

2nd

**International
Scientific
Conference**

1-3 June, 2017

Vrnjačka Banja, Serbia

2

0

1

7

**TOURISM
IN FUNCTION OF DEVELOPMENT
OF THE REPUBLIC OF SERBIA**

**Tourism product as a factor of competitiveness of
the Serbian economy and experiences of other countries**



**THEMATIC
PROCEEDINGS
II**



**UNIVERSITY OF KRAGUJEVAC
FACULTY OF HOTEL MANAGEMENT
AND TOURISM IN VRNJAČKA BANJA**



GLOBALIZATION AS A PART OF SERBIA'S TOURISM DEVELOPMENT

Mirjana Ilić¹; Milica Obadović²

Abstract

Globalization is a phenomenon that is increasingly being called upon in the analysis of tourism development. Among more visible manifestations of globalization, there are the international trade of goods and services, financial capital, information and people. Globalization can bring Serbia many benefits through attracting foreign investments, increasing movement of tourists, creating jobs, and increasing national income. This paper presents a comparative analysis of the development of tourism in Serbia and the competitive countries. In conclusion, we would emphasize the positive impacts of globalization that Serbia can use in the development of its tourism industry.

Key Words: *Globalization, Tourism, Development, Competition*

JEL classification: *F60, Z32, F63, O57*

Introduction

Globalization is one of the key concepts of our time. It is used by both the right and the left as the cornerstone of their analysis of the international economy and policy. In both political and academic discussions, the assumption is commonly made that the process of economic globalization is well under way and that this represents a qualitatively new stage in the development of international capitalism (Hirst, Thompson and Bromley, 2015).

Jan Aart Scholte (2005) considers that globalization is best understood as a reconfiguration of social geography marked by the growth of transplanetary and supraterritorial connections between people. According to Vasiliu (2003), the process of globalization has evolved

1 Mirjana Ilić, PhD, Lecturer, The College of Tourism, Belgrade, +381 65 266-26-66, mirjanao@visokaturisticka.edu.rs

2 Milica Obadović, PhD, DDOR Novi Sad, +381 65 233-23-33, mobadovic@gmail.com

gradually, upon three major phases, mainly taking place in the second half of the 20th century:

- Internationalization of commerce, by its becoming free and by the un-regulating policy, so that, starting with the 50s of the last century, the growth rhythm of the commerce has become higher than that of the production;
- Trans-nationalization of the capital flows, which starting with the 1980s has evolved in a more alert rhythm than the international commerce;
- Occurrence of the informational society and globalization of the informational flows, which has developed more alert than the commercial flows and the capital flows.

Globalization can be defined as the unfolding resolution of the contradiction between ever expanding capital and its national, political and social formations. Globalization also represents the shift of the main venue of capital accumulation from the national to the supranational or global level (Teeple, 2000).

Bringing about economic, social, political and even cultural changes, it drives the expansion of a unified global market that greatly facilitates the movement of capital, goods and people. Globalization also has its immeasurable dimension that fosters a free flow of ideas, thus creating new attitudes and behaviors of individuals. There are many positive aspects of globalization. It promotes economic growth, influences the creation of new jobs, increases competitiveness of enterprises thus expanding the range of products and reducing their prices. Globalization of national economies creates the basis for disseminating technical knowledge and education, generates innovation and enhanced product quality and fosters democratic ideals and cultural exchange and international understanding (Dwyer).

The prosperity of a region as a result of tourism development occurs in several phases (Ene, Baraitaru, 2010):

- immediately, following the direct consumption of tourism products;
- short term, by continuing to absorb labor to welcome and encourage trade;
- Long term, by the capital concentration in investment in general infrastructure and the tourism, travel and accommodation structures in development of urban services.

But there are also critics of the negative effects of globalization. Namely, globalization can generate income inequalities, have a bad influence on local industries, create greater dependency of developing economies on developed ones, have an adverse effects on small business, etc. (Dwayer). On local level, globalization can increase the prices of consumer goods and services, and influence the increased price of land and housing beyond local affordability. By increasing the inflow of people, demands on public services and facilities will also be increased. The presence of negative effects cannot be neutralized, but countries may undertake activities that will partially control the amount and time of risk realization and the consequent damages. These activities are referred to as risk management and, if successfully implemented, can reduce the costs of realized losses (Obadović et al., 2010).

