

APPLICATION OF A GREEN ECONOMY CONCEPT IN THE TOURISM INDUSTRY

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Abstract

The concept of „green economy” was developed in the 1980s as means that can help countries and human society at whole on the way of the sustainable development achievement. The green economy is the economy affecting the improvement of human well-being and social equity and which reduces the risks for the environment. The purpose of this study is to point out to the importance of the concept of green economy in economic and non-economic activities in the modern world environment. Special emphasis is placed on exploring the role and importance of the practical application of green economy in the tourism industry. Methods of analysis and synthesis, inductive and deductive methods, descriptive methods, as well as the comparative method and the method of benchmarking will be applied in the treatment of the subject matter. The main objective of this paper is to show and prove that in the modern tourist business it is necessary to apply the concept of green economy and the concept of sustainable development as a whole. In this sense, the paper especially analyzed sustainable tourism development and ecotourism as an important segment of sustainable tourism. Ecotourism is ecological responsible tourist traveling for the stay and enjoyment in the nature, into relatively protected places. As a result of sustainable, green economy concept application, ecotourism has important positive contributions to the environmental, social, cultural and economic well-being of local communities and tourist eco-destinations all over the world.

Keywords: sustainable development, green economy, tourism, sustainable tourism, ecotourism.

Introduction

The rapid economic growth and irrational use of natural resources after the intensive industrialization in the second half of the 21st century, conditioned the global structural crisis which was for the most part reflected in the field of life environment. During this period of time, the fundamental management task was related to the requests for achieving so called economies of scale; Therefore the valuation of the level of success of enterprises and national economies was directly related to the quantity of produced and sold products. All the after going occurrences and processes taking place in nature and the world society, had an inevitable influence upon the alterations within

the ecological sphere along with causing specific ecological problems that have been multiplied over time.

Along with the consumption of natural resources which is exceeding the amount that can be regenerated by the planet Earth in one year's time, the quantity of carbon dioxide emitted into the atmosphere and the quantity of waste that the modern mankind is leaving behind, is exceeding by 50% the quantity of what the Earth is able to reabsorb in one year's time.

Not only that during the process of treating the human environments' capacities so far have their limitations been taken into consideration, but it was quite the opposite. Conventional

(neoliberal) economics still believes that modern society has not reached the borders of economic growth yet. But, it seems certain that we are getting dangerously closer to the mentioned borders, for our natural resources are limited and therefore the human environments' capacities are not considered inexhaustible. The notion of limitations of natural capacities which are significantly reduced by the intensive production in the function of economies of scope, have resulted in the increasingly expressed ecological crises which eventually grew into economic crises and global social crises at the end of the last century. These radical changes of ecosphere presented a clear signal of the need for implementing changes into the existing economic paradigms and creating a new business concept of a 'sustainable economy'.

Materials and methods

Basic characteristics of green economy

The concept of green economy emerged in the 1980s as a kind of means that was supposed to provide assistance to national economies and the society as a whole while heading towards sustainable development. The green economy is a sustainable economy where economic growth and ecological responsibility function together by strengthening one another and simultaneously supporting the progress of social development. Business and industry play a key role as regards providing economically sustainable products, processes, services and solutions needed for a transition to a green economy.

UNEP defines a green economy as one that results in improved human wellbeing and

social equity, while significantly reducing environmental risks and ecological scarcities. A green economy is low carbon and uses the limited natural resources in an efficient manner which reduces environmental risks. The aforementioned reduction contributes to improved human wellbeing and social equity. The basic assumption of a green economy refers to ecologically responsible business activities that are supposed to enable the economic growth and development complete with a simultaneous increase in the quality of human environment. Therefore it is important to emphasize a dimension of the green economy related to social responsibility, that is, social inclusion and creation of employment opportunities and poverty reduction.

The most important principles upon which the green economy is based are the following:

- The analysis of market shortcomings and internalization of externalities;
- Systematic approach to the economic structure and its impact on the relevant aspects of sustainable development;
- Focusing on the social goals (new job places, for instance) and defining policies that could comply the social goals with other relevant goals of economic policies;
- Focusing on the macroeconomic framework and development strategies for the purpose of finding better ways to achieve sustainable development (Anufrijev, A., Dašić, G., 2013).

