

Chapter 14

Critical Evaluation of the Greek Tourism Policy

Paris A. Tsartas and Dimitrios G. Lagos

14.1 Introduction

Tourism is an important economic activity for Greece that accounts for about 17.20% of the GDP and creates 20.89% of the employment positions (WTTC 2009). In 2008, the sector of hotels and restaurants accounted for a 7.1% of the country's GDP. At the same time, approximately 963,000 employees, a great percentage of whom live in some periphery, are either directly or indirectly involved in tourism. Greece as a tourist destination holds the seventh position on the scale of tourism profitability (4.6% of the total of the 25 EU member states). Additionally, during the post-war period tourism development had been impressive, since the average annual increase of foreign tourism revenues in dollars for the years 1960–2005 amounted to 13.3%.

If the worldwide estimations (WTO 2000) are confirmed and taking for granted that there will be a travel increase by European citizens, who form the vast majority of the tourists visiting Greek destinations, it is anticipated that in 2016 tourism and travel activities will account for 15.6% of the GDP (i.e. 52.5 billion euro).

In general, during the last years in Greece, the growth of figures relating to tourism can be considered positive. The main reasons for this growth are the country's natural advantages, namely its magnificent Mediterranean landscape along with its mild climate. However, despite the overall good statistics of the Greek tourism in comparison to the international figures and despite its potential, in the recent years tourism industry has presented some signs of fatigue. Greece has been considered a country that hosts low and middle income tourists. Its tourism product is of simple

P.A. Tsartas (✉) • D.G. Lagos
Department of Business Administration, University of the Aegean,
Michalon 8 82100, Chios, Greece
e-mail: ptsar@aegean.gr; d.lagos@aegean.gr

form and moderate quality. Consequently, price is the most important factor for the attraction of tourists, which means that its demand will turn to rather less developed countries with a lower labour cost (e.g. Turkey). The indications up to now show that the quality of tourism services rendered is not improving, despite the increasing figures of tourist flow. This is mainly due to the ever-lasting problems of tourism industry, which are endogenous and structural.

This article provides a critical analysis of both the logic and the contents of the Greek tourism policy in order to shape a framework of strategic directions aligned with the international tendencies and tourism industry evolutions. This framework will correspond to the targets of the European integration and will exploit Greece's comparative advantages as a tourism destination.

With regards to the methodological approach, the above objectives could be achieved by means of a PEST analysis in Greece that would define the factors that affect the shaping of both tourism development and policy within the framework of global developments in tourism market, and by means of a SWOT analysis that would define some more specialised internal factors that affect tourism policy and determine the general framework of strategic development for the coming years.

14.2 Review of the International Framework for Tourism Development and Policy

For the first time researchers and literature began referring to tourism development and policy issues in the 1950s. At the beginning, they focussed on development models of tourist destinations by means of which they examined the role that tourism industry plays among tourists-consumers at the place of their origin and tourism product at their destination place.

During the 1970s and 1980s various tourism development models were created (geographical models, spatial planning models, travel and tourism models, origin-destination models, core tourism industry models, economic models, psychological and social models).

Nowadays there are two basic issues found in the international literature concerning tourism development and policy. On one hand they deal with the impact of tourism development and policy on the economy, society, culture and environment of the various tourist destinations and on the other hand with the problematic on whether the tourism development of a location takes place evolutionary or stage by stage (Fennel 1991; Getz 1992; Lagos 2005).

In terms of the aforementioned problematic below follows a brief presentation of the most important tourism development models that have been designed worldwide (Stabler 1997; Sinclair and Stabler 1991; Pearce 1992; Dredge 1999).

Travel models, which were designed based mainly on researches in North American areas, where the journeys by car are the most common ones. Those models describe flows among various tourist destinations, pleasure trips from metropolitan areas (Campbell 1967), tourism flows from urban cores (Rajiotte 1975;

Pearce 1995) and multiple destination trips (Lue et al. 1993). The models under consideration cannot be implemented widely for other tourism destinations, since they are closely related to natural characteristics of particular locations, costs, distances and conditions applying to the routes between places of interest for tourists.

Structural models, which describe the recreation business zones (Stansfield and Rickert 1970) and the spatial planning evolution of coastal resorts due to changes taking place in the natural structure of many coastal resorts (Smith 1992), the attraction of tourists to some locations or destination zones (Gunn 1965, 1993). These models reflect the current situation, are operative and their natural structure has been simplified to interpret some particular phenomena.

Evolutionary models, which take into account the various aspects of development for tourism destinations. Most important among these, Plog's (1973, 1991) *allocentric—psychocentric* model, examining tourism development at a tourist destination based on the succession of tourist personality types, Miossec (1976, 1977) model describing the evolution of tourism destinations in time and space, Opperman's (1993) model describing spatial allocation and the role different groups play in the destinations' evolution, Leiper's (1995) model describing the characteristics and conditions that shape tourism evolution, Butler's (1980) "Tourist Area Life Cycle" model, describing the six stages of tourism evolution, Gartner's (2001) model referring to a three-stage evolutionary process and Papatheodorou's (2004) economic—geographic model that complements Butler's model, emphasising on the evolution of economies where duality (sub-culture) phenomena are observed, in the market and in spatial allocation. These models constitute widely accepted but also significantly criticised paradigms Leiper 1995; Pearce 1995; Lagos 1998).

The *mass tourism model* that constitutes the dominant post-war model for tourism development for many developing countries (Turner and Ash 1975:129–254; Cazes 1989:101–315; Pearce 1992:59–62), the main forms of which are heliotropic-beach tourism and winter-mountain tourism. The seventies crash, with the negative economic, social and environmental consequences brought upon many developing countries, this organised mass tourism model being questioned, due to the "monoculture" phenomena which it created (EC 1993; UNESCO 1976; Vanhove 1997; Fennel 2001).