As main drivers of globalization, four factors can be distinguished: economic, technological, demographic and political. Economic factor of globalization drives the integration of national economic systems, including greater trade in goods and services, the creation of trading blocks, liberating the trading across borders, and increasing the volumes of world trade.

Information and communication technology is gradually transforming the world into a global village. Today, we witness a global free market economy, a global growth or recession, global companies, a global democratization process, a global awareness of the importance of protecting the physical environment and healthy habitat, and a global revitalization of local community's expectations and participation in socio economic change – particularly in developing countries (Axford, 1995). Kenichi Ohmae (1991) asserted that globalization is the product of many converging forces - technology, transnational corporations, and new methods of communication and distribution systems as well as new vistas of competition – all of which are instrumental in creating a global market, an economy conceived of as mainly the same in all its parts.

Age structure change and population growth is important demographic driver of globalization. In developed countries population is ageing as a consequence of an increased longevity, caused by a high standard of public health. Parallel to changes in demography, there are changes in people's values and needs, aspirations and expectations (Dwayer). An increased sense of deservingness with emphasis on quality, individualism,

money, time, and hedonistic, social and environmental consciousness is increasing worldwide.

The main political contribution to the world globalization is increasing liberalization of trade and capital markets. Economic growth has been spurred by a rapid expansion of the private sector in many emerging market economies, generating competitive pressures to use resources more efficiently. Consumer protection in many countries is rising, providing certain environment to businesses and consumers.

Influence of Globalization on Tourism

Many new destinations have emerged in addition to the traditional favorites of Europe and North America. Of all industries, tourism is one of the most international, increasing international competitiveness with both the public and private sectors.

Tourism is one of the most important areas affected by globalization. The rapid growth of tourism sector has come with globalization. International tourism is generating more than 10% of global economic output and employment (Salazar, 2005), creating increased interdependence between countries, economies and people. The quantity of tourists that are involved in international tourism is increasing, due to ease of access to transport and accommodation over the globe. Globalization has contributed to the difficulty of defining or maintaining national borders. In addition, technological advances in communications and transport are helping tourists to overcome barriers of physical distance (Knowles et al., 2001).

Globalization has multiple impacts on tourism industry. Due to increased travelling, peoples are being opened up to appreciate and embrace new ideas, cultures and values that unite and diversify the world. Besides, the growth of technology has facilitated easy access and spread of information across the continent.

Among the major indicators of globalization there is the growing mobility of population, which was enabled by developing transport and communication and the ease of access, one manifestation of which is the thriving foreign tourism. The liberalization in world economy supported the economic growth which was not necessarily sourced by the increase of production, but the increase of the trade.

People all around the world are traveling for various purposes like holidays, business, health, etc., which is increasing the market of multiple industries in the country. This has a lot of influence on economy of the country, thus globalization helps to pump in money into the country. With increased tourist arrivals, the need for creating new jobs is opening as well as infrastructure building and upgrading existing and creating new products and services to satisfy this increase. Economic globalization creates more tourism markets and provides reliable and convenient services for tourists, which increases the number of tourists who travel. Consequently, tourism industry produces more economic benefits.

The structure of societies is continuously changing: The world population is forecast to grow to 8.3 billion in 2030, life expectancy is projected to increase in most of the world, households and families are becoming more diverse, and migration is changing the face of societies³. All these changes will impact the types of tourists, where they originate from, where they travel to, the types of accommodation they require and the activities they engage in while travelling. Quality, production conditions, the role of public authorities, corporate structure and price strategies in tourism are going to exert profound reciprocal influences on globalization trends in tourism – but in varying proportions. Therefore, researching the future orientation of tourist-generating markets should be the point of departure in any analysis of the globalization process (Cooper & Wahab, 2005).

In addition to the many positive impacts on tourism development in the country, there are lot of challenges that globalization brings. Language barrier is one of them, bringing the possible miscommunication between people; due to globalization we have to meet different cultures and different languages.

