



REGIONAL ANALYSIS OF TOURISM. CENTRAL AND EASTERN EUROPE

Gabriela STANCIULESCU¹, Elisabeta MOLNAR²

¹PhD, Bucharest University of Economic Studies, E-mail: cecilia.stanciulescu@gmail.com

²PhD, Bucharest University of Economic Studies, E-mail: elis@remtours.ro

Abstract

The intensification of globalization brings to the forefront the role of the regions in economic growth, regions which are considered to be active and causal elements of economic development. These are considered places where the most advanced forms of economic development and innovation are concentrated.

Local (regional) economic development is defined by increases in the local (regional) economy's capacity to create wealth for residents of the respective region or locality. These increases can occur if local resources, such as labor and land, are used more productively, or if the increase in employment determines the use of labor force and land previously not being used (Camarda, 2008).

Because the local level is defined in a more or less comprehensive manner, even the concept of local development has narrower or broader meanings. Thus, the concept of local economic development means "the process of diversification and development of economic and social activity at the level of a locality or a smaller territorial-administrative entity" (Profiroiu, Racoviceanu and Țarălungă, 1998, pp.8-16).

Key words:

Tourism, Regional development, Economic development, CEE countries

JEL Codes:

Z30
Q26
M2
O52

INTRODUCTION

The activities included in the local economic development programs can be grouped in two categories: - those that provide assistance or those that directly target private businesses – these being the ones that produce the most benefits for economic development; - strategic initiatives regarding the change of fees, taxes, regulations, as well as other economic policy measures that aim at stimulating local development.

The parties responsible for local economic development are local governments but also other groups, such as chambers of commerce, professional associations and employers' associations, the central government, public-private partnerships, foundations, with the aim of increasing employment by reducing unemployment and diversifying the local economy.

The concept of regional development comes from that of economic development, taking into account the territorial, zonal or local aspects of such development. Regional development disparities refer to the differences between regions in their abilities to provide opportunities for their inhabitants to earn income.

Central and Eastern Europe is the region between the German speaking Europe, western Slavic and Hungarian parts, and the eastern Slavic countries of Russia, Belarus and Ukraine. These territories are described as situated “in-between”: “in-between two worlds, in-between two stages, in-between two periods” (Francois Jarraud). **The countries of Central and Eastern Europe are: Austria, Poland, Belarus, Czech Republic, Slovakia, Germany, Switzerland, Bulgaria, Hungary, Ukraine.**

Table 1. General data concerning the Eastern European countries

COUNTRY	Size of Area	Population (inhabitants)	Capital city	Currency	Form of government	Spoken language
<i>Austria</i>	83 879 km ²	8.735.453	Wien	EUR	Federal parliamentary republic	German
Germany	357,121 km ²	82.670.000	Berlin.	EUR	Federal parliamentary republic	German
<i>Czech Republic</i>	78,866 km ²	10.500.000	Prague	Czech koruna (CZK)	Parliamentary democracy	Czech
<i>Switzerland</i>	41,285 km ²	8.372.000	Bern	Swiss Franc (CHF)	Federal parliamentary republic	German, French, Italian, Rhaeto-Romanic
Poland	322,575 km ²	38.000.000	Warsaw	Polish Zloty (PLN)	Republic, parliamentary democracy	Polish
<i>Hungary</i>	93.028 km ²	9.818.000	Budapest	Hungarian Forint	Parliamentary republic	Hungarian
Ukraine	603,700 km ²	47.73.079	Kiev	Hryvnya(UAH)	semi-presidential republic	Ukrainian

Source: <https://data.worldbank.org>

1. REGIONAL DEVELOPMENT POLICY

Regional policy seeks to correct regional imbalances so as to ensure a more balanced distribution of population and economic activity across the territory.

The need for a regional policy to balance the demographic distribution and to determine the poles of development, as well as support the efforts of the least developed regions to catch up with the others, has not escaped the attention of the Community legislator over the nearly four decades of the EU's existence (Camardă, 2008).

Regional development policies have now become essential elements of development strategies, aiming to capitalize all the development factors on a higher level, and to alleviate the existing discrepancies in the development processes between regions in the spirit of economic-social solidarity and cohesion. In the view of Bachtler and Yuill (2001), unlike the old paradigm (see the *table*), the new approach to regional policy has four major characteristics:

- it has a broader coverage and more extensive actions and measures, covering several sectors: human resources, infrastructure, tourism, environment, etc.;
- addresses all regions;
- requires a proactive approach, and responds to regional challenges;
- it is being developed and implemented in partnership, with the involvement of all relevant actors either in the public or in the private fields, as well as in local and regional communities.

Regional development policy seeks to make a maximum use of natural, human, cultural and technical resources when regions face a wide variety of problems and cannot cope with them.

The main problems of regional development are related to: (Ionescu and Toderaş, 2007):

- a. underdevelopment (lagging behind) of certain regions;
- b. industrial decline due to technological change and thus changes in the production process;

c. difficulties in adapting the labor force and creating an efficient labor market, pollution and environmental degradation.