The *sustainable tourism development model* (Clarke 1997; Hunter 1997; Butler 1999) adopted since the Rio Summit and the fifth EU Action Plan and more specifically by the implementation of Agenda 21. This model, based on innate tourism development, promotes special forms of tourism on a local and regional level since these are considered the basis of development for many areas that are in the initial stages of their development. The implementation of Agenda 21 locally in the Calvia Municipality, Mallorca, Spain is a characteristic example.

In the framework of the aforementioned tourism activity development models, corresponding tourism policies have been developed (Hall and Jenkins 1995; Pridham 1999; Andriotis 2001; Farsari and Prastacos 2004:92–93). Specifically, the tourism policies refer to the guidelines set by international organisations (WTO,

IATA, EU), to the effective functioning of the tourism market (Tremblay 1998; Shaw and Williams 1998), to tourism planning (Inskeep 1994; Hall 1999; Ivars Baidal 2004) and sustainable tourism development (WTO 1993; Weiler and Hall 1992; Stabler 1997). More specifically, the European Union aims at influencing the tourism development of tourist destinations within its member states with a broad array of measures touching various issues (e.g. sustainable development, competition, cultural heritage, transportation, quality, professional education and training, environment), even though tourism policy remains under the authority of the various governments.

The different views represented by the various tourism development models developed post-war reflect at the same time also the different perspectives of the scientific branches from which these have evolved. Most models arose from experience and through observation of existing tourism areas. An analysis of the existing models, despite criticism and any weaknesses these present when applied widely, leads to important conclusions, useful to the study and planning of tourism destinations. However, despite individual disagreements and variance of opinion, the common assessment is that the growth of tourism areas takes place at different phases and it is looked at as a natural change procedure (Miossec 1997; WTTC (World Tourism & Travel Council)/OEF 2005).

Tourism is based on the comparative advantage theory, usually being a labour-rather than capital-intensive activity during the first stages of its development. Later on, it requires large scale investments in infrastructure, highly specialised staff and the use of new technology. This is positive for low to middle growth level countries, where capital is rare and labour abundant. The case of Greece is a characteristic case of implementation of the mass tourism and beach tourism models (Ministry of Development 2006).

14.3 Post-war Greek Tourism Policy Review

After the international economic crisis during the 1970s, which mainly affected the industrial sector, the tertiary sector—and more specifically tourism—rose in importance on a global level, primarily in countries representing an intermediate development level. In this framework, tourism in Greece was considered an alternative strategic choice for development that could contribute to the transformation of the traditional agricultural economies into developed ones, since the peculiar tourism activity structure spreads to the whole spectrum of the economy and can carry other sectors along too, especially those producing consumer goods. Economic development via tourism is considered feasible mainly because the productive resources required for tourism development are usually internally available and do not require import (Dritsakis 1995:1). Moreover, tourism as a par excellence export activity assures the influx of foreign capital and functions as a form of export substitute. Plus, the nature of tourism activity does not require the achievement of economies of scale, as emphasis is placed on the quality of services offered.

In Greece, tourism has always been of great importance for the support of the less favoured or disadvantageous areas. To be able to document the above claim, a diachronic examination is required of both tourism policy and its impact on tourism development. For this reason, the post-war Greek tourism policy can be distinguished into three eras (Tsartas and Lagos 2006:733–761):

- The era of small industry tourism (1950–1966)
- The era of transition to industrialised tourism (1967–1991)
- The era of the political quest for a way out of the crisis (1991–2006)

14.3.1 The Small Industry Tourism Era (1950–1966)

During the period 1948–1966 13 programmes for financial and social development were elaborated and the systematic promotion of tourism activity began by means of adopting strategic objectives and policy proposals. The contents of the various programmes of that era indicate that they were rather occasional and aimed at ensuring as many exchange resources as possible in form of financial and technical aid and not in form of support for the production base of economy, wherein tourism activity could also be included (Sakkas 1994:72). The targets or objectives of tourism policy were general references that most of the times were not accompanied by particular policy measures, the implementation of which would lead to promoting tourism development.

The tourism sector structure of this era can be characterised as that of a small industry, due to the number and the size of tourism enterprises (hotels had an average capacity of 40 beds) as well as due to the organisation of the sector (a small number of non organised travellers, lack of staff qualification, lack of administration methods and product promoting methods).

The post-war acceptance of the liberal concept for the recommended way for economic development of the financially dependent countries mostly formed the prerequisite for providing financial and technical aid by financially developed countries. The demand of US or other international credit institutions from the borrowing countries to elaborate economic programmes aimed at both ensuring a rational utilisation of the provided credits and supervising the economic policy of those countries. In terms of this development logic, the activity of tourism was not the first priority although many international organisations and primarily the World Tourism Organization (WTO) were urging for its systematic promotion.

The critical evaluation of tourism policy, as this is formulated in terms of development programmes, leads to a general questioning as regards the effectiveness of the objectives and aims concerning both the implementation of such tourism programmes and the ability of private tourism entrepreneurship to reconstruct its powers in order to improve the quality of tourism industry.

14.3.2 The Era of Industrialised Tourism (1967–1991)

As regards the programmes of the period 1967–1970, the implemented tourism policy played a significant role for the size and the way of development of tourism industry. The phrasing of those programmes reinforce the logic of promoting tourism by utilising the country's natural and cultural resources and by applying particular policy measures that had clear targets and objectives. These had a rather general character and aimed at achieving high rates of income growth.

