is a greater than one income elasticity in the demand for international travel, and tourist from low-income nations may respond to unfavorable circumstances more negatively than tourist from wealthy nations. In particular, emerging nations whose economies rely heavily on tourist earnings would face increased difficulties as a result of a drop in tourism revenue and its detrimental impacts on economic performance.

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