1. *The basic objectives* of regional development policy are as follows:

- a. reducing existing regional imbalances, focusing on stimulating balanced development and revitalizing disadvantaged areas (those with delayed development);
- b. preventing new imbalances;
- c. meeting the criteria for integration into EU structures and access to financial assistance instruments for member countries (Structural and Cohesion Funds)
- d. correlation with governmental sectoral development policies; the fostering of interregional, internal and international cooperation, which contributes to economic development and is in accordance with the legal provisions and the international agreements concluded by Romania.

The principles underlying the development and implementation of regional development policies are:

- a. the decentralization of the decision-making process, from the central/governmental level to the level of regional communities;
- b. partnership between all actors involved in the field of regional development;
- c. planning - a process of using resources (through programs and projects) in order to achieve the established objectives;
- d. co-financing - the financial contribution of the various actors involved in the implementation of regional development programs and projects.

Regional development policy represents one of the fundamental objectives of the EU. Also called the Economic and Social Cohesion Policy, regional development was first defined in the Treaty of the European Communities: cohesion is necessary to promote "overall harmonious development", the overall objective being to "reduce existing disparities between the levels of development of the various regions and the backwardness of less developed regions or islands, including rural areas" (Butea, n.d.).

Designed as a policy of solidarity at European level, regional policy is primarily based on financial solidarity, that is, the redistribution of a part of the Community's budget through the contribution of Member States to less prosperous regions and social groups.

In fact, we can say that regional development policy has an accentuated instrumental character, and through its solidarity funds (the Cohesion Fund, the Structural Funds, the Solidarity Fund) contributes to the financing of sectoral policies - such as agricultural policy, social policy, environmental protection policy (Phare Project EN 0006.18.02, 2003).

In addition, regional policy is also correlated with the EU's enlargement policy, through the creation of the Phare special pre-accession funds (support for economic reconstruction), ISPA (an instrument of structural policies, which foreshadows the Cohesion Fund) and SAPARD (a special program for agriculture) that are available for acceding countries and support their transition to EU standards and organizational structures.

The complex character of regional development policy is also underlined by how it integrates three of the EU's priority objectives: economic and social cohesion, the extension of the application of the principle of subsidiarity, and sustainable development. Thus, economic and social cohesion is not only present at the level of the Structural Funds' objectives, but its importance is reflected by the creation of the eponymous fund (Cohesion Fund) that supports the speeding up of the convergence process and the attainment of the EU's average development levels in the case of four less developed Member States: Spain, Portugal, Greece and Ireland.

Currently, another challenge that regional policy has to face is the strong increase of competition between enterprises, which is determining more and more companies to conduct their businesses in regions with efficient infrastructure, high quality services and well trained workers (which alludes to the comparative advantages that may result from the presence of some new Member States)

Thus, regional development funds must be effectively directed towards the least favored regions of the Union, and new Member States must be supported in developing infrastructure and services in order to attract such companies as well as increase their economic potential (Constantin, 2004).

The technological revolution and the development of the information society also challenge, in their turn, the objective of regional policy (to reduce the economic and social disparities

between the regions of the EU) through the need to adapt citizens, the public and private sectors to the use of information and telecommunication networks.

Regions and organizations well connected to these networks and familiar with the use of information technologies benefit from a consistent advantage in making their economies more efficient by saving time and communication costs, these being reduced by the increased access to information networks (Ionescu and Toderaş, 2007).

In the case of regional development policy, it is feasible to talk more about challenges and less about the problems the regional development policy faces at community and regional levels.

2. ANALYSIS OF ECONOMIC INDICATORS OF CENTRAL AND EASTERN EUROPEAN COUNTRIES IN DYNAMICS

Last two decades have seen a huge proliferation of perception based governance indicators, measuring a host of aspects of governance. These governance indicators are continuing to proliferate because of their increasing use by the academicians, foreign investors, donor countries and multilateral agencies. Therefore, in this paper, we study the available governance indicators very closely and critically evaluate them. We highlight five most widely used indicators: The World Bank's Worldwide Governance Indicator (WGI) and Country Policy and Institutional Assessment (CPIA), Overseas Development Institute (ODI)'s World Governance Assessment (WGA), Mo Ibrahim Foundation's Ibrahim's Index of African Governance (IIAG) and United Nations Economic Commission for Africa's (ECA) African Governance Report (AGR).

