CHAPTER - I
INTRODUCTION

1.1. Prologue

In the third millennium, the pace of globalization is faster than it was in the past, regarding political, cultural and economic association of the world, and in order to reinforce power of political challenges and competitiveness of their national economy in the process of globalization, governments have turned to regional categorizations. Since no country in the world has all elements of production by itself, therefore, they struggle to achieve objectives which are only reachable through collective cooperation, they achieve economic development and complete production circle in one geographical region through formation of regional economic-political organizations. It must be admitted that it is impossible to separate political, economic and social issues from each other and even purely economic issues find their way into political and social issues, and vice versa. Therefore, one characteristic of international system after dissolution of Soviet Union is regional convergence which challenges order and discipline based on government-nation. Regional convergence is a process in which governments of a region increase reciprocal cooperation through formation and membership in regional systems and also reduce tensions in the region. Most efforts related to regional convergence are based on reduction and elimination of business tariffs, free transfer of people, labor force, goods and capital, reduction of regional conflicts and management of regional crises and bringing together countries of the region for taking common policies towards issues they are interested in. Definitely, such procedures would lead to reduction of authority and power of single governments and would reinforce international organizations. There is no doubt that one of the most influential structural reformatons in the last quarter of the 20th century was the phenomenon of economic globalization and formation of reciprocal economic dependence. Considering the increasing procedure of this modern phenomenon and the necessity for more comprehensive presence of countries in international scenes, regional cooperation has become a necessity. That is why in recent years, the idea of supporting regionalization has increased much more. Along with internationalizing global markets, globalization creates an entirely competitive environment in which only powerful and productive economic units will survive.
Hence, countries have turned to regionalization so that in this way they could have easier access to global markets and also to reduce political and economic isolation.\textsuperscript{1} On the other side, regionalization and regional convergence is a range in which the minimum point is regional trading system and the maximum point is erosion of national governments and their merging in international institutions.

Considering the tendency towards regional systems is a global phenomenon, definitely, the great continent of Asia has not been and is not an exception regarding this tendency, and Asians at the moment are associating in regional convergence in five great regional institutions namely SAARC, ECO, SCO (Shanghai Cooperation Organization), ASAN and Cooperation Council of Persian Gulf. Shanghai Cooperation Organization and Cooperation Council of Persian Gulf have mostly been created for political purposes and at the moment also they mainly follow political and security related objectives, although recently both organizations have turned to economic cooperation as well.

It is believed that ASAN is an outstanding and successful example of regional cooperation in Asia which had started with political objectives and has reached high levels of economic cooperation. Economic Cooperation Organization (ECO) and South Asian Association for Regional Cooperation (SAARC) are other remarkable examples of regional cooperative organizations which are in early stages of cooperation. Economic Cooperation Organization (ECO) was first established as RCD (Regional Cooperation for Development) between Turkey, Iran and Pakistan in July 1964. Union of ASAN was also established on 8\textsuperscript{th} August 1967 with the name of “Association of Southeast Asian Nations” which was previously known as ASA that had been established in 1961 by membership of Malaysia, Indonesia, Singapore, Thailand and Philippines. In fact these two organizations in two regions of Southwest and Southeast Asia were established by the US as obstacles against penetration of communism, and development of economic cooperation was also followed along with this purpose. Activities of RCD were suspended due to different reasons including lack of trust and cold relations between members and also because of Islamic

\textsuperscript{1} Ghavam, Abdol Ali. Globalization & the Third World, Ministry of Foreign Affairs, Tehran, 2003, pp. 16-18
Revolution in Iran. But in 1985, all three members established ECO with greater intention to follow economic objectives of RCD.

Dissolution of Soviet Union and independence of Central Asian Republics and Caucasia in ECO region in 1991 led to development of ECO. Therefore, Azerbaijan, Kazakhstan, Uzbekistan, Kirgizstan, Afghanistan and Turkmenistan also were added to the geographical realm of ECO.

1.2. Study Area

Fig. 1.1: Location ECO in the world

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Neighborhood, historical and cultural common features and intention for economic development caused the formation of Regional Cooperation for Development (RCD) in July 1964. It consisted of three countries namely Iran, Pakistan and Turkey. The Background for the formation of RCD could be traced in the existing political and economic situations among member countries in the early years of 1960s. From the viewpoint of economic situations, the three countries were trying to accomplish their plans for industrialization in a western style; limitation of exchange sources, necessity for accomplishment of major industries, achieving
technology and at last applying the existing regional facilities reinforced the idea for formation of RCD as a multilateral cooperative organization.