More particularly, until 1973 tourism policy aimed at a fast development of the sector intending to maximise foreign exchange revenues to cover the trade deficit of the balance of payments on a current account. Later on, by means of the contents of those programmes until 1980, an attempt was made to rationalise tourism activity development through the enforcement of development laws (L.1313/72 and L.1378/73) in combination with the achievement of regional policy targets (L.289/76) and the reinforcement of less favoured areas (L.849/780). Yet, the results were the exact opposite of what was anticipated due to motive ineffectiveness, not fulfilling the requirements for self-financing as well as various administrative and institutional inadequacies (Mylonas 1997:608).

Private investors remained sceptical towards tourism until 1965. After this year and during the dictatorship (1967–1974) the situation changed, since both the investment motives and the tourism demand were increased, reducing this way the risk of private capitals to a minimum. The greatest part of those investments was directed to big resorts at the coastal zones of tourism destinations that were already known to the international tourism market, such as Rhodes and Corfu, to benefit from the already existing foreign economies, and to new destinations, such as Crete and Chalkidiki. In this era, tour-operators started intervening in the organisation and spatial expansion of the activity, either by promoting some areas or by financing private investments within zones of high demand (Leontidou 1991:88–90).

In the development programmes of the 1980s a new motive system is established (L. 1116/81 and L.1262/82) that aims at decentralisation and creation of small hotel units. However, the investing interest focused again on 5–6 already developed tourism destinations, a fact that led to an oversupply of beds. The rest of them did not have the appropriate social–financial infrastructure and substructure, since the financial resources disposed by the Public Investment Program were insufficient. Therefore, the interest of private initiative was turned to providing illegal accommodation.

The policy of providing motives for investments continues with the same intensity until 1990. The growth rate of the number of beds remains unaltered and the concentration remains very limited despite the differentiation of the percentages of investments and constructing programmes to the benefit of less developed areas. Parallel, a great increase of illegal constructions is noted due to the high demand for accommodation and due to a deeper, fully new speculation on earth, mostly in tourist destinations. This period is characterised by the introduction of the relevant production and organisation methods to the sector, which had been applied in the industry sector.

14.3.3 The Crisis Era (1991–2006)

The drawn tourism policy of this era is described in the Community Support Frameworks. The development programmes of the 1990s (mainly the first and the second CSFs) end up—because of the inexistence of a more comprehensive strategic plan for regional development—to a segmental and fragmented intervention at a regional level, with a doubtful contribution to regional development (Petraikos—Psycharis 2005:396) and consequently to tourism development. However, both the first and the second CSF followed a shallow approach to the tourism sector, which led to lack of attracting motives as well as to the existence of a series of counter-motives for the attraction of investors. Furthermore, an unsuitable distribution of the financial resources provided by the Mediterranean Integrated Programs and the First Community Support Framework (CSF) resulted to a maximisation of black economy and the accumulation of problems that limited the country's tourism development. The largest part of the resources is directed to sectorial policies that have a regional dimension and by nature premise the criterion of effectiveness rather than that of interregional equality (Petraikos 2005:104).

In the development programmes of the 2000s, the European Integration results to the country's tourism policy being shaped on a new basis in order to face the new challenges of globalisation, to exploit its comparative advantages and improve its infrastructure, whereas at the same time to attract higher income tourists (Ministry of Development 2003:4). Therefore, the third CSF (2000–2006), which is still in force, has an integrated character and sets targets that serve the European strategy of economic and social integrity and the fulfilment of the prerequisites for a country's accession to the Economic and Monetary Union, which is expected to shape those financial and currency conditions that will favour intra-European tourism and consequently also the Mediterranean tourism.

14.4 Critical Evaluation of Post-war Greek Tourism Policy

The development of Greek tourism began with a significant time delay and evolved in an anarchic and unplanned fashion, a fact that can be proven by the spatial distribution of tourism activity. Specifically, the anarchic tourism development led to the degradation of the environment and the quality of life, which finally caused the loss of comparative advantage for many regions of Greece (Pavlopoulos 1999:121). The influx of tourism currency proved to be especially vulnerable to exterior variations, like wars in the wider area, terrorist attacks, travel guidelines unfavourable for Greece, etc., but the long-term trend has remained upward. Structural problems, such as black economy, seasonality and the inability to attract high-income tourists, remain to a great extent even today. However, the role incoming currency played in the development of the Greek economy cannot be questioned. It has been empirically proven that in the case of post-war Greece, the engine that pulled the Greek

economy towards the road to development was the tertiary sector and especially tourism (Delivani 1991).

This can be interpreted by the fact that Greece constitutes an alluring tourist destination internationally, owing to its very long coastline, the great number of island complexes, the good climate combined with the sun—sea diptych, as well as the vast richness of its archaeological sites and museums. This comparative advantage constitutes a characteristic criterion for the preference shown to Greece as a tourist destination, something indicated by the increase in total arrivals by 2.4% on average during the 1960–2000 period (Dritsakis 2004). As a result, in the period mentioned, the share of tourism in the GDP rose from 2.5% to about 15%. Moreover, the successful organisation of the 2004 Olympic Games meant that Greece's recognisability as a tourist destination was greatly elevated, whereas it also had other positive results (increase in international arrivals and income for 2005 and 2006). The utilisation of the Olympic Games infrastructure and installations for various purposes provides also the possibility to improve the efficiency of tourism-related authorities, following the model set by Barcelona, and could prove useful for entering into new tourism markets (e.g. Russia, China) and increasing the share it enjoys in the existing ones, ultimately aiming at improving the competitiveness of the Greek tourism product.