Table 2. Evolution of Economic Indicators of Central and Eastern Europe in the period of 2000 – 2015

	Year	GDP (B. \$)	GDP (actual percentage change - %)	Unemployment rate (%)	Inflation rate (%)	Current Account Balance (Bil. \$)	Imports (B. \$)	Exports (B. \$)
Austria	2000	196.422	1.35	4.7	1,39			
	2005	314.649	2.14	5.6	2.56			
	2010	390.212	1.92	4,8	1,00			
	2015	376.967	0,96	5.7	1.88			
Germany	2000	1875.2	3.3	6.7	3.29		35.12	38.72
	2005	2386.2	2.1	5.4	0.64		36.02	38.74
	2010	2988.8	0.5	7.9	4.28		31.78	39.11
	2015	3.355.8	1	6.1	2.32		29.73	39.36
Czech Republic	2000	151.436	4.29	8.8	3.90	-2.69	34.43	31.364
	2005	183.583	6.44	7.9	1.85	-2.81	91.32	89.167
	2010	207.016	2.29	7.3	1.41	-7.35	149.90	143.111
	2015	223.836	4.53	5.0	0.35	460.99	157.91	158.365
Switzerland	2000	483.398	3.94	2.7.	1.35	31.90	166.82	201.72
	2005	520.659	3.03	4.4	0.64	55.42	258.59	322.74
	2010	581.209	2.95	4.5	0.28	86.60	401.78	497.11
	2015	625.924	0.84	4.5	-0.56	77.37	480.73	571.36
Poland	2000	171.89	4.6	16.3	9.9	-10.30	62551.0	9.90
	2005	306.13	3,6	17.8	2.2	-7.90	87.808.4	2.20
	2010	479.32	3.9	9.6	2.6.	-25.80	152.150.1	2.60
	2015	477.34	3.8	7.5	-0.7	-2.90	199.659.2	-0.70
	2020	486.00	3.9	3.7	2.4			2.40

Hungary	2000	9.900	1.00	19.1	4.1			
	2005	10.500	1.06	19.4	3.5			
	2010	9.100	0.92	26.4	4.7			
	2015	9.600	0.97	17.3	0.1			
Ukraine	2000	31.26	5.9	11.6	28.2	1.4	16.92	19.52
	2005	86.14	2.7.	7.1	13.5	2.5.	41.95	44.34
	2010	103.06	4.2	8.1	9.7	-3.0	69.60	63.99
	2015	91.03	-9.7	9.1	48.7	-0.18	49.59	47.88
	2020	128.28	3.0	8,3	6.46			

Source: <https://countryeconomy.com>, <https://data.worldbank.org>

The Economy of Austria

Austria has a prosperous economy and its inhabitants enjoy a high standard of living. As it can be seen from the data presented above, the Gross Domestic Product has benefited from a rising growth, but the effects of the international financial crisis and the recession of 2008 "manifested" later in the statistical data, which led to a decline in the economic level.

The unemployment rate has not increased as much as in other areas of the European Union, largely due to government subsidies for employees working at reduced hours. Regarding commerce, statistics on the value of imports/exports in billions could not be found, but it is certain that Austria is trading with many countries in the European Union, especially with Germany.

In Austria, the following types of tourism can be practiced: mountain tourism and winter sports, cultural-historical tourism, religious tourism, rural tourism, tourism of recreation and relaxation, of leisure, cycling, and ecotourism. Austria is known as a winter sports destination, due to its dreamlike slopes, snowcapped summits and the pleasures of skiing all year round on the glaciers. This type of tourism is much practiced and has modern facilities designed to satisfy the requests of the most demanding tourists.

According to Eurostat data of 2017, which looks at the minimum wage in Austria, it is clear that this has a value of 1100 euros/month, while the average wage has a value of 2009 euros/month. Comparing this data with the values of the European Union, Austria ranks above the European average: the minimum wage in the EU = 935.78 euros/month; the average salary being = 1520

euros/month, fact, which leads to a strong migration of the population, especially from Eastern Europe.

The Economy of Germany

With an indisputable economic power, Germany is one of the world's most developed and solid countries, based on manufacturing and foreign trade, and has become, in recent years, one of the "locomotives" of global economy. It has the largest national economy in Europe, the fourth largest in the world by the nominal GDP, and the fifth in the world according to purchasing power parity, according to data from 2008. The gross domestic product accounts for 71% of the services sector, 28.1% - industrial sector and 0.8% - agricultural sector. However, starting with 2012, due to a number of external factors, Germany's economy has "moderated" its upward trajectory.

The Economy of the Czech Republic

According to the 2013 data, the main imports are from Germany, Italy, Switzerland, China or the Czech Republic, and exports are redirected to Germany, Italy, the United States, Switzerland or France. According to Eurostat data of 2017, which looks at the minimum wage in Austria, it is clear that this has a value of 1100 euros/month, while the average wage has a value of 2009 euros/month. Comparing this data with the values of the European Union, Austria ranks above the European average: the minimum wage in the EU = 935.78 euros/month; the average salary being = 1520 euros/month, fact, which leads to a strong migration of the population, especially from Eastern Europe.

The Economy of Switzerland

Switzerland ranks first in the competitiveness index for the seventh consecutive year. Switzerland is leading the innovation pillar, thanks to its world-class research institutions (first), high costs for research and development (R & D enterprises), and close cooperation between the academic world and the private sector (third). But many other factors contribute to Switzerland's ecosystem of innovation, including the level of businesses sophistication (first) and the ability of the country to develop and attract talents.

