

# REGIONAL ECONOMIC GROWTH THROUGH TOURISM. THE CASE OF REGION WEST

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*The regional development should aim to correlate and integrate tourism among the other integrative parts of the regional and local development, taking into account the fact that a region's prosperity as effect of tourism development may be shown clearly in several stages: on the spot (as a result of direct consumption of the tourist product), on short term (through continuous absorption of the work-force and encouraging the welcoming commerce) and in the long run (concentrating capital for investment in the general infrastructure and the one of tourism, in structures of reception for tourism and in the development of urban services). The analysis of intra-regional disparities as part of the economic growth at the level of Region West starts off with the idea that each component county has a different landscape, which favored or inhibited their economic growth; in the same time, each component county has its own specific, which can be promoted through tourism, inducing in time a regional income, and respectively, a socio-economic and cultural growth of less developed areas.*

*Keywords: tourism, regional development, intra-regional disparities, economic growth*

*JEL code: R11*

## **1. Tourism – fosterage instrument of regional development**

The National Strategy for Regional Development, drawn up based on the Plan for Regional Development and the National Strategic Frame of Reference 2007 – 2013, has identified the development of tourism as a priority for development, given the existing potential for tourism in every one of the eight regions for development in Romania. This potential proves the financial backing offered to rehabilitate the infrastructure of areas aimed for tourism and to turn into account the natural, historic, and cultural patrimony, to include them in tours of tourism and promote them with the purpose of attracting tourists.

The development of tourism is in complete harmony with the Communitarian Strategic Orientation 2007-2013, as the putting into practice of this axis of priority shall contribute to the improvement in the regions' degree of attractiveness and to the creation of new workplaces. The investment in tourism and culture will allow the developing regions to make use of the advantages offered by their potential for tourism and their cultural patrimony and to identify and strengthen their own identity, in order to improve their competitive advantages in sectors with high added value and high cognitive and qualitative content, on both traditional and emerging markets.

As an integrative part of the national economy tourism excels its economic role directly, first through the contribution it has to create regional and national income and the acquiring of foreign currency, then through the positive effect it has upon the social-economic and cultural growth of certain areas in the country and upon the internal monetary flow, and indirectly by the influence it exerts upon other branches of the national economy. Considered an economic activity, tourism includes a various range of services, such as: informative services, the sale of travel, transport,

accommodation, treatment in spas, activities of entertainment and pleasure. Consequently, at the level imposed by its role and functions, tourism appears as a result of the concerted and combined effect of multiple branches. Some of these, for example construction, the industry of electric and thermal energy, engineering, the textile industry, agriculture, the food industry – are considered as supplying branches, and what they supply is involved either in the material base of tourism, or in the production offered by public food supply. Other branches, like transport, goods' circulation, communications, and culture compete independently in order to meet the needs of tourists. The large number of branches which are involved in catering tourism shows that the “product” of tourism can be of high quality only if all the elements involved in its creation, or are an integrative part of its structure, are as well of high quality.

## **2. The potential for tourism and possibilities of regional development of tourism in the Region West.**

The Region West – one of the eight regions of development in Romania – has a remarkable potential for tourism given its extremely rich and various landscape (in the region there can be found every form of relief, from plains to mountains), the climate with oceanic or sub-meridional influences, a hydrographical network of great representation, a various background of forests and hunting, all of these making up very attractive destinations for tourism. The region also hosts especially attractive mountain sceneries, karst relief in the mountains, karst and glacial lakes, natural lakes of everglade, mineral and thermal springs, leaf-bearing forests and coniferous forests, a hunting background with various species, national parks and natural reservations, dendrological parks and many areas for skiing. The region disposes of archeological vestiges, of historical and art monuments, architectural ensembles, plastic art and memorial monuments, displayed on a vast area in both urban and rural living spaces. To these one should also add museums, the art collections and galleries, the popular architecture, the folk costumes and pottery, ethnographical museums, traditional folk events, festivals and artistic events; there should also be mentioned the technical industrial patrimony, including dams, lakes of accumulation, hydro-power stations, the museums of steam locomotives, furnaces of the Middle Age, various plants and industrial centers. The distribution concerning every constituent county would look as follows:

*The county of Arad* has an increased potential of developing, in the long run, the tourism for business and transit, due to its geographic location and also due to the numerous foreign investors present in the county. Then, a large number of natural, cultural, historic and ethnographic sightseeing spots offer the possibility of practicing other forms of tourism as well, for example – the ecological tourism or the tourism for pleasure, the tourism for culture and history, and the tourism for treatment and spas. Among the sightseeing spots we can mention the Hodos-Bodrog Monastery, the „Adormirea Maicii Domnului” Monastery in Bezdin, the „Sfanta Fecioara Maria” Monastery in Radna, the Fortress of Aradului, the Fortress of Ineu, the Castle in Savarsin, the Soimos Fortress, the Bohus Castle in Siria, the Historic Centre of Arad, the Natural Park Natural Lunca Muresului, the Macea Botanical Garden, the Baile Lipova Health Resort, and the Moneasa Health Resort.

*The county of Caras-Severin* has an obvious potential for tourism, due to the diversity of its landscape, the great number of lakes of accumulation, the emphasis being on the Baile Herculane Health Resort and Spa or the Danube Strait. There can also be distinguished five areas for tourism – the Semenica area, the Cerna Valley area, the Anina Mountains area, the embankment of Nera-Beusnita and the Iron Gates. Among the sightseeing spots we can mention the Semenica Resort, the Muntele Mic area for tourism, the Domogled National Park – Cerna Valley, Baile Herculane, the embankment of Nera-Beusnita National Park, the Museum of steam locomotives in Resita (a collection of 16 locomotives, including the first locomotive manufactured in 1872), the Piatra Scrisa hermitage, the Rudaria Water-mill Park, the railways Oravita – Iam and Oravita

- Anina (the first railway range in the country, opened in 1854), the carcass of the Roman settlement Tibiscum (106 AD.), the Moldova Noua sightseeing spot.

*The county of Hunedoara* disposes of both the variety of the landscape and the wealth brought by the elements of cultural character; the county preserves over 400 sightseeing spots – historical and art monuments, and monuments of natural history – starting with the prehistoric era and continuing through the dacic, roman, feudal and modern times. Among the sightseeing spots we can mention first the two capitals of Dacia and the Roman Dacia - Sarmizegetusa Regia and Ulpia Traiana Sarmizetgetusa, and then there are the Fortress of Deva and the Fortress' Hill, the Corvinesti Castle in Hunedoara, the Geoagiu Bai Resort, the Dendrological Park Simeria, the Museum of Gold in Brad, the Retezat National Park, the Mountain Resort in Straja, the Complex of monuments in Tebea, and the Dacic Fortresses in the mountains of Orastie.

*The county of Timis* disposes of a diverse natural potential, springs of mineral and thermal waters which enjoy recognition for their sanatory qualities, the hunting and piscicultural background, as well as the variety of the elements of architecture, folk art and folklore, all of them ensuring a diversified offer for tourism. Timisoara, the county's city of residence, comes fourth place on a national level according to size, and has been recognized since the 18th century as „Little Vienna”, being an important historic, economic, financial, cultural and scientific centre. Among the main sightseeing spots there are the Buzias Health Resort and Spa, Baile Calacea Health Resort, the Swamps in Satchinez, the Dendrological Park Bazos, the Museum of Banat in Timisoara, the „Traian Vuia” Memorial House, the Orthodox Cathedral in Timisoara, the Cave in Romanesti, the Village Museum of Banat, the Roman-Catholic Dome in Timisoara.

This various range of resources for tourism may generate and sustain a variety of tourism practices, among which: the widely used tourism (for circulation), the tourism for health and spa, the tourism for rest and relaxation, the tourism for business, the tourism for mountain-hiking, the tourism for sporting hunting and fishing, the cultural-historic tourism, the tourism for speology, the sporting tourism, the tourism for cruising, the religious tourism, the urban and rural tourism, the intercultural tourism, the gastronomical tourism with local specific. Regarding tourism, new products and new forms of recess tourism can be developed, like rural tourism and the tourism for adventure. There can also be developed the tourism for business, generated by conferences, symposia and exhibitions, diplomatic events, cultural and scientific events, the multinational companies' business expansion in the region.