However, despite the good general image Greek tourism enjoys, the basic synthesis of the advantages it enjoys is not substantially differentiated since the 1950s and remains the same (Tsartas and Tsartas 2000; Apostolopoulos and Sonmez 2001; Farsari and Prastacos 2004). The European countries constitute 90% of the countries of origin for tourists in Greece and this creates a great dependence on specific market-countries abroad. This can be understood if we consider the empirical application of Butler's (1980, 2006) Tourism Area Life Cycle (TALC) theory concerning evaluating the maturity of the main competitive tourism destinations in Greece based on the population/arrivals index for a tourism destination. It is estimated that the relevant index has the approximate same value for Spain, Greece and Portugal (0.82, 0.84 and 0.85 respectively), while it stands at 6.17 for Turkey, having shown the greatest variation in the last years. Should these variations continue at the same pace for the following years, then Turkey will be almost at the same levels as the other three countries, that is to say, at the maturity stage (SETE 2005:39). Moreover, taking the assessment of the six competitiveness indexes into account (related to infrastructure, the environment, technology, human resources and freedom of access) conducted by WTTC in the Mediterranean, we have a different evaluation of the current tourism competitiveness (Fig. 14.1). We can see that Spain is the most competitive country, followed by Cyprus, Portugal, Greece, Egypt, Croatia and Turkey (SETE 2005:21). This assessment is based on a series of socio-economic macro-variables in each country and it ignores each country's tourism market's conditions and trends at any specific point in time.

Of course, the authorities exercising tourism policy in Greece did not pay the required attention to the above, since currency influx continued to rise over time. However, the rapid development of other competitive tourism destinations, such as Turkey, Tunisia, Morocco, Egypt and others, offering a similar tourism product has

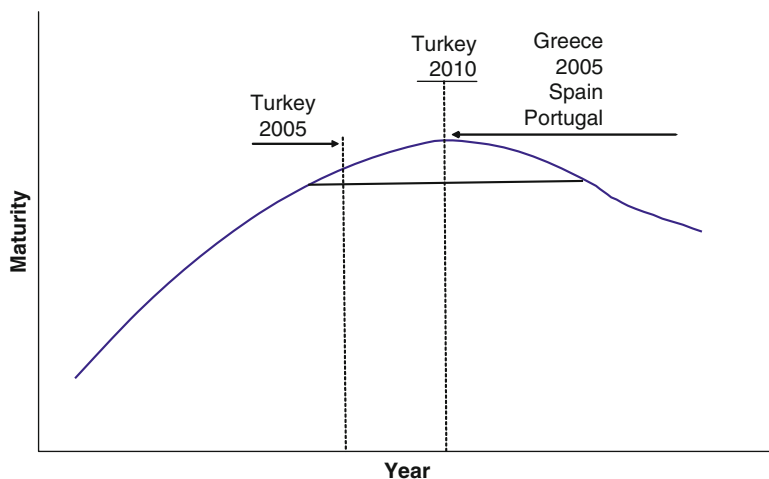


Fig. 14.1 Tourism area life cycle. *Source:* SETE 2005:39

created an intense competitiveness problem, since competition remains at the same level and there is no essential differentiating element between the Greek tourism product and these competitor countries. On the other side, there exists a series of important inhibitory factors restraining entrepreneurial activities with Greek tourism, namely the strict regulatory environment, the obstacles to foreign investment and restrictions to foreign nationals acquiring property in Greece.

The general ascertainment arising from the above is that during the whole post-war period tourism has played an important role in economic development, mainly as a foreign currency source, but also as an additional income source. However, there are some indications that the size of tourism flow is decreasing, the used capacity of the existing facilities is being limited, the qualitative level of the rendered services is not being improved and the tourist season covers a few months only. Moreover, the logic of tourism policy is based on the argument that tourism is an important wealth-bringing source that contributes in a positive way to the country's social-economic development. This policy that remained unchanged over the years was based on the prevailing model of organised mass tourism and that of the standardised package, which used to express the international tourism demand. Since the 1980s, the issue of creating special forms of tourism arose. However, Greece's lag in areas of specialised tourism infrastructure (marinas, golf courts, conference centres, thalassotherapy centres, etc.) compared to its main competitors constitutes a negative element to the modernisation and upgrading of the tourism offer, but also to the differentiation of the qualitative composition of the Greek tourism product. Countries such as Switzerland, France and Italy dispose of a developed internal tourism and a comparatively small Tour Operator penetration, while more and more people turn to special forms of tourism.

In general, the logic of the post-war tourism policy was expressed by an excessive love for figures (arrivals or tourist currency or new jobs), regardless of their real impact on economy and society. All the aforementioned tend to make tourism a problematic sector, whereas in fact Greece has some very essential comparative advantages in relation to the other competitive countries.

14.5 Analysis of the External Environment Affecting Greek Tourism Policy

Variations in tourist flow have been noted during the last years, which lead to changes in the receiving countries' participation ratios out of the total international tourism. Europe and America see their share in international tourist flow falling, while East Asia and Africa notice an increase in theirs. The main factors to contribute to these developments are the transit fee reductions because of the intense competition in international air transport, as well as the development of mass tourism.

The countries of the Mediterranean are divided in two categories depending on the emphasis placed on tourism product (Patsouratis 2002:110–111). Greece, Spain, Portugal and Turkey as well as Italy, to a lesser degree, are included in the first category, offering recreational tourism based on sun and sea. The second category contains France and Italy that offer vacation tourism with a great variety of traditional and modern culture. Over the last few years, the countries in the second category have begun to orient themselves to special forms of tourism, which are the new international trends in tourism development in order to hold on to and increase their shares of the global tourism market.

The share held by the Greek tourism compared to the European and international competition has shown a downward movement over the last few years. Explaining this course lies with the factors that define cost and quality in general for the tourism product offered to the international tourism market. The factors refer to the production sector (cost, productivity), the organisation of production and distribution, the macro-economic environment (e.g. currency policies) within which the sector operates and even to the practices and policies adopted by other tourist destinations in order to attract tourists.