Switzerland has an excellent educational system at all levels and is a pioneer of the dual educational system. The labor market is very efficient, with high levels of employer-employer collaboration, and it creates a balance between employee protection and flexibility, as well as business needs. Swiss public institutions are among the most efficient and transparent ones in the world, and competitiveness is further supported by the excellent infrastructure and connectivity and by the highly developed financial markets. Last but not least, Switzerland's macroeconomic environment is among the most stable ones in the world (the 6th place) at a time when many developed countries continue to struggle in this field. These very strong economic foundations help explain Switzerland's resistance during the crisis. However, recent

developments have created a series of risks and left little space for politics. These include the slow recovery of trading partner countries of great importance, appreciation of the Swiss franc, close to zero inflation and negative real interest rates. Uncertainty about the future immigration policy following the referendum against "mass immigration" could undermine Switzerland's ability to take advantage of the global talents needed to fuel the economy. Switzerland must continue to improve its competitive advantage in order to justify the high cost of doing business in the country.

3. ANALYSIS TOURISM INDICATORS OF CENTRAL AND EASTERN EUROPEAN COUNTRIES

Over time, an ever increasing number of destinations have opened up and invested in tourism development, turning modern tourism into a key driver of socio-economic progress through export revenues, the creation of jobs and enterprises, and infrastructure development. Globally, as an export category, tourism ranks fourth after fuels, chemicals and food. For many developing countries it is one of the main sources of foreign exchange income and the number one export category, creating much needed employment and opportunities for development.

Table 3. Analysis of Tourism Indicators of Central and Eastern European Countries

Tourism Indicators	Austria	Germany	Czech Republic	Switzerland	Poland	Hungary	Ukraine
Total arrivals (tourists)	24 677 596	171.564	15.000.000	8.570.000	16.722.000	23 569 135	13 333 096
Travels abroad	8,510,243	447.178		12,100,000	44,300,000	9 157 435	24,668,233
Average length of stay (nights)	4.6	4	4	2.1	4.25	2.3	2.44
Average daily expenses (US \$)	143 Euro/day	214 Euro/day	20	69.39	25	21	28
Tourism's contribution to GDP (billions, US \$)	9% from the economy	38 billion U.S. dollars.	118.13 billion	53.829 billion (8.6% of GDP)	154 billion euros	12% from the economy	106.7 billion UAH billion (7.1% of GDP)

Source: Data as collected by UNWTO - 2016

The Tourism of Austria

Cultural and historical tourism unites all buildings that serve as museums, memorial houses, palaces, residences of leading personalities of history, while it also includes gastronomic tourism, Austria being known for beer and Viennese schnitzel. Religion has always had an impact on the masses of people; Austria has got a great number of churches, cathedrals, monasteries in different locations, which attract attention either by their positioning, or by their architecture, or by their antique objects.

Rural tourism is specific to mountain settlements with a particular architecture that fits the landscape and impresses us with the authenticity of things and practices.

Recreational/relaxation tourism is practiced especially in thermal complexes or in wellness and spa centers, such as in the case of those in Vienna or Salzburg. It is dedicated to people who do not have time for a vacation elsewhere than their own residence, and has gained an increasing trend lately, due to the choices made by people who work and do not have much free time.

Leisure tourism is practiced in specially designed places, such as in Prater Park, with opportunities for leisure time for both children and adults. Prices are affordable and there are subscriptions or discount cards for loyal customers.

In terms of **cycling-tourism**, more than 60 hotels from three to five stars in 21 of the most beautiful regions of Austria, Italy and Switzerland have adapted their services to the needs of mountain bikers. Basic equipments include tools, places for washing the bikes, detailed maps, and the possibility to rent GPS, all of which has led to a growing number of followers of this sport.

Ecotourism is a notion that is introduced to children since their early age, to respect nature and their surroundings. Concern for the environment, as well as the conservation of the species of fauna and flora has given rise to numerous parks and natural reserves.

The Tourism of Germany

In Germany, the following types of tourism can be practiced: cultural, religious...

Culture and nature are the two central elements around which Germany has developed itself as a tourist destination. Germany is a cultural center due to its 40 UNESCO-protected areas, and due to the over 6,000 museums and theaters where famous events take place.

Religious tourism. Pilgrimage is one of the first forms of travel, but the initial meaning of this ancient practice is that of an inner journey, a self-exploration, aimed at a better knowledge of the self and a spiritual healing by faith. Suffering, atonement, prostration, adulation – all these are inherent components of a religious voyage, and the histories of these places are always closely linked to the past existence of a prophet, apostles, or miraculous appearances that, for hundreds of years, have been attracting pilgrims who were seeking peace. Example: the cathedrals in Cologne.

Rural tourism/agro-tourism. Numerous tourism organizations from different European countries are concerned with organizing and institutionalizing tourism in the rural area, thus attempting to create or recreate the rustic-rural environment in several forms: holiday villages, farm holidays, village-clubs, villages for youth, rural recreational resorts, as well as tourist villages. Tourist villages are required by different categories of tourists, including tourists with children and youth who want to spend their vacation or holiday in a quiet and affordable place.