While some multinational corporations and few countries benefit enormously from globalization, many countries experience just the opposite. With political deregulations and various free trade agreements globalization has resulted in foreign ownership of tourism businesses. Great amount of revenues of multinational corporations operating in tourism industry, do not stay in destination but flow back to the corporate home country. It not only destroys local tourism industry but also loses

3 Demographic Change and Tourism, 2010, UNWTO Publications

most of the capital gained from turnover. Countries that are unable to keep up with the advancement in technology tend to lose out.

Global financial crisis has affected tourism worldwide, making less people want to spend money or travel. Globalization has also raised concerns about global security. The ease of movement has encouraged criminals to move through porous borders from one country to another, thus increasing the spread of criminal activities in the entire continent. Terrorism acts on tourism destinations have become scarecrows that impede tourists from visiting those places. Besides, peace and stability is key to the success of the tourism industry and the lack of it results in issuance of travel advisories; these are not only damaging to the continent's image but also lead to lost revenue.

Competition would take up a new course under the pressures of globalization which would reshape the production conditions in various tourist destinations and change their marketing strategies. According to the Travel & Tourism Competitiveness Index (TTCI) which measures “the set of factors and policies that enable the sustainable development of the Travel & Tourism (T&T) sector (competitiveness of 141 economies), which in turn, contributes to the development and competitiveness of a country” four key findings have emerged⁴:

- First, the T&T industry continues to grow more quickly than the global economy as a whole. As proof of its resilience, the analysis shows that the sector’s growth—whether in terms of global air passenger traffic, occupancy rates or international arrivals—tends to return to trend quickly after a shock.
- Second, countries performing more strongly on the TTCI are those that are better prepared to capture the opportunities of new trends: growing demand from emerging and developing countries; the differing preferences of travelers from aging populations and a new generation of younger travelers; and the growing importance of online services and marketing, especially through mobile internet.
- Third, developing the T&T sector provides growth opportunities and social benefits for all countries, regardless of their wealth. Several developing and emerging economies are ranked among the 50 most T&T competitive economies. A strong T&T sector translates into job opportunities at all skill levels.

4 The Travel & Tourism Competitiveness Report 2015, World Economic Forum, Geneva, 2015

- Fourth, the development of the T&T industry is complex, requiring inter-ministerial coordination and often international and public-private partnerships to overcome financial, institutional and organizational bottlenecks.

International tourist arrivals have increased from 25 million globally in 1950 to 278 million in 1980, 674 million in 2000, and 1186 million in 2015. Likewise, international tourism receipts earned by destinations worldwide have surged from US\$ 2 billion in 1950 to US\$ 104 billion in 1980, US\$ 495 billion in 2000, and US\$ 1260 billion in 2015.⁵

The number of international tourist arrivals (overnight visitors) in 2015 reached a total of 1.186 million, an increase of 52 million over the previous year. Representing an increase of close to 5%, this marks the 6th consecutive year of above average growth following the 2009 global economic crisis, with international arrivals increasing by 4% or more every year since 2010. Tourism flows were influenced by three major factors in 2015: the unusually strong exchange rate fluctuations, the decline in the price of oil and other commodities, and increased global concern about safety and security (UNWTO, July 2016).

Expenditure by international visitors on accommodation, food and drink, entertainment, shopping and other services and goods in the destinations reached US\$ 1.260 billion (€1.136 billion) in 2015. In real terms, i.e. taking into account exchange rate fluctuations and inflation, this represents an increase of 4.4% over 2014, mirroring the growth in international arrivals. International tourism also generated US\$ 211 billion in exports through international passenger transport services rendered to non-residents in 2015. For many countries inbound tourism is a vital source of foreign currency earnings and an important contributor to the economy, creating much needed employment and further opportunities for development (UNWTO, July 2016).