The *factors* affecting tourism activity in Greece are both internal and external and are the following (Mylonas 1997:575–615; Lagos 1998; Patsouratis 2002:196–198; Tsartas 2004:79)

- Globalisation of tourism development
- Development of large verticalised and internationalised tourism enterprises
- The new economy
- The Knowledge Society (a shift in the relation of work, rest and education)
- The structure and the role of the State
- Local authorities

- The structure of the market and more particularly that of the tourism market
- The quality of the tourism product
- The ageing of population
- The change in consumer conditions and living conditions
- The circles of life (education–work–pension)
- The environment
- The culture
- Sports
- Transports
- New technologies and especially the internet

The aforementioned factors affect both the side of tourism product supply and demand and the side of the philosophy and structure of the tourism model itself as well as the role of tourism in the financial life of the country and its citizens.

Beyond the above, other factors exist that affect the development of tourism on an international level and as a consequence the structure of tourism demand and offer.

Under the light shed by the factors mentioned above and that of international tourism characteristics, it is obvious that the external environment affects tourism policy in every country that is receiving tourists. The tourism policy authorities take these factors into account; factors affecting and defining policy in quantity and quality.

14.6 Factors that Will Affect Tourism Policy in the Next Years

Obviously, for the shaping of a framework for future tourism policy it is essential to detect and examine the main *characteristics* and *problems* of the Greek tourism that affect the operation of the country's tourism system.

The main characteristics of the Greek tourism development model can be localised in the following points (Tsartas and Tsartas 2000:189–211; Patsouratis 2002:15–32)

- Increasing arrivals of foreign tourists (foreigners account for approximately 75% of the total overnight stays in hotels).
- Dependence of many areas on organised tourism taking place in the summer season.
- Most frequent is the mass tourism of low and middle income classes.
- Reduction of the tourism expenditure per capita in steady values.
- Increase of the share of visitors from Europe.
- Great reduction in the share of American tourists.
- Increase of tourists coming from Eastern Europe.
- Increasing share of domestic tourism.
- Increased seasonality of Greek tourism.

- Small number of tourism enterprises other than hotels.
- One-dimensional tourism product: “Sun and sea”.
- The comparative advantages of the Greek tourism are mostly inherited ones (natural environment, cultural heritage).
- High geographic concentration of tourism infrastructure.
- Oligopsonic structure of tourism demand with just a few tour-operators.
- Hotel units/accommodations:
 - Of small size and moderate/low quality
 - Of a small degree of concentration and a very small verticalization
- Facing administrative hindrances as regards the entrance of new hotel enterprises in developed tourist destinations (saturation).

The most important *problems* that the Greek tourism faces today are mostly structural ones and can be summarised in the following points (Lagos 1990; Leondidou 1991:84–106; Aggelidis 1995:63–68)

- The great dependence of Greek tourism on tour-operators and consequently on their volition and interests.
- Greece was deprived of its comparative advantage of low-priced tourism product as a result of the tourism engagement of countries with low labour costs.
- Lack of existence of a special tourism infrastructure.
- Low degree of development of special forms of tourism.
- Many illegal accommodations causing various problems.
- Great seasonality of tourism activity.
- Interregional and intraregional inequalities of tourism development.
- Dominance of low class accommodations and uneven spatial distribution of hotels within the country.
- Environmental pollution problems and noise pollution noted in many tourist destinations.
- Mass tourism orientation as a model for tourism development as well as an old-fashioned institutional framework.

According to the above characteristics, problems and defining factors of the Greek tourism as well as the conclusions that arose from the critical evaluation of the post-war programmes for financial development concerning tourism development, a SWOT analysis is carried out for the shaping of a new tourism policy and strategy for the coming years (Konsolas 2002:110–130). This analysis aims at strengthening and presenting advantages, limiting disadvantages, maximising the seizing of opportunities and minimising the risks of tourism activity in Greece.

More particularly, this analysis comprises of the following points (Table 14.1).

According to the above data, the solution of the problem lies in offering high quality tourism services, which will create the prerequisites for supplying a competitive tourism product in the international tourism markets. This can be achieved by utilising the cultural heritage and the historical monuments of Greece, which form its competitive advantage, as well as by enriching and differentiating its tourism product.

Table 14.1 SWOT analysis of Greek regions

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> • A mild climate for a long period annually • A differentiated and of high quality natural environment • A great cultural heritage • Existence of many SMEs, which account for a “personalised hospitality” • A powerful “cultural” image of the country • An intense insular character • A high degree of security feeling for tourists in comparison to other competitive destinations 	<ul style="list-style-type: none"> • A low tourism expenditure due to the attraction of low income tourists • A low quality of tourism infrastructures and private services rendered • A restricted utilisation of natural and cultural resources • Lack of special tourism infrastructures, additional activities as well as activities for people with special interests • Mediocre training of man-power (both entrepreneurs and employees) • Great concentration of accommodations and tourists in some areas (mostly islands) • Lack of complex tourism products to attract tourists with special interests 	<ul style="list-style-type: none"> • Differentiation of supply by the consumers who create new potential markets besides the ones of mass sun/tropical tourism • Unification of the internal European market by means of the euro currency • Promotion of the country through the 2004 Olympic Games • Increase of the ability to access the consumer directly through the internet • Opportunity to exploit local/traditional products by the tourism network in order to upgrade and differentiate it 	<ul style="list-style-type: none"> • Increasing concentration of tour-operators • Increasing competition abroad by cheaper countries (Mediterranean, East Europe, Middle East) • Increasing competition among countries with tourism products of high quality and differentiation

14.7 Tourism Policy During the New 5 Years Planning Period 2007–2013

The basic target of the interventions in the tourism sector for the next planning period of the community programmes 2007–2013 (National Strategic Reference Framework—NSRF) is the increase of demand for an overall qualitative improvement of the Greek tourism product and the rendered services at all levels. This basic development target can be analysed into the following partial strategic targets:

- Utilisation of the country’s natural and cultural resources for the reinforcement of the tourism product.
- Tourism product differentiation combined with a dynamic development of special forms of tourism.