Spa tourism. A new form of outpatient treatment is the so-called “compact cure”, a version of outpatient treatment, in the case of which the patient chooses a place of accommodation by herself/himself. This treatment is performed in groups of up to 15 people, who are subject to the same medical indications. This is an intensive cure, the quality of which is similar to that of inpatient treatment. Patients are assisted by qualified staff. Periodic checks are carried out on the methods of the treatment. This form of treatment is the result of long-term negotiations between the German Spa Employers Association and the representatives of the Health Insurance Funds.

Compact cures are currently being carried out in 23 German spa resorts for people suffering from: dangerous diseases of civilization, respiratory diseases, conditions of the spine, osteoporosis, and nutrition problems. Currently other forms of the

compact cure are being developed. Subsidizing treatments: in Germany, every citizen is entitled - under certain conditions - to subsidization of spa treatments once in every 3 years.

The source of financing for the cure is established according to the professional status of each patient. Usually, for employees the subsidy comes from the Pension Insurance Fund, while in the case of people who do not work, the subsidy usually comes from the Sickness Insurance Funds. Outpatient treatments are subsidized by sickness insurance funds, both for hired employees and for those who do not work anymore. The application for the approval of the spa treatment is made on the proposal of the family doctor, of the specialist medical practitioner, or of the company doctor. After the approval of the application, the level of the subsidy is set mainly depending on the form of the treatment. For outpatient treatment, the level of subsidy is 100% for the patient's doctor, and 90% for the cost of the treatment. In addition 50% of the accommodation and meal costs are subsidized per day of treatment.

The Tourism of the Czech Republic

Cultural-Historical Tourism. In fact, the Czech Republic hosts a significant number of important cities that impress us through their simplicity and architecture. If you want to stay a little longer, visit Bohemia, a region of magical forests, towns and ancient castles, particularly around Ceske Budejovice, on the bank of the Vltava River. Impressive castles can also be seen in Karlstejn, Konopiste and Cesky Krumlov, while Kutna Hora houses a cathedral and ossuary included in the UNESCO cultural heritage. Lednice, a small town located in the southern part of the Czech Republic, hosts a remarkable castle and an extremely vast park.

- Religious tourism
- Rural Tourism

Mountain tourism and winter sports. The northern part of the Czech Republic is the region of the mountains, a special tourist attraction for ski enthusiasts or amateur fans of winter sports in general. The Krkonose Mountains, though not very tall and impressive, include the area of Cesky Raj ("Raj" area means "paradise" or "rai" (heaven) in Romanian) and the Sumava forests. In the summer you can explore the mysterious caves and the green

forests there, you can climb on the challenging rocks if you are a fiery mountaineer, and in winter you can visit the ski center in Harrachov to take advantage of the excellent skiing facilities offered to both cross-country skiers and ski-jumpers.

Tourism for rest and relaxation. In the Czech Republic spa tourism is currently very well developed, its 37 spa resorts, all located in unpolluted areas, surrounded by forests, benefit from a good market share in the world, thanks to a successful combination of the traditional use of natural resources, of modern treatment procedures and of the latest methods used in recreation and recovery.

The Tourism of Switzerland

Tourism as such began in the 19th century, but since the 17th century Switzerland attracted the intellectual elites from abroad. The main forms of tourism in Switzerland are: mountain tourism, cultural tourism, business tourism, shopping tourism, agritourism, recreational and relaxation tourism, and transit tourism.

Mountain tourism and winter sports. Switzerland makes special efforts for the development of mountain resorts, starting with the tourist-friendly arrangement of the mountains, which is part of an own concept meant to bring back into value the natural resources as well as the traditions, in order to attract the clients from the intentional market of winter sports and in order to increase profitability. The main concern of tour operators in this country is to ensure a non-stop activity. 230 resorts have also been opened; in order to serve the needs of winter sports, these were created by rearranging some old climatic or balneoclimatic resorts, or they were created by providing mountain villages with equipment suitable for this form of tourism, or they came into being as modern, newly built resorts.

Cultural tourism. Zurich, the financial capital of the world, benefits from a privileged location along the Limmat River. The most important attractions are the Grossmunster Gothic Cathedral, the Fluntern Cemetery as well as countless historical or art museums. The historic center of Geneva also has a lot to offer: the world's tallest fountain, the Flower Clock, St. Peter's Cathedral and the Museum of Horology. If you prefer to have cultural tourism experiences,

Switzerland is the perfect destination. The acclaimed Montreux Jazz Festival attracts thousands of tourists every year to enjoy their favorite music. If you plan to travel to Switzerland, you should not leave it until you have seen some of the extraordinary museums here, such as the collection of l'Art Brut Museum in Lausanne.

Tourism for shopping. Switzerland is also famous for high-class stores, such as the ones on the famous Bahnhofstrasse in Zurich. This is the country of fine chocolates, of cuckoo clocks, of quality wines, of incomparable cheese and of the famous Swiss Army Knives.

The Tourism of Poland

The territory of modern Poland experienced, on the one hand, numerous conflicts and wars; on the other hand, it was a mosaic of different cultures. Consequently, one can find many rustic houses everywhere, beautiful palaces that belonged to some Polish or German kings, as well as mysterious castles that remind us of a magnificent past. Some of these have been transformed into hotels with a unique interior and unique ambience.