Given the importance of economic, social and political development of tourism, its overall contribution to the development of a region, the necessity for the development, implementation and promotion of the tourism development strategies seems obvious, not only nationally but also regionally. One aspect that should be taken into account in developing such strategies is the compliance principles of sustainable

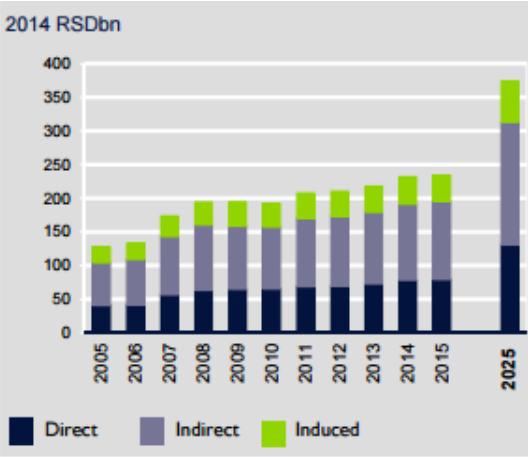
5 UNWTO Tourism Highlights, 2016 Edition, World Tourism Organisation

development, aiming at the development of tourism while respecting the requirements for protecting the natural environment, taking into account the specific objectives of each area or region (Ene & Baraitaru, 2010).

Tourism of Serbia: Facts and Figures

According to WTTC (World Travel and Tourism Council) the total contribution of Travel & Tourism to GDP (including wider effects from investment, the supply chain and induced income impacts, (see Figure 1) was RSD231.7bn in 2014 (6.1% of GDP) and is expected to grow by 1.1% to RSD234.2bn (6.2% of GDP) in 2015. It is forecast to rise by 4.8% to RSD373.8bn by 2025 (7.2% of GDP).

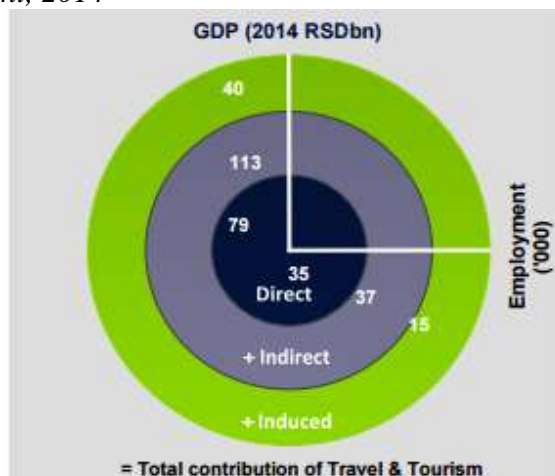
Figure 1: *Total Contribution of Travel & Tourism to GDP in the period 2005-2015*



Source: *WTTC Travel & Tourism Economic Impact 2015, Serbia*

The total contribution of Travel & Tourism to employment (including wider effects from investment, the supply chain and induced income impacts, (see Figure 2) was 87,500 jobs in 2014 (6.4% of total employment). This is forecast to raise by 0.7% in 2015 to 88,000 jobs (6.4% of total employment).

Figure 2: *Breakdown of Travel & Tourism Total Contribution to GDP and Employment, 2014*



Source: *WTTC Travel & Tourism Economic Impact 2015, Serbia*

In the period 2011-2015, tourist arrivals in Serbia have recorded a constant increase, especially in 2015 when it amounted to 2.437 thousand which recorded an increase of 17.81% from 2011 and 11.16% of increase from 2014. Domestic arrivals recorded a small but constant fall during the years until 2015 when it came back to the level of 2011. Unlike domestic arrivals, foreign arrivals have recorded a significant increase and in 2015 it was by 48% higher than in 2011 (see Figures 3,4).