Even without a detailed exposure one can easily notice the vast existing potential of the Region West, which, unfortunately, is not put in good use concerning the sustainable and ecologic development of the region. Regarding the capacity for accommodation in the year 2006, Region West ensured only 7,46 % of the entire capacity for accommodation in the country. On a regional scale, Region West was placed last but one regarding the number of tourists arrived in the region (9,87 % of the tourists visiting Romania in 2006), the 4<sup>th</sup> place regarding the number of staying overnight (2.006,2 thousand), and, respectively, the 4<sup>th</sup> place regarding the index of net usage of the capacity in function (36,3%, despite the strategic geographical location of at least two counties – Timis and Arad – and, as well, despite the external economic exchange which has been traditional for centuries. The potential for tourism in the rural area should also be taken into account, given certain characteristics of Region West, like its diverse landscape, the architectural tradition in the rural area, historical and archeological vestiges, mineral and thermal water resources; for the time being, the social transparency is very low, 9 % of the villages in the Region West having a high and very high potential for tourism. These are distributed in the counties of Hunedoara and Caras-Severin, in harmony with the protected areas and natural monuments in the region. It is especially this area that – fated right from the start to host mono-industrial activities and becoming, in time, vital industrial centers due to the intensive exploitation of raw materials – suffers from an acute economic and social crisis because of the

collapse of the planned economy's system and the economic transition of Romania towards the market economy. For this reason the presence of foreign investors is also very scarce, they showing preference more towards the counties of Timis and Arad, so that, in order to economically revitalize the two less developed counties in the region, it is necessary to win the interest of the foreign investors over, and this would require to begin with the development of the infrastructure for access and utilities, necessary for both the proper unfolding of the economic activities, and for ensuring a comfortable living for the population in these areas.

### **3. The infrastructure for access**

In what concerns the infrastructure for access, a series of shortcomings exist, which diminish the possibility of a vast economic development, respectively to sustain a flow of tourists adequate to the region's potential for tourism; these are mainly high-lightened by the lack of motor highways (the immediate effect being the unjustified intensification of traffic on roads which are not proper for inter-regional and international transport), the lack of ring-roads in the case of most cities and towns in the region (which makes the inside traffic to be very difficult and also increases the duration of travel), the low carrying capacity of existing roads showing effects of accelerated degradation, and the high percentage of out-dated district roads, which leads to a decrease in possibilities and of the traffic capacity, respectively to a lack of access possibility regarding sightseeing spots in the territory.

Having a strategic geographic location at the crossroads of commercial paths which connect Central Europe to the Mediterranean South, Region West represents a bordering region, a "frontier" region, which disposes of four crossing points of the frontier with Hungary – Nadlac, Turnu and Varsand (in the county of Arad), and Cenad – Kiszombor (in the county of Timis) and four crossing points of the frontier with the Republic of Serbia – Jimbolia and Moravita (in the county of Timis) and Naidas and Moldova Noua (in the county of Caras-Severin). Five European roads cross Region West directed North-South and West-East, three of which are considered main European roads (E68, E70, E79), and respectively two secondary European roads (E 671, E 673). Of the ten Pan-European corridors (which have been given recognition as main thoroughfares of transport in Eastern Europe, aimed to connect Western and Eastern Europe, as well as the states of Eastern Europe), three of them cross the Romanian territory, two of which cross Region West: the Corridor IV (Berlin – Nurnberg – Praga – Budapesta – Constanta – Salonic – Istanbul – having two integrative parts, road and railway) and Corridor VII (the Danube, crossing Region West between Bazias and Cozla).

The motor highway designed for the future, in order to connect Budapest to the Black Sea, has been foreseen to cross Region West from West to East; this highway is forecasted to ensure a fast connection between the centers Timisoara – Arad – Deva, having as well a significant contribution to the traffic release on the other roads in the region.