Mountain tourism The Polish Mountains include a wide variety of resorts – ranging from vibrant, fashionable cities such as Zakopane to smaller villages.

Cultural-Historical and Heritage Tourism. The Polish territory offers tourists a wide range of Polish hotels located in palaces and castles listed in UNESCO World Heritage.

Pilgrimage tourism. Catholics make pilgrimages to miraculous shrines and springs, the Orthodox Christians take crosses to the holy Mount Grabarka and the Jews are drawn to the tombs of their Tzaddiks in Lezajsk and Lelow. The spiritual capital of Poland is the monastery of Jasna Gora in Czestochowa, with its miraculous icon of the Black Madonna, which attracts millions of pilgrims throughout the year.

Religious tourism. The Roman Catholic Sanctuaries are Polish landmarks. Most of the pilgrims prefer to pray at the Pauline Monastery in Jasna Gora in Czestochowa. Here one can find the icon of the Black Madonna, venerated not only in Poland but also abroad. Believers of other faiths have sanctuaries in many other places throughout the country: the Eastern Orthodox Church at

Grabarka, Protestants in Karpacz, Wisla and Cieszyn, and the Muslims in Bohoniki.

Industrial tourism. The old factories, namely of beer, but also the mines, become popular tourist attractions. More than 2000 such post-industrial sites have already been added to a list of attractions. The fact that there are impressive industrial monuments in Poland is known only by a few people.

Tourists are attracted not only to the archaic design but also because they can have the opportunity to participate in the production process. During such visits to the beer factories in the Little Poland region, visitors have the opportunity to taste beer, while at a paper factory in Duszniki they can produce hand-made paper with their hand.

Mines are also unique and offer a wide range of possibilities. The gold mine in Zloty Stok prides itself on Poland's tallest underground waterfall, at a height of 8-meters; while the Mining Museum and the Queen Luiza Outdoor Museum in Zabrze have an underground train.

The Tourism of Hungary

Spa tourism is a specific form of recreation tourism that has come into being not necessarily as a result of the desire to prevent certain illnesses, but because of the increase of overworking and occupational diseases determined by the rhythm of modern life. For this reason, it is more related to certain resorts known for their therapeutic properties, for their mineral and thermal springs, muds, pits, etc. located in a mild climate. It is also the reason why it is one of the most constant forms of tourism, with a relatively stable clientele, which contributes to the increase of the coefficients of the use of the accommodation capacity and to the achievement of increased average earnings per day/tourist. The best known spa resorts are: Gellert, Szechenyi, Rudas-Budapest.

Pilgrimage is one of the first forms of travel, but the initial meaning of this ancient practice is that of an inner journey, a self-exploration, aimed at a better knowledge of the self and a spiritual healing by faith. Suffering, atonement, prostration, adulation – all these are inherent components of a religious voyage, and the histories of these places are always closely linked to the past existence of a prophet, apostles, or miraculous appearances that, for hundreds of years, have been attracting pilgrims

seeking peace. Example: The Matthias Church from Budapest

Cultural Tourism addresses the culture of a region, especially its artistic values. Cultural tourism includes tourism in urban areas, particularly in large cities, focusing on historical and cultural objectives (museums and theaters). Sometimes it may include tourism in rural areas; as is the case of open-air festivals, memorial houses of famous writers or artists, landscapes referenced in literature.

Clean ecological tourism highlights a minimal impact on the environment, such as visiting national parks (as in the case of Hortobagy National Park). Over the years, the main concern of government authorities was to create an independent image for Hungary as a tourism brand. They have put more emphasis on the relationships with foreigners, on developing image campaigns, campaigns for products and specific campaigns for marketing.

The main objectives are still to address new target groups (emerging markets and market segments), brand building and raising awareness among the population of the country's tourism brand concept; campaigning to improve the country's international image and strengthening online presence (social media in particular). Located in a four-season climatic zone, Hungary is prone to seasonal tourism, so, in this sense, the authorities continue to address seasonal products and promote specific events (eg. "Winter Harmony").

The Tourism of Ukraine

The main forms of tourism practiced are religious, historical, nature-tourism and ecotourism, winter sports tourism, as well as seaside tourism.

Religious tourism. Religion has always been an important feature in the lives of Ukrainians. Throughout the centuries, religious traditions have appeared in local culture, and this is certainly evidenced by the presence of many religious sites in Ukraine. Churches, cathedrals, monasteries, synagogues and other religious sites are popular attractions for tourists visiting the country. From architectural wonders to humble places of worship, religious buildings in Ukraine give us a chance to reflect on the history and culture of the country over the centuries. Among the most important objectives one can find the religious heritage of Kiev, and the cave monasteries.

Tourism in nature / of relaxation / of adventure / speleology tourism. From the point of view of natural resources, Ukraine has a lot to offer. Activities in nature may vary according to the wishes of the tourists and their interests. You can choose to visit the caves in the Podila region or you can visit the Mizhrichysky Nature Park. For the lovers of more exercise and adrenaline, cycling or mountaineering can be chosen (Gorgany Mountains). If you are eager to relax and observe nature, you can also choose to view animals in the natural environment such as the wild buffaloes or horses in Askania Nova.