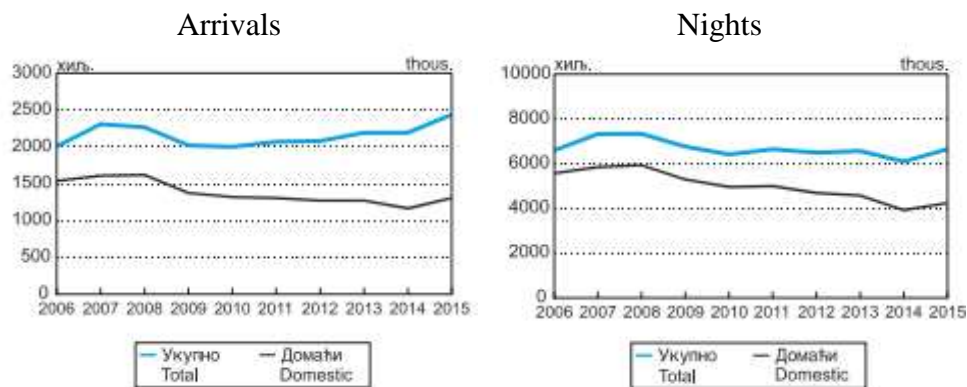
Realized tourists nights recorded a number of 6.651 thousand, which is only a slight increase from 2011 of 0.11%, but 9% of an increase from 2014. Even though not significant changes were recorded during the years in total tourist's nights, there were significant changes in the structure of tourists. Domestic tourist nights fell down by 15% in 2015 compared to 2011, and foreign tourist nights rose for 46.66% (see Figures 3,4). These figures show us that a positive environment has been created, for more and more foreign tourists are attracted to Serbia as a destination. On the other side, lowering the life standard in the Republic of Serbia has decreased a number of domestic tourist traffic.

Figure 3: *Tourist's arrivals and nights in the Republic of Serbia from 2011 to 2015*

Year	Arrivals	Index	Nights	Index
Total				
2011	2068610	100	6644738	100
2012	2079643	100,53	6484702	97,60
2013	2192435	105,99	6567460	98,84
2014	2192268	105,98	6086275	91,59
2015	2437165	117,81	6651852	100,11
Domestic				
2011	1304443	100	5001684	100
2012	1269676	97,33	4688485	93,74
2013	1270667	97,41	4579067	91,55
2014	1163536	89,19	3925221	78,48
2015	1304944	100,04	4242172	84,81
Foreign				
2011	764167	100	1643054	100
2012	809967	106	1796217	109,32
2013	921768	120,63	1988393	121,02
2014	1028732	134,62	2161054	131,53
2015	1132221	148,16	2409680	146,66

Source: Authors calculation based on data collected from Statistical Office of the Republic of Serbia

Figure 4: *Tourist's arrivals and nights in the Republic of Serbia from 2011 to 2015*



Source: Statistical Office of the Republic of Serbia

Foreign currency inflow from tourism in the last few years recorded a constant increase, except in years 2009 and 2010 in which, the global economic crisis evidently affected the reduction of foreign exchange inflow. In the years of recovery after the crisis, there was an increase in

the foreign exchange inflow with a growth rate of 3.3% in Euros, i.e., 9.8% in USD. Foreign currency outflow has also seen a constant growth in Euros, except for the period of crisis, but in USD it recorded a fluctuation during the years and fall of outflow in 2015, lowering to the level below the outflow in 2008 (see Figure 5).

Figure 5: *Foreign currency inflow and outflow from tourism in the Republic of Serbia from 2007 to 2015*

Year	Inflow in EUR (in mil.)	Inflow Index	Outflow in EUR (in mil.)	Index	Inflow in USD (in mil.)	Index	Outflow in USD (in mil.)	Index
2007	630	100	759	100	531	100	1.041	100
2008	640	101	845	111	944	177	1.254	120
2009	617	97	686	81	865	92	959	76
2010	605	98	724	105	798	92	953	99
2011	710	117	791	109	992	124	1.114	117
2012	708	100	805	102	906	91	1.350	121
2013	792	110	841	104	1.053	116	1.117	83
2014	863	109	849	101	1.139	108	1.177	105
2015	945	109	993	112	1.048	92	1.097	93