- Construction or upgrading of hotel infrastructure, but also of special tourism infrastructure required for the development of special forms of tourism.
- Upgrading the qualifications and skills of the man-power engaging in the tourism sector.
- Reinforcing the international promotion of Greece as a safe and attractive destination.
- Extending the tourism season and decreasing seasonality by means of an increased arrival of foreign visitors and the parallel reinforcement of domestic tourism.
- Rational settlement of spatial problems and promoting of legislative and institutional issues required for the dynamic development of all forms of tourism within the framework of sustainable development that respects the environment and the cultural heredity on a national and regional level.
- Encouraging innovative actions by means of using the achievements and tools provided by the society of knowledge, modern information technologies and communications as well as modern financial tools.

The above strategic targets arise from the imperative need to face main issues regarding tourism industry, which focus on the following points:

- Reinforcing entrepreneurship and tourism investments for the expansion and upgrading of the tourism product.
- Developing special forms of tourism in order to expand the tourism product, stretch tourism development geographically and reduce seasonality.
- Reinforcing synergies, innovations and utilisation of knowledge in tourism entrepreneurship.
- Upgrading, proposing and promoting tourist destinations with special actions for developing or developed special tourist destinations.
- Reinforcing competitiveness and extraversion of the Greek tourism by developing ways for its support and making them operative.

The aforementioned tourism policy refers to all aspects of tourism in Greece. It relates to both demand and supply. It strengthens the development model of a small/medium tourism enterprise of family type. Perhaps the main disadvantage of this policy lies in the fact that it is quite general and aims at covering everything without setting any priorities and without a systematic planning. It does not provide answers to the main questions whether and to what extent the mass tourism model will remain the prevailing model in Greece, how could the influence of tour-operators be limited—if, of course, it can be limited—whether special tourism infrastructures can develop correctly, and, more generally, whether the development of tourism will or will not respect the natural environment. Additionally, there is no clear strategy for the development of tourism on a 12-month basis, the elaboration of the Special Spatial Plan for tourism has not been completed yet, there is no scientific support of tourism, since there is a deficit in university education and no Satellite Tourism Accounts have been created and finally there is no framework for the restoration of the good market operation that would create competitive conditions for the improvement of tourism product quality (Kourtis 2004:77–82).

Consequently, the current policy should be re-evaluated and in the future it should be based on new management criteria, accompanied parallel by a clear positioning strategy for the Greek tourism product. The objective should be to materialise both short- and long-term goals such as upgrading the quality of all services provided by every tourism authority, facing present problems and increasing the tourism industry's competitiveness and productivity. This requires the establishment of an integrated long-term tourism plan with the aid of modern marketing tools that will aim for specific quantity and quality goals, such as softening seasonality, exploitation of comparative advantages, development of special forms of tourism and connecting tourism activity to the productive process. This policy should contain separate policies which will be connected to the model of integrated innate local tourism development and will also take into account the principles of sustainable development.

14.8 Conclusions and Implications

The above critical review of the Greek tourism policy shows that in the post-war era the Greek tourism industry was based as a tourist destination on an almost granted composition of the country's comparative advantages. This composition included the natural attractions, the mild climate and the monuments, which led the tourism market to organise the entrepreneurial activity with the orientation from "demand to supply". This model functioned sufficiently during the 1960s and the 1970s, but the tourism industry continues in its vast majority to apply the same model even today. The basic composition of the advantages of the Greek tourism remains the same. The large part of the visitors supporting the tourism industry comes to Greece to enjoy the sun, the sea, the ancient monuments, the environment, the hospitality and the originality of the people.

More particularly, the overall estimation is that during the whole post-war era there was an inability to plan a steady, long-term tourism policy. This is also obvious from the incomplete planning attempts of some specialised fields of tourism development (e.g. spatial distribution, environment, decentralisation, regional development, legislation on motives, advertisement). On the contrary, Community Support Frameworks, regardless of the criticism on whether or not the distribution of the available financial resources is rational, shape a new framework of tourism policy that attempts to enrich and differentiate the Greek tourism product. However, the prevailing opinion that in Greece the logic of elaborating measures for tourism development is just mere empiricism resulted in tourism development following a distorted spatial planning that led to excessive concentration of tourism supply in some areas, to uncalculated pollution of the natural environment, saturation and degradation of some areas. The consequence of the above was that the Greek tourism product is not competitive and there are many structural tourism problems that obstruct the effectiveness of tourism policy measures.

Moreover, the above review leads to the general conclusion that tourism in Greece is and will remain a healthy dynamic sector that will bring revenues, contribute to the GDP increase, encourage investments and vitalise employment. Therefore, it is anticipated that it will form an essential element and an important parameter of the Greek tourism development. However, the existing model of tourism development in Greece exploits only very few comparative advantages of the ones that the country has to offer as a tourist destination and focuses mostly on insular and coastal areas and utilises solely the good climate and the close relation to the sea. Thus, the suggested tourism policy framework for Greece should focus on the high international competitiveness and the effective operation of its tourism industry in terms of the sustainable tourism development (WTO 1993). For this reason it should draw an integrated tourism development programme on a national and regional level with main axes the strong points of the Greek tourism and the opportunities emerging in the international tourism market, whereas at the same time it should limit its disadvantages and weaknesses. This programme must be accompanied by a specialised tourism policy and strategy that will cover all aspects of tourism industry and will form a complex “grid” of all individual policies of the central state with a regional dimension (Zacharatos 2002; PNUE/PAM 2005:68). Furthermore, it will also take into consideration the specialised issues that will be determined by the Special Spatial Plan of tourism. It is estimated that this will gradually direct the Greek tourism from mass tourism to selective—customer oriented tourism. In that way, it will manage to escape from “monoculture” and will be led to pluralism, quality and sustainability of the tourism product, which will be orientated towards the demands and the interests of modern tourists-consumers.