Ecotourism. In a country that boasts large stretches of natural areas, ecotourism in Ukraine is rapidly becoming a key point in the country's tourism offer. The value of this type of tourism can never be underestimated, because it not only provides the people of the country with a necessary foreign currency, but also helps to create systems that protect the natural environment and contribute to the promotion of a more stable environment. In Ukraine ecotourism is a popular travel option. Among the areas that contribute most to the development of this type of tourism we can mention: Biosphere Reserve - Askaniya (Kherson Region), Biosphere Reserve-Carpathian (Transcarpathia), Karadag Nature Reserve, Shatsky Nature Park (Volyn Region), Stepa Nature Reserve (in the eastern part of Ukraine).

Cultural-historical tourism. Ukraine is a place of culture, history and natural beauty. For centuries people who lived here worked to create homes and residential estates to complement the beauty around them and reflect the culture of their nation. On the whole, they have been very successful in this respect and, as a result, there are many beautiful castles and palaces in Ukraine today.

Seaside tourism is the one that suffers the most because of the current political situation. Ukraine offers the opportunity to choose between the Sea of Azov and the Black Sea. The Azov Sea is smaller and warmer than the Black Sea. Ukrainians with young children usually choose the Azov Sea for their summer vacation.

4. ANALYSIS OF THE COMPETITIVENESS INDEX OF THE CENTRAL AND EASTERN EUROPEAN REGION

The Travel and Tourism Competitiveness Index is a tool used to identify both the strengths of a country and the barriers that hinder the

development of the sector. ICTC (TTCI) can also be used as a platform for dialogue between the business community and the government, with the aim of improving the competitiveness of the tourism and travel sectors and ultimately increasing the prospects and prosperity of citizens.

Table 4. Competitiveness index

COUNTRY	Competitiveness index
<i>Austria</i>	23
<i>Germany</i>	3
<i>Czech Republic</i>	31
<i>Switzerland</i>	1
<i>Poland</i>	41
<i>Hungary</i>	63
<i>Ukraine</i>	79

Source : <https://www.weforum.org/reports/the-global-competitiveness-report-2017-2018>

AUSTRIA

Looking at the analysis of the competitiveness index, it can be noticed that Austria has an advanced economy. The first category of factors analyzes the elementary ones, thus Austria excels in health and education (score 6.4), infrastructure (5.7), institutions (5.2) and macroeconomic environment (5.1). The second category analyzes the factors of efficiency, with a maximum score of 5.6 achieved both in the field of training and higher education, as well as in the field of technological advances. Goods efficiency ranks second in this subgroup with a score of 4.9, followed by labor market efficiency (4.5) and financial development (4.2). From the last category, Austria would raise problems in the chapter “Innovations” with a score of only 4.9. Analyzing in detail the components of each subgroup and comparing the values of scores and rankings with those of other countries, Austria is among the countries with a prosperous productivity and efficiency, which brings about a high standard of living.

SWITZERLAND

Switzerland ranks first in the competitiveness index for the seventh consecutive

year. Switzerland is leading the innovation pillar, thanks to its world-class research institutions, high costs for research and development (R & D enterprises), and close cooperation between the academic world and the private sector. But many other factors contribute to Switzerland's ecosystem of innovation, including the level of sophistication of businesses and the ability of the country to develop and attract talents.

However, recent developments have created a series of risks and left little space for politics. These include the slow recovery of trading partner countries of great importance, appreciation of the Swiss franc, close to zero inflation and negative real interest rates. Switzerland must continue to improve its competitive advantage in order to justify the high cost of doing business in the country.

POLAND

Based on the indices presented by the World Economic Forum, Poland is situated among the middle rankings as regard to the analyzed issues with a general score of 4.5, thus ranking in the top 41, while the neighboring countries ranked fourth such as Germany, 36th place for Lithuania, and the 31st place for the Czech Republic.

Table 5. The scores of Poland’s indices calculated by ”The Global Competitiveness Report 2015-2016”

Score	Field	Score	Field	Score	Field
3.3	Innovation	4.3	Infrastructure	5.1	Macroeconomic environment
4.1	Business sophistication	4.3	Financial market development	5.1	Higher education and training
4.1	Institutions	4,5	Goods market efficiency	5.2	Market size
4.1	Labor market efficiency	4,8	Technological readiness	6.1	Health and primary education

Source: <https://www.weforum.org/reports/the-global-competitiveness-report-2017-2018>

The most significant percentage is represented by the size of the external and internal markets (21st place) and education, especially higher education and professional training of the individual (31st place). We can also say that Poland excels in areas such as training and technological development (41st place), but also in healthcare and primary education (40th place)

Regarding the pillar of work efficiency and business environment, Poland does not occupy a very good place, respectively the 81st position, which is generated by the poorly consolidated relations between the employer and the employee, but also due to the overwhelming effect of the income tax as regard to the motivation of the employer.