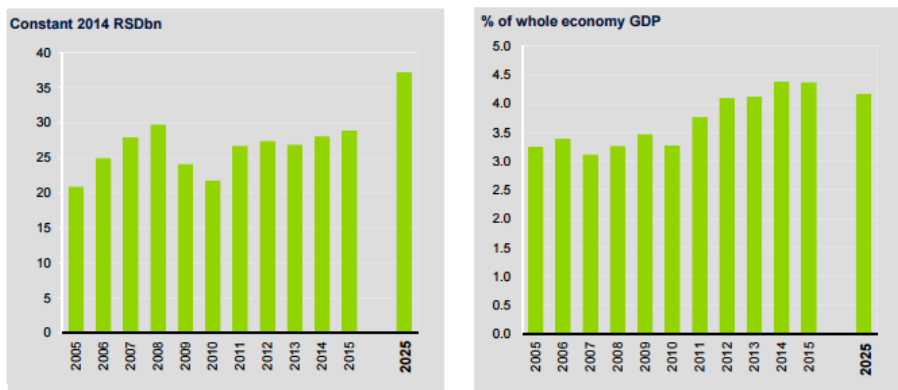
Source: *National Bank of Serbia*

The structure of foreign tourists' nights shows that there was 53.4% (1286 thousand) of tourists in Grad Beograd, 7.6% (184 thousand) in Grad Novi Sad, 9.6% (231 thousand) in spas and 10.1% (242 thousand) in mountain resorts, out of total number of foreign tourists' nights (2410). The largest number of foreign tourists who visited the Republic of Serbia in 2015 were tourists from Bosnia and Herzegovina (87 thous. arrivals, 192 thous. nights), Bulgaria (71 thous. arrivals, 120 thous. nights), Croatia (66 thous. arrivals, 121 thous. nights), Slovenia (66 thous. arrivals, 115 thous. nights), and Turkey (64 thous. arrivals, 115 thous. nights)⁶.

Travel & Tourism is expected to have attracted capital investment of RSD28.0bn in 2014. This was expected to rise by 2.9% in 2015, continue rising by 2.6% over the next ten years to RSD37.1bn in 2025. Travel & Tourism's share of total national investment will fall from 4.4% in 2015 to 4.2% in 2025 (see Figure 6).

⁶ Statal yearbook of the Republic of Serbia – Tourism, 2016, Statistical Office of the Republic of Serbia

Figure 6: *Capital Investment in Travel & Tourism Sector in Serbia*



Source: *WTTC Travel & Tourism Economic Impact 2015, Serbia*

Strategies for Placing Globalization in Function of Tourism Development of the Republic of Serbia

The Republic of Serbia is a part of Europe, which is the world's leading tourist destination. Serbia has a lot of comparative advantages as a tourism destination. Its unique geographical, geo-strategic and macro-regional position is giving it a very important transit role. Good geographic location of Serbia, its plant and animal life, rivers, lakes, specific relief and climate, historical monuments as well as culture is a foundation for development of diversified tourist products that are connected to development of selective tourism like ecotourism, health, cultural, rural, etc.

In order to place globalization in function of tourism development, Serbia need to discover its comparative advantages and opportunities and use them in the way that will open it internationally to develop more receptive tourism and consequently new investments and product development. As an economic branch of major interest and availability, the Serbian tourism must become an important component of global economic system. The tourism sector of the national economy is influenced by other sectors and also has an increasing influence on their development.

According to domestic and foreign analysis (according to Methodology of Oxford Economics) tourism sector in Serbia has a good starting point for the new ten-year development⁷:

1. The total contribution to GDP of the Republic of Serbia in 2015 was 6.4%;
2. Tourism contributes directly to GDP of the Republic of Serbia with 2.2%;
3. Tourism and hospitality (according to the above methodology) includes about 30,000 (directly) of the newly employed, while there is about 157,000 in total, newly employed in tourism and related industries with a large number of new micro and small companies in the field of tourism and hospitality sector and related fields;
4. "Invisible export" represents the 7.3% of the total export of Serbia and almost 29% of the value of exports of services;
5. Investment in tourism constitutes 4.1% of the investments in Serbia. In 2015, the total foreign exchange inflow from tourism amounted to USD 1.048 million. In the period from 2007 to 2015 there was a growth of foreign exchange earnings from tourism for 97.4%, with an average annual growth rate of 10.8%.

Although tourism in Serbia currently has only a modest share of GDP, it is widely recognized for its ability to become a vital sector of national economy in a context that will meet national targets in this area.