Key features and distinctions between conventional "non green" and sustainable green economy are presented in Chart 1.

Table 1. The relationship between non green economy and green economy

NON GREEN ECONOMY Basic features	GREEN ECONOMY Basic features
1. Current trends entail the continuous inflow of investments at a 2% annual rate of GDP in 10 key sectors by the year of 2050.	1. 2% annual rate of global GDP is being invested in greening of ten key economic sectors by the year of 2050.
2. Global policies keep supporting investments into non green infrastructure, fossil fuels consumption, harmful subsidies, etc.	2. What is being adopted is the policies for reducing CO2 emissions and harmful subsidies; and mechanisms for increasing the inflow of investments into natural capital and energy efficiency are being created.

Source: Anufrijev, A., Dašić, G., 2013.

The main objective of a transition to a green economy is to enable economic growth and development with a simultaneous rise in environmental quality and a greater emphasis on the social dimension. The key to achieving such a goal is related to creating conditions for inflow of the public and private investments along with incorporating social and ecological criteria in their investment decisions (Sućeska et al., 2013).

By applying the concept of a green economy what is being initiated is the investments the purpose of which is reducing the pressure on environment with an increase of efficiency in the consumption of energy and resources. Due to the needs for increasing employment rates, as well as for the forthcoming innovations in environmental protection, the number of so called 'green jobs' and 'paperless jobs' is constantly growing.

Green jobs or green business present a kind of business the main goal of which is the improvement of social welfare along with the environmental preservation. Numerous traditional jobs and employments based on natural, nonrenewable resources cannot disappear completely and immediately, but what can be done and what have to be done about it is to adapt and enhance them for the purpose of environmental preservation.

According to the specific evaluations conducted by the UN, a transition from the conventional economy to the green one is expected to affect the flow of investments of over \$ 1.000 billion in the forthcoming two decades which will lead to opening of approximately 60 million new job places. The field of action, i.e. practical applications for a green economy is quite extensive, virtually indefinite.

Namely, a green economy can be equally applied in all the human activities – in the industrial and non industrial branches. However, due to the current state of human environment, a green economy has the greatest possibilities for the prompt implementation and its successful use in the following activities:

- Energetics
- Agriculture and agribusiness
- Tourism
- Building construction
- Traffic

- Waste management
- Management of water resources of the hydrographic basins
- Industrial production (Premović et al., 2015).

Results and discussion

Tourism in the green economy

Scientific and technological development along with globalization processes occurring at the end of 20th century has induced social and economic changes in all the spheres of human lives and actions. The protection and improvement of human environment is an important issue mankind faces in the early 21st century, due to which the development of a new attitude towards nature and human environment is turning into one of imperatives of the modern society.

In order to enable green economy to be implemented in practice, it is very important to raise the state of awareness of local inhabitants and the modern society as a whole, as regards the natural human environment and its significance and role in enhancing not only the life quality, but maintaining the survival of a contemporary man as well.

“We are not going to enhance the level of ecological sustainability exclusively by introducing the new, that is “green technologies”, but primarily by raising awareness of the necessity of socially responsible behavior towards environment. When it is achieved, the issues related to the maintenance of a sustainable development will not be encountered” (Radosavljević et al., 2013).

According to Hirsch (1993, p. 174) ecological awareness includes the following four viewpoints:

- Nature experience and a sense of stewardship towards nature
- Ecological knowledge
- Ecologically oriented ethics
- Decisions about environmentally relevant behavior

The development of ecological awareness has introduced some changes in the consumption mentality. “A classic consumption is replaced with the consumption of mainly environmental

friendly and “ethical” products. These changes in the mentality of a contemporary man’s consumption are designated as the green consumption” (Stojanović, 2006). Tourism market presents a set of demand and supply relations in the sphere of providing services and goods used for satisfying tourist needs in a specific area, i.e. it is a complex and dynamic set of demand and supply relations influenced by tourist movements. It is the influence of intensive technological development that affected the expressed complexity and dynamicity in the tourism market, introducing changes in the structure of tourist demand and supply.