Additionally, common historical, cultural and traditional interests between the three countries and being located in a sensitive strategic region signified the necessity for formation of such an organization. Therefore, this organization was formed in 1964, and in 1997 Izmir Treaty was designed as principle and basis of this cooperation for reinforcement of RCD activities.

After the Islamic Revolution, because Iran did not make a determined announcement whether to stay or leave RCD, activities of this association were suspended so much so that in 1980 decisions were made to dissolve the association. Considering basics of foreign policies in Islamic Republic of Iran for development of relations with neighboring Islamic and third world countries and in order to develop cooperation between the three countries of Iran, Pakistan and Turkey, the related people in charge of RCD announced their intention for reformation of the association under the of Economic Cooperation Organization in 1985. The first meeting between representatives of ECO member countries was held in February 1992 in Tehran.

This meeting was especially important, because due to great changes in the world after dissolution of Soviet Union, some newly independent Muslim countries in Central Asia and Caucasus announced their intention to join this organization. This could be a peak point in the development of activities in ECO. Therefore in addition to the countries of Iran, Turkey and Pakistan, Azerbaijan, Kirgizstan, Tajikistan, Uzbekistan, Kazakhstan and also Afghanistan were the countries that joined ECO. At the moment this organization has ten members, its formal language is English, and it is based in Tehran. Considering its geographical area of 8620697 km² over 385 million populations in 2005, in terms of area and population, it is one of the important regional cooperative organizations in the world. Kazakhstan with 2,700,000 km² is the largest member of ECO and Azerbaijan with 86,600 km² is the smallest one. Regarding population, Pakistan has the most and Turkmenistan has the least population among members of Economic Cooperation Organization (ECO). Characteristics like having borders with Europe, Persian Gulf and three major countries i.e. Russia, China and India, and having 150 billion barrels of oil resource
and 123 trillion m³ gas (according to data in 2006) have given ECO significant geopolitical and geo-economical position. Economic Cooperation Organization (ECO) having significant geographical position located on the intersection of trade routes between East and West reminds one, of the most ancient and oldest routes of relationship between Eastern and Western civilizations in the world i.e. the Silk Route. Because of enjoying rich natural and human resources and also international validity, this organization has potentiality of winning a significant position in economy of the region and that of the world.

Every international organization has a set of principles and rules which determine objectives and fundamental doctrines of that organization and according to those principles, capacities and perspectives of the organization could be measured. ECO also has such features. Regarding the fact that Izmir Treaty (1996) is still effective as the main document and determinant of objectives and principles in ECO, we use this treaty in order to identify objectives of ECO.

According to Article 2 of modified Izmir Treaty (1996), cooperation of member countries in ECO in economic, technical and cultural fields have been designed on the following principles:

a. Improvement of conditions for establishment of sustainable economic development through which improvement of living conditions and welfare in member countries would be attainable by beseeching economic and cultural potentialities in the region
b. Development in increase of regional and international business considering experiences of other regions and gradual elimination of trade obstacles
c. Encouragement for economic development in order to achieve fundamental goals of member countries so that role of ECO in development of global economy could be increased
d. Laying the basis for conditions to gradual and slow economic mingling of member countries with global economy in order to provide their full participation in the process of economic globalization
e. Increasing active regional cooperation and reciprocal assistance in economic, social, cultural, scientific and technical fields
f. Acceleration in development of foundations of transportation and communication which connects member countries to each other and to the world outside

g. Increasing convergence in activities of public and private sections with emphasis on free economy and globalization in order to get private section more engaged in regional economic development through joint investment projects and other investments

h. Increase of efforts for effective application of potential industrial and cultural facilities in ECO region

i. Confirming historical and cultural ties between people in ECO region and also development of touristic relationships.

1.3. Significance of the Study

Tourism industry is the greatest and the most diversified industry and it is compared to oil and automotive fields in the global scene. Many countries consider this dynamic industry as the main resource of revenue, employment, private sector growth, development of infrastructures. The deduction is that if tourism would be well-defined and directed, it will be one of the most profitable and earning industries. This section can produce new opportunities of employment and reduction of unemployment ratio, wealth distribution, poverty reduction, lifestyle enhancement, and positive cultural transactions.