References

- Aggelidis M (1995) Locating tourism in Greece. Problems of development, location and environment. Proposal in the day congress “Tourism and Environment”, Technical chamber of Greece. Vol 5 *J Technika Chronika* 63–68, Athens (in Greek)
- Andriotis K (2001) Tourism planning and development in crete: recent tourism policies and their efficacy. *J Sustain Tourism* 9(4):298–316
- Apostolopoulos Y, Sonmez S (2001) Greek tourism on the Brink: restructuring or stagnation and decline. In: Apostolopoulos Y, Loukissas P, Leontidou L (eds) *Mediterranean tourism; facets of socioeconomic development and cultural change*. Routledge, London, pp 72–88
- Butler RW (1980) The concept of tourism area cycle of evolution: implications for management of resources. *Can Geogr* 24(1):5–12
- Butler RW (1999) Sustainable tourism—a state of the art review. *Tourism Geogr* 1:7–25
- Butler RW (2006) The origins of the Tourism Area Life Cycle. In: *The Tourism Area Life Cycle*, vol 1, Aspects of tourism 28. Channel View Publications, Toronto, pp 13–26
- Campbell CK (1967) An approach to research in recreational geography. In *Occasional Papers* No. 7. Department of Geography, University of British Columbia, Vancouver
- Cazes G (1989) *Les nouvelles colonies de vacances? L'Harmattan*, Paris
- Clarke J (1997) A framework of approaches to sustainable tourism. *J Sustain Tourism* 5(3):224–233
- Delivani E (1991) *Tourism as an alternative engine of growth: the case of Greece*. Unpublished Ph.D., York University, UK

- Dredge D (1999) Destination place planning and design. *Ann Tourism Res* 26(4):772–794
- Dritsakis N (2004) Cointegration analysis of German and British tourism demand for Greece. *Tourism Management* 25, 111–119.
- Dritsakis N (1995) An economic analysis of foreign tourism to Greece. Sakkoulas, Thessaloniki
- EC (1993) Taking account of environment in tourism development. Study prepared by ECONSTAT EC DG XXIII. European Commission, Brussels
- Farsari Y, Prastacos P (2004) Conceptualising tourism policies in north Mediterranean mass destinations. *Tourism Today* Fall:89–102
- Fennel DA (2001) A Content Analysis of Ecotourism Definitions. *Current Issues in Tourism* Vol 4, No 5, Department of Recreation and Leisure Studies, Brock University, St Catharines Ontario L2S 3A1. Canada.
- Fennel D (1991) *Ecotourism: an introduction*. Routledge, London
- Gartner WC (2001) “Issues of Sustainable Development in a Developing Country Context” in *Tourism in the Age of Globalisation*, edited by Salah Wahab and Chris Cooper, 2001:306–318, London: Routledge.
- Getz D (1992) Tourism and destination life cycle. *Ann Tourism Res* 19:752–770
- Gunn C (1965) A concept for design of tourism recreation region. BJ Press, Mason, MI
- Gunn C (1993) *Tourism planning: basics, concepts and cases*. Francis and Taylor, Washington, DC
- Hall CM (1999) *Tourism planning: policies, processes and relationships*. Prentice Hall, Harlow
- Hall CM, Jenkins JM (1995) *Tourism and public policy*. Routledge, London
- Hunter C (1997) Sustainable tourism as an adaptive paradigm. *Ann Tourism Res* 24(4):850–867
- Inskeep E (1994) *National and regional planning*. Routledge/World Tourism Organization, London
- Ivars Baidal JA (2004) Tourism planning in Spain: evolution and perspectives. *Ann Tourism Res* 31(2):313–333
- Konsolas I (2002) *The competitive advantage of Greece: an application of Porter’s diamond*. Ashgate, Burlington, VT
- Kourtis P (2004) *Strategy and competitiveness in tourism within the framework of regional development*. Doctoral dissertation (unpublished), Harokopio University, Athens (in Greek)
- Lagos D (1990) Structural problems of the Greek tourism. *J Tourismos kai Econ* 136, Athens (in Greek)
- Lagos D (1998) Tourism as a factor for promoting regional development. *Rev Urban Region Stud TOPOS* 14:47–65, Athens (in Greek)
- Lagos D (2005) *Tourism economics*. Kritiki Press, Athens (in Greek)
- Leiper N (1995) *Tourism management*. RMIT Press, Melbourne
- Leontidou L (1991) Greece: prospects and contradictions of tourism in the 1980s. In: Williams AM, Shaw G (eds) *Tourism & economic development*. Belhaven Press, London
- Lue C, Crompton J, Fesenmaier D (1993) Conceptualization of multideestination pleasure trips. *Ann Tourism Res* 20:289–301
- Ministry of Development (2003) *Strategic development plan of the Greek tourism 2004–2010*. Ministry of Development, Athens
- Ministry of Development (2006) *Text for planning the interventions of the planning period 2007–2013 in the tourism sector*. Ministry of Development, Athens
- Miossec J.M., (1977) Un modele de l’ espace touristique, *L’ espace Geographique*, 6(1), 41–8.
- Miossec JM (1976) Elements pour une Theorie de L’ Espace Touristique. *Les Cahiers du Tourisme*. CHET, C-36 CHET, Aix-en-Provence
- Miossec JM (1997) Une modele de l’ espace touristique. *L’ Espace Geographique* 6(1):41–48
- Mylonas A (1997) Tourism as country’s power. Minutes of the conference of the Athens University of Economics and Business titled: “The present and the future of the Greek Economy”, vol 1. Press: Athens University of Economics and Business, Athens, p 595–615 (in Greek)
- Opperman M (1993) Tourism space in developing countries. *Ann Tourism Res* 20:535–560
- Papathodorou A (2004) Exploring the evolution of tourism resorts. *Ann Tourism Res* 31(1): 219–234