Regarding air passages, The Region West disposes of airports in each integrative county, in the cities of Timisoara, Arad, Caransebes and Deva (there should also be mentioned that in Romania, based on the European Treaty, eleven airports are located on the TEN-T network, two of which being located in Region West). It is also worth mentioning that the Traian Vuia Airport in Timisoara is the second airport in Romania regarding its importance, catering an immediate area of 2,1 million inhabitants (both Region West and the Hungarian and Serbian Banat area). Its technical endowment allows access for some of the biggest airplanes, a quality that grants a significant potential to the airport, as air gateway of the region, in the use of tourism and fast access to economic circuits, including overseas markets. Its location, the rise in foreign capital and a fast growing number of investors in the Region West, as well as the fact that the airport enjoys competitive endowments of aeronautic type has led to a rise in passenger and commodity trafficking, so that the present issues the airport's administration is concerned with, involve the lack of space on the platforms, in air-stations, respectively in the parking lot. The county of Arad

disposes as well of an international airport, also having a strategic location. It allows easy access to economic agents from nearby areas (especially the counties of Arad, Hunedoara, Bihor and Alba, respectively Bekes and Csongrad in Hungary, regarding the transport of commodities). The contribution of air transportation to the economic life of the region could be improved through investment in airport services, in specific endowment regarding landing in difficult conditions, in ensuring the connection by air transportation between district centers, respectively in the potential for development of the two airports which are not sufficiently used – Deva and Caransebes. The airport in Caransebes, in the county of Caras-Severin, initially designed for internal flights, is at present in private property, maintaining however its potential of being used for external passenger trafficking, especially regarding tourism. In what concerns the airport in Deva, in the county of Hunedoara, this one is at present used only for activities like sports aviation.

#### **4. Challenges and opportunities**

The frail development of tourism in the Region West is also due to uncompetitive products of tourism and the unskilled personnel in the field; moreover, in 2006, the Region West disposed of only 10,55% of the total number of the personnel hired in the structures of reception and accommodation in the country, most of them working in the Timis county. The tourism in spas would also have a high potential of development in the region, the region hosting 13,3 % of the total number of health resorts and spas in the country, most of which are to be found in the county of Caras-Severin. Turning account of the attraction for tourism can contribute to the economic growth of the urban centers, which are currently in decline, or of the peripheral rural areas, mainly by favoring the setting up and development of local enterprises, thus transforming the areas with low economic competitive character into areas attractive towards investors. The activity of tourism creates demand for a large range of goods and services, acquired later on by tourists and companies of tourism, including goods and services created by other economic sectors (commerce, constructions, transport, the food industry, confections and footwear, the small industry and handicraft). Last but not least, tourism creates opportunities for regional and local economic growth and has a lasting contribution to creating new employment forms by turning into account the cultural and natural patrimony; in addition, a significant part of the newly created jobs involves a regional opportunity to absorb the female work-force.

The Region West enjoys a very diverse potential for tourism to be promoted, a potential which offers the possibility of practicing an entire range of forms of tourism all year long; even so, the tourism in the region is a lot less developed compared to other areas in the country (mentioning factors like a relatively reduced denseness of the population in the region, an insufficiently developed infrastructure for access to sightseeing spots and diverse locations, respectively the massive emigration of the population traditionally fond of tourism). The putting into operation of the 5<sup>th</sup> axis of priority of the Regional Operational Program (POR) – by improving the infrastructures of the areas aimed for tourism and the ones of the accommodation services – is expected to determine a qualitative growth, towards European standards, of the entire range of conditions for practicing tourism, with a direct influence upon the increase in demand for tourism for Region West, and implicitly for Romania, as a European destination.

#### **5. Conclusions**

The reasons which negatively influence tourism at the regional level are first the lack of a consistent strategy at the central level, given the conditions in which the development and promotion of tourism are not part of the local administrations' priorities, or maybe only to an insignificant extent, then the lack of transport infrastructure (roads, railways, adequate and modern waterways and air passages; even the road network is not properly maintained, isolating or making the sightseeing spots very difficult to reach). On the other hand, the lack of quality



service regarding accommodation, of a competitive management, of complementary services for tourism, of some documentation and guides and even the lack of an aggressive challenge on hand various forms of advertising, makes many sightseeing spots and various areas for tourism to remain unknown to the wide public, either home or overseas, with every negative consequences emerging from here.

The role of tourism in the regional economy, and implicitly in the national economy, refers mainly to a superior capitalization of available resources, which involve the economic and cultural rise of certain inhabited areas, the development in a territorial structure, the setting up of fields of activity which might absorb part of the workforce, it may also be an activating element of the global economic system, respectively a means of diversifying economic structures, parameters of education and training, has a calling for ecology, it imposes measures to protect the environment and the basic values of the human life (water, air, flora, fauna) and it also represents a lever to diminish the inter- and intra-regional disparities.

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