Due to its occurrence in the consumption sphere, as a result of a temporary change in the status of citizens regarding their permanent address of residence, tourism demand is related to a geographical area with specific qualitative and quantitative characteristics. Therefore, there is an increase in the demand for small areas with well preserved and clean natural elements, which enable a long stay in the open air, for the most part of the year, for all age groups in the population (Stanković, 2003). Nowadays, the most attractive tourist destinations are the ones with well preserved physical environment, protected natural areas and the most attractive tourist anthropogenic motives. The destinations deprived of the possibilities to offer such tourist products are faced with a sharp decline in the number of tourists, which leads to the rest of negative effects reflected in reduced currency inflow and a decrease in the employment rate (Vujović et al., 2009).

It can be stated that in a modern business environment “an organization of tourist offers and development of overall tourism, entails studying and paying maximum respect to ecological, economical and socio cultural principles. Ecological orientation of tourism development includes protection and conservation of nature (landfills, illegal “wild” construction, architecture and construction

material), extracting energy for keeping the resources, protection from the negative sides of noise along with the social awareness of responsibility. The aforementioned negative influences are

not only considered to be products of the subjects presenting offers, for they cannot accept a full responsibility, but the service users as well – tourists have to comply with eco principles” (Vujović et al., 2009).

Under the influence of the developing concept of green economy and consumption in tourism sectors, after the period of mass tourism domination which was characteristic for the second half of the 20th century, the beginning of the 21st century was marked by tourist travels directed towards new destinations.

The green consumption development back in the 1980s resulted in a broad range of travel arrangements based on a developed awareness of the environment protection, which is not typical of mass tourism. Various terms are used in order to get a better view of the travels in question: alternative, green, natural, sustainable, responsible and ecotourism. Sometimes the list is enriched by adding academic tourism, agro tourism, suitable tourism, contact tourism and “wildlife tourism”. Such travels use their very own concept to make their contribution to the welfare of a sustainable character for the tourist destinations, and due to their realization and goals are well known as types of alternative tourism (Stojanović, 2006).

In order to provide long term tourism development, i.e. in order to provide sustainable tourism development, production costs in tourism have to be oriented, in terms of quantity and quality, towards an increase in the values and possibilities for the natural and cultural adjustment.

There are numerous definitions of sustainable tourism and tourism development, and the following definitions are classified and presented in the given chart:

Table 2. Defining the term “sustainable tourism development”

AUTHOR (Source)	DEFINITIONS OF THE TERM: “SUSTAINABLE TOURISM DEVELOPMENT”
The United Nations World Tourism Organization (UNWTO)	Sustainable tourism development is considered as a guide and skill management applicable to all forms of tourism and tourist destinations of all types, including mass tourism and various segments of tourism process. Sustainability principles refer to the ecological, economic and socio-cultural aspects of tourism development.
Antonio Enriquez Savignac, Secretary General of the World Tourism Organization (UNWTO)	Traveling and tourism will keep on growing. Encountering such a growth in a responsible, sustainable manner, which preserves and enhances its appealing beauty is a challenge we are facing ever day.
Maurice F. Strong, Chairman of the Earth Council	There are many ways in which traveling process and tourism can be of a great assistance in order to achieve a better future for all of us. The main concern of this industry branch has to be finding solutions to increasing not degrading their essential product, human environment, on which the survival of the entire mankind depends. In relation to this, a challenge can be found in prioritizing actions which simultaneously improve human environment and encourage economic and social development.
Jost Krippendorf & Hansruedi Müller	Sustainable tourism development should be expressed only if the development processes are directed towards increasing the raised level of ecological responsibility, social tolerance and economic justification in the long run.

There are numerous differences between mass tourism (when considered in the perspective of global natural environment and modern tourism market) or shall we say unsustainable

(tourism) and sustainable tourism. According to the opinion of Jost Krippendorf, these differences are essential, which is presented in the following chart.