- Patsouratis B (2002) Greek tourism sector competitiveness. Institute of Tourism Research and Forecasting (ITEP), Athens (in Greek)
- Pavlopoulos P (1999) Tourism sector: size and dynamics. Papazisis Publications, Athens (in Greek)
- Pearce D (1992) Tourist development. Longman Scientific and Technical, Essex
- Pearce D (1995) Tourism today: a geographical analysis, 2nd edn. Longman, New York, NY
- Petrakos G (2005) Regional inequalities and regional policy in Greece. Minutes of the Day Congress titled: "Regional Development in Greece: Tendencies and Perspectives" (Editing Ch. Kokkosis – I. Psycharis). Press: Greek Department of the European Regional Science Association (ERSA), Volos, p 89–110 (in Greek)
- Plog S (1973) Why destinations rise and fall in popularity. *Cornell Hotel Restaur Admin Quart* 14(4):13–16
- Plog S (1991) Leisure travel: making it a growth market again. Wiley, New York, NY
- PNUE/PAM (Programme des nations unies pour l'environnement. Plan d' action pour la Méditerranée) (2005) Dossier on tourism and sustainable development in the Mediterranean. MAP Technical Reports Series 159, Athens
- Pridham G (1999) Towards sustainable tourism in the Mediterranean? Policy and practice in Italy, Spain and Greece. *Environ Polit* 8(2):97–116
- Psycharis I (2005) Regional programs of the community support frameworks. Scientific Studies in honor of Professor N. Konsolas of the University of Social and Political Studies, Athens, pp 375–399 (in Greek)
- Rajotte F (1975) The different travel patterns and spatial framework of recreation and tourism. In: Tourism as a factor in national and regional development, Occasional Paper 4. Dept of Geography, Trent University, Peterborough, ON, p 43–52
- Sakkas D (1994) The regional programs of the period 1947-1966 and their relation with suggestive programming. Collective Volume "The Greek society during the first post-war era (1945–1967)", Athens, p 59–76 (in Greek)
- SETE (Association of Greek Tourist Enterprises) (2005) The challenge of competitiveness and the need for readjusting the Greek tourism product. SETE, Athens (in Greek)
- Shaw G, Williams AM (1998) Entrepreneurship, small business culture and tourism development. In: Ioannides D, Debbage KG (eds) *The economic geography of the tourist industry*. Routledge, London, pp 235–255
- Sinclair MT, Stabler JM (1991) *The tourism industry. an international analysis*. Cab International, Oxon
- Smith RA (1992) Beach resort evolution: implications for planning. *Ann Tourism Res* 19(2): 304–322
- Stabler MJ (1997) *Tourism and sustainability. Principles to practice*. Cab International, Oxon
- Stansfield CA, Rickert JE (1970) The recreational business district. *J Leisure Res* 2:213–225
- WTTC (World Travel & Tourism Council) (2009) *Travel & tourism's economic perspective*. Brussels
- WTTC (World Tourism & Travel Council)/OEF (2005) *Travel & tourism simulated satellite accounts*. Brussels
- Tremblay P (1998) The economic organization of tourism. *Ann Tourism Res* 25:837–859
- Tsartas P (2000) Critical evaluation of the parameters composing the characteristics of the post-war tourism development. In: Aygerinou-Kolonia S, Zacharatos Ger et al (eds) (Editing: P. Tsartas) *Tourism development: multidisciplinary approaches*. Exantas Press, Athens, p 189–211 (in Greek)
- Tsartas P (2004) Tourism development in Greek insular and coastal areas: sociocultural changes and crucial policy issues. In: Bramwell B (ed) *Coastal mass tourism: diversification and sustainable development in southern Europe*. Channel View Publications, UK, pp 68–84
- Tsartas P, Lagos D (2006) The policy of the Greek tourism through development programs, Collective Volume "Economic systems, development policies and strategies of enterprises in the era of globalization". Studies in honor of Professor Stergios Mpampanasis of the University of the Aegean (Editing: B. Aggelis–L. Maroudas). Papazisis Press, Athens, p 733–761 (in Greek)

- Turner L, Ash J (1975) *The golden Hordes: international tourism and the pleasure periphery*. Constable, London
- UNESCO (1976) The effects of tourism on socio-cultural values. *Ann Tourism Res* 4:74–105
- Vanhove N (1997) Mass tourism: benefits and costs. In: Wahab S, Pigram JJ (eds) *Tourism development and growth—the challenge of sustainability*. Routledge, London
- Weiler B, Hall CM (eds) (1992) *Special interest tourism*. Belhaven Press, London
- WTO (1993) *Sustainable tourism development: a guide for local planners*. WTO, Madrid
- WTO (2000) *Tourism vision 2020*, vol 1–6. WTO, Madrid
- Zacharatos G (2002). Let us finally see tourism as an industry. *J Economikos Tachydromos* 38–41, 5.1.2002 Athens (in Greek)