To attract investments that will affect the development of the tourism sector and the whole concerned region, achieving a sustainable tourism market has become a necessity. That means that development strategies of tourism must meet the developing requirements of the country and its regions. According to Hanciuc (2003), a following aspects has to be considered to achieve sustainable tourism development planning at local and regional levels:

- Identifying and planning of the tourism resources, and attracting the private households to practice tourism;
- Achieving some form of regional or local training level for practicing some specific trades;
- Providing financial assistance to obtain bank loans for the start-up of tourism activities;

7 Tourism Development Strategy of the Republic of Serbia for the Period 2016 – 2025, Serbian Government Ministry of Trade, Tourism and Telecommunications, 2016

- Support individuals in obtaining approval certificates for the interest structures and professional licensing and patents in the field;
- Preparing the local experts in the matters of tourism.

Serbia has diversified tourist attractions, but they are not well developed. In order to develop them, significant investments in the infrastructure, technology, human resources etc. need to be made. Domestic resources for the investments are poor, and in order to attract foreign investment in tourism, legislative and institutional framework of the Republic of Serbia must provide favorable conditions for the investors.

Information revolution is very important factor of globalization. Internet is making tourist destination, companies and organisation visible to everyone in the world. Companies that operate in tourism sector and Tourist Organization that has realized that by incorporating information technologies in business and the use of the Internet as a way of promotion, branding and creation of image, can improve their competitive position, and have a chance for growth and further business development. The use of web marketing and social networks can bring companies closer to their customers all over the world, making it easier to understand their needs, and sending messages to them about the company's activities.

Innovation in tourism is very important for the development of tourism sector. The possibility to adjust to the changes and to innovate is the prerequisite for the positioning of a tourism company in growing competitive environment. Behavior of tourists has changed because of globalization. Their needs and preferences have changed and influenced the changes in tourism product.

In order to attract international tourists and develop receptive tourism, Serbian tourism market needs to be current with new trends and products popular in the global tourism market. Joint ventures with international companies can bring Serbia closer to new markets and their users, and it can be introduced to new products and the way of doing business.

In order to become a tourism destination, Serbia needs to adopt trends that are current in the global tourism market. More tourists are choosing city break, meeting new cultures and destinations as a way to spend their holidays, so promoting Serbian cities and cultural heritage can be the way to attract tourists. Serbia is yet to be explored by international tourists.

In terms of destination choice, tourists in the years to come will be more likely to travel closer to home. Domestic tourism is expected to boom as a repercussion of global economic recession, and segments such as VFR, repeat visitors, special-interest, and independent travelers are expected to be more resilient. In the meantime, decline in the length of stay and international tourism expenditure will be more pronounced than volume (or number of arrivals); value-for-money destinations (e.g. places with favorable exchange rates) are likely to be preferred destinations among the traveling public. In such a context, cooperation between public and private sectors appears critical for the sustaining of international tourism in a region (Ilić & Leković, 2016).

Positive vision of tourism sector in the Republic of Serbia by 2025 made by the Ministry of Tourism and Trade is definitely a good starting point in including Serbia into the global tourism market:

1. In 2025, the Republic of Serbia will become a globally recognized tourist destination as a result of the established system development and sustainable resource management and coordination of the activity of all subjects of importance for the development of tourism;
2. Tourism and related activities will become one of the dominant industries that effectively provide new added value and sustainable employment and contributes significantly to local and regional development;
3. the tourism sector of the Republic of Serbia will be able to efficiently and flexibly adjusts its offer with modern trends in the global tourism market and offer an authentic experience and high quality products, which will, along with the traditional hospitality, be the basis of recognition from the competition;
4. Tourism will become the leading promoter of the Republic of Serbia's image in the world as a modern and visitation, holiday and business - desirable destinations, providing constant innovative feature in the application of modern standards, new technologies and the protection of nature;
5. Its constant modernization, accepting and taking global standards and models of business and management, tourism will become the preferred sector for employment and career development, particularly for young people;
6. The Republic of Serbia will, on the global competitiveness tourism scale, become high-ranking and popular as a destination.

Conclusion

It is clear that tourism and globalization goes hand in hand, as tourism is not an individual sector for itself, but an all embracing and pervasive domain of service and industrial activities. Tourism as one of the largest and fastest growing sectors in the world has become a key driver of socio-economic progress, through the creation of jobs and enterprises, export-revenues, and infrastructure development, due to always increasing number of new destinations worldwide and investments made in these destinations.