UKRAINE

The Competitiveness Index places Ukraine in the second half of the ranking, with a value of 79 out of 140. This positioning indicates that there are still serious problems with certain factors, taken into account at the time of realizing this ranking.

The first subgroup of factors represents the elementary ones, showing Ukraine as having problems at the level of the institutions, both public and private, but also from a macroeconomic point of view. In these two chapters, Ukraine is very close to the bottom of the ranking, occupying the 130th place and the 134th place respectively. All this shows that Ukraine is lagging behind from an economic point of view, still having the same problems as before entering the Soviet bloc. However, in terms of infrastructure, healthcare and primary education, it is in the first half of the placement, occupying places of 69 and 45 out of 140.

Regarding *the second subchapter* of the factors of efficiency, Ukraine occupies its best position in terms of higher education and training. It also positions itself in good places in the first half of the ranking in terms of market efficiency and marketing. Unfortunately, there is a problem in terms of the market efficiency of goods, and regarding financial development and technological agreements. It occupies medium positions and, in the third sub-chapter of innovation and business sophistication, it has the 54th place, thus ranking at the 91st position out of 140.

Among the greatest problems Ukraine is facing one can mention corruption, followed by economic problems, and political instability. The taxes are high in comparison with minimum wages and the market value of national currency.

CONCLUSIONS

The holistic development policy of online businesses leads, in the long run, to the dissemination of the benefits of the integration process to all regions and states of the Union. The solidarity shown by Member States with a level of economic development above the European Union's average, leads, on the one hand, to the reducing of the regional problems in the less developed regions (increasing the rate of employment, productivity, income and production within these regions), and, on the other hand, it contributes to the overall development of the European Union, with beneficial effects also on the richer countries (reduction of taxes due to economic growth, creation of socio-economic stability, increased security, reduced EU expenditure

allocated to social policy schemes or environmental protection schemes or programs).

In a system of such characteristics, regional competition will always bring about gains and losses, but it will be very important to recognize the difference between the winners and the losers in absolute, as well as in relative terms, and to act accordingly.

The World Economic Forum has, for the past 11 years, engaged leaders in travel and tourism to carry out an in-depth analysis of the Travel and Tourism competitiveness of 136 economies across the world. The Travel and Tourism Competitiveness Index measures “the set of factors and policies that enable the sustainable development of the travel and tourism sector, which in turn, contributes to the development and competitiveness of a country”. The Travel and Tourism Competitiveness Index enables all stakeholders to work together to improve the industry’s competitiveness in their national economies. The theme of this edition *Paving the Way for a More Sustainable and Inclusive Future*, reflects the increasing focus on ensuring the industry’s sustained growth in an uncertain security environment while preserving the natural environment and local communities on which it so richly depends (<https://www.weforum.org/reports/the-travel-tourism-competitiveness-report-20170>).

BIBLIOGRAPHY

1. Gheorghilaş V. (2012), *Geografia Turismului*, Credis
2. Matei Horia C., Negut Silviu, Nicolae Ion (2004), *Enciclopedia Statelor Lumii*, Editura Meronia, Bucuresti, 2004;
3. Marin Ion (2001), *Europa*, Editura Universitara, Bucuresti, 2001;
4. Uscatu Teodor (2006), *Organizarea si conducerea activitatilor de turism*, Editura Credis, Bucuresti

WEB

5. <http://www.e-unwto.org/toc/unwtotfb/current>
6. <http://www.turistik.ro/ucraina>
7. <https://countryeconomy.com/>
8. <https://data.worldbank.org>
9. www.wttc.org

10. http://ec.europa.eu/eurostat/statistics-explained/index.php/Tourism_statistics_-_annual_results_for_the_accommodation_sector
11. <https://www.poland.travel/en/about-poland>
12. <http://reports.weforum.org/global-competitiveness-report-2015-2016/interactive-heatmap/> <https://www.wttc.org/>
13. <http://www.travelwiz.ro/obiective-turistice-viena>
14. <http://ec.europa.eu/eurostat/data/database>
15. <http://reports.weforum.org/global-competitiveness-report-2015-2016/economies/#indexId=GCI&economy=AUT>
16. <http://data.worldbank.org/country/switzerland>
17. http://www.oecd-ilibrary.org/industry-and-services/oecd-tourism-trends-and-policies-2012/switzerland-inbound-tourism-international-arrivals-and-receipts_tour-2012-table199-en
18. http://www.turistcenter.ro/ghidul-cele-mai-interesante-locuri-din-elvetia-pentru-turisti-speciali_31#!prettyPhoto
19. <http://www.xplorio.ro/elvetia-itinerarii-atractive-turistice-si-informatii-utile/>
20. <https://data.worldbank.org/indicator/NY.GDP.MKTP.KD?locations=CZ>
21. <https://countryeconomy.com/national-minimum-wage/czech-republic>
22. <http://populatie.population.city/ungaria/>
23. <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&plugin=1&pcode=tps00175&language=en>
24. <https://www.weforum.org/reports/the-global-competitiveness-report-2017-2018>