Table 3. Characteristics of not sustainable and sustainable tourism

NOT SUSTAINABLE TOURISM	SUSTAINABLE TOURISM
Complying with social and environmental factors, aggressive	Complying with social and environmental factors, cautious
Rapid development	Slow development
Disproportional and undirected (uncontrollable) development	Greater proportional development (planned and controlled)
Development directed by short term Interests	Development directed by long term interests
A sector based approach to tourism, complying with tourism interests only	A more holistic approach to tourism, complying with the interests of other more or less tourism related activities
Unstable development	Stable development
Quantity oriented development	Quality oriented development
Focus placed on the price of a tourist product	Focus placed on value for money products
Untrained or insufficiently trained staff	Continued education and staff training
Underdeveloped structure of tourism related Professions	Developed structure of tourism related professions
Tourism publicity is based on the outdated (old fashionable) model	Education of tourists and the entire public of the importance of (sustainable) tourism
A local approach to tourism, the focus of which is placed on economic effects of tourism	A regional approach to tourism, as a factor of the integral development of broader areas, i.e. regions

Source: The authors' chart has been adapted to suit the needs of the paper work itself based on the research conducted by Jost Krippendorf.

Tourism economy has an inherent interest in the protection of natural and cultural resources which are considered to be the essence of its activities. Also, it possesses means for achieving this goal. As the greatest world industrial branch, tourism has a moral responsibility to take on a leadership role in the transition towards sustainable development. At the same time, it declares its own interest in this matter. A product shaped and sold by means of intact tourism completely relies on clean seas, intact mountain slopes, unpolluted water, litter free streets, well preserved buildings, archeological sites and diverse cultural tradition. Actual benefits stem from maintaining the sustainability of overall tourism (Agenda 21 for tourism). One of the key strategic national goals of the Republic of Serbia is the completion of the European integration process and rightful membership within the EU, since the Republic of Serbia made an EU membership application in December, 2009, and the statues of potential candidates for membership expired in March, 2012. In order to realize this strategic goal, the Republic of Serbia was committed to meeting numerous demands even when it comes to the field of “green economy” and sustainable social economic development as a whole.

In that context, strategic directions towards the green economy development in the Republic of Serbia are the following:

1. harmonization of the social and economic development with the UN policies in the field of the efficient use of natural resources and development accompanied by low gas emissions along with the greenhouse effects
2. improving social inclusion and reduction in poverty
3. strengthening and providing support to the sectors of environment
4. defining long term institutional and financial framework as providing support to the sustainable development
5. promoting sub regional cooperation.

Positive examples of the green economy application in the Republic of Serbia are classified into two major groups within “The study on achievements and perspectives on the pathway towards green economy and sustainable growth in the Republic of Serbia”.

The groups are: sustainable tourism in the Republic of Serbia, cleaner production and responsible business and financing (Nation report for the “RIO +20”, 2012).

Conclusions

Tourism exerts considerable influence on the environment and natural resources, and at the same time indirectly affecting social, cultural and economic state of a local population and tourist destinations worldwide. (Mis) use of natural resources for the purpose of expansion of tourist travels and growth in turnover from tourism have led not only to ecological problems and threats to natural heritage, but to increase in the level of awareness as regards the necessity to establish and incessantly apply green economy on the one hand, and the concept of sustainable tourism development on the other hand. Sustainable tourism is supposed to enable the optimal use of natural resources which constitutes the key element to tourism development, in order to provide heritage preservation and sustainable business. What is irrefutable is the tourism interests in the sustainable use of natural resources. Tourism can affect the awareness of values and abundance in the environment and culture; also it can contribute to natural resources preservation by implementing financial measures, through the infrastructure and improvements in the environment management. A need for emphasizing the level of responsibility for all participants in tourist business in relation to the environment and other factors relevant for the achievement of sustainable and responsible tourism development – has affected the adoption of Global Code of Ethics for Tourism by the General Assembly of the World Tourism Organization during its session in Chile, 1999. Tourism helps raise the awareness of local population in relation to values of natural and cultural resources, and their financial significance, which makes them proud of their cultural historical and national heritage and makes them partners in their preservation. To conclude, the forthcoming tourism development should enable the optimal use of natural resources which constitutes the key element to tourism development, and in that manner it maintains important ecological processes and helps with the heritage

preservation for the purpose of providing long term sustainable business.

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