Tourism can bring both advantages and disadvantages for a region. Through careful planning, tourism can also create new jobs and increased revenue. Expansion of tourism activity even leads to the creation of new jobs and has beneficial effects on the qualification and training level of the workforce.

Incorporating and developing tourism in regional profile is a comprehensive and lasting process that cannot be achieved in a short period of time. In order to develop a strategy for developing tourism sector, it is necessary to view the current state of Serbian tourism and to anticipate future developments. A coherent set of objectives, priorities and means for its achievement are strategies that need to be set to achieve the tourism's regional development.

However, it is necessary that available comparative advantages of Serbia as a tourism destination be transformed into competitive advantages, including its capacity use its resources efficiently in order to attract tourists, increase their own prosperity and general welfare.

References

1. Axford, B., (1995), *The Global System: Economics, Politics, and Culture*, St. Martin's Press
2. Beck, U. (2015). *What is globalization?*, John Wiley & Sons.
3. Cooper, C., & Wahab, S. (Eds.). (2005). *Tourism in the Age of Globalization*. Routledge.
4. Dwyer, L., (2015), *Globalization of tourism: Drivers and outcomes*, *Journal of Tourism Recreation Research*, Vol. 40, No.3, 2015.

5. Demographic Change and Tourism, 2010, UNWTO Publications
6. Ene, S. G., & Baraitaru, M. (2010). Sustainable Development Strategies in Domestic and International Tourism.
7. Hjalager, A. M. (2007). Stages in the economic globalization of tourism, *Annals of tourism research*, Vol. 34, No. 2, 437-457.
8. Hirst, P., Thompson, G., & Bromley, S. (2015). Globalization in question. John Wiley & Sons.
9. Ilić, M., Leković, J., (2016), Effects Of The Global Economic Crisis On Serbian Economy Tourism And Its Overcoming,
10. Knowles, T., Diamantis, D. and El-Mourhabi, J. B. (2001) The Globalization of Tourism and Hospitality: A Strategic Perspective. London: Continuum.
11. Obadović, M. M., Obadović, M.D., Maksimović, R. (2010): The Estimate Of The Market Risk By The Application Of Historical Simulation Method In The Period Of Growth Of Stock Exchange Indices On Belgrade Stock Exchange, *Economic Research – Ekonomska Istraživanja*, Vol. 23, No. 3, 82-95.
12. Ohmae, K., (1991), *The Borderless World: Power and Strategy in the Interlinked Economy*, HarperPerennial
13. Obadović, M. M., Obadović, M.D., Avdalović, V., (2011): Development of model for insurance risk management and its application to insurance companies operating in the Serbian market, *E3 Journal of Business Management and Economics*, Vol. 2, No. 6, 223-228.
14. Scholte, J. A., (2005). *Globalization: A critical introduction*. Palgrave Macmillan.
15. Salazar, Noel B. (2005) 'Tourism and globalisation "Local" Tour guiding'. *Annals of Tourism Research*, Vol. 32, No. 3, 628-646.
16. Tourism Development Strategy of the Republic of Serbia for the Period 2016 – 2025, Serbian Government Ministry of Trade, Tourism and Telecommunications, 2016

17. The Travel & Tourism Competitiveness Report 2015, World Economic Forum, Geneva, 2015
18. Teeple, G. (2000). What is globalization?. In Globalization and its discontents (pp. 9-23). Palgrave Macmillan UK.
19. UNWTO Tourism Highlights, 2016 Edition, World Tourism Organisation
20. Vasiliu, C., (2003), "Commerce and Globalization", Academy for Economic Studies Publishing House, Bucharest
21. WTTC Travel & Tourism Economic Impact 2015, Serbia
22. Demographic Change and Tourism, 2010, UNWTO Publications
23. The Travel & Tourism Competitiveness Report 2015, World Economic Forum, Geneva, 2015
24. UNWTO Tourism Highlights, 2016 Edition, World Tourism Organisation
25. Statistical yearbook of the Republic of Serbia – Tourism, 2016, Statistical Office of the Republic of Serbia
26. Tourism Development Strategy of the Republic of Serbia for the Period 2016 – 2025, Serbian Government Ministry of Trade, Tourism and Telecommunications, 2016