Statistics of tourism organization has also shown the importance of this issue. According to their predictions, total tourists of the globe will reach up to 1 billion and 700 million in 2020 and could have more than 2000 billion income. This sector specifies 14% of global workforce. Hence, countries, communities and regions have found that for maintaining their economic stabilities they have to make a suitable decision and seek new ways of developing this industry.

Now what are ECO solution from this remarkable huge amount of income with 8 million square kilometers and around 400 million populations as well as natural, cultural, economic and strategically position? Don’t they need to review and transform political, economic, religions and cultural aspects to cope with difficulties such as poverty, unemployment, war and terrorism?

For better understanding of these issues and make appropriate and principle decisions to enhance tourism level and development of the region, it is required to
identify existing problems and obstacles and present a suitable strategy. It is expected that this research will go at least a little way to contribute to tourism development in ECO region.

1.4. Statement of the problem

Nowadays, tourism is considered as a productive and a major industry so much so in many economically flourishing countries and some countries which have lots of historical and natural attractions and have the capabilities and facilities of tourist attraction, a great portion of national income is provided through development of this industry. Predictions suggest that the number of tourists in 2020 will reach 1,560,000 and everybody averagely will spend $ 800 every 5 days. Therefore, countries that can attract more tourists would generate more revenue. Although countries of ECO are among countries with high ratio of tourist potentials, yet they have not been successful in attracting tourists and in this respect, Turkey is the exception or sit has been successful, these countries have had little revenue from tourism; whereas, These countries have lots of known and unknown national and international potential. One of the reasons in lack of tourist attraction or in other words, an obstacle in development of tourism in ECO region is historical factor. Most of historical factors usually originate from political, social structure of countries. This research tries to discuss and analyze these factors so that we can take steps in order to remove obstacles of tourism in ECO region.

1.5. Objectives

Without research objectives a thesis will be on shaky ground and without a strong base. Thus one of the essential elements of research work is specifying the objective. The main objective of this research is to identify influential historical obstacles in development of tourism in countries of ECO region. The historical obstacles subject to this research are as followings:

1. Political-Historical Structure
2. Cultural-Historical Structure
3. External Elements (study of influences by policies of foreign countries)
   And also
4. Presentation of some guidelines for development of tourism in the region
1.6. Hypothesis

According to the stated objectives, the following hypotheses are expressed in order to achieve the objectives:

1. There is a meaningful relationship between political-historical structure of the countries in the region and development of tourism.
2. There is a meaningful relationship between cultural-historical structure of the countries in the region and development of tourism.
3. There is a meaningful relationship between external element (policies of foreign countries) in the region and development of tourism.

1.7. Research Methodology

This research is directed by all historical and statistical information about and influence on the subject. These resources could be divided into 3 groups:

1. **Primary sources**
   
   This category includes the books in which the times of historical events and movements have been mentioned and the authors have lived in the time period of the event and had comprehensive knowledge about the affairs, this category includes examples like *Introduction of Ibn Khaldoon*, *The Select History* by Hamdollah Mostofi, etc.

2. **Secondary sources are themselves divided into Two groups**
   
   a. **Books**: this group includes the books which have been specifically or indirectly written in the periods after the events and which deal with analyzing and studying the subjects, like *History of Nationalism in Iran* by Richard Cotum, *ECO and Regional Integration* by Elahee Koolaee, etc.
   
   b. **Articles**.

3. **Statistical resources**: this group includes the statistical tables of ECO members for tourism and other variances as well as guidelines, statutes, seminars, passed laws of countries and contracts between members. These resources on the one hand, are witnesses for us to prove our hypotheses and on the other hand, they could be applied as first-hand references.
1.8. Definition of the terms

By external elements, in this research, we mean influence of foreign countries that by issuing economic policies and by interference in political affairs of present ECO countries in the course of history have caused their backwardness.

Historical-cultural structure means formation of stable cultural features of a society in different dimensions which occurs in long-term. In this research, it means historical progression and evolution of religion, and formation of nationalized ideologies and ethnic tendencies in the region.

Political-historical structure in this research refers to sustainable attributes and stable political-social values as well as fundamental influences and reactions, and the system of production approaches which have been shaped by foundations, principles, relations and methods of organization and institutions of government in the course of history.

1.9. Scope of the Study

Research time limits consist of 16th to 20th centuries. The period is significant from some aspects in this paper. One aspect is that religions conflicts emerged in the region by establishment of Safavid Shia government in 16th century and caused hatred and conflicts between the 2 mentioned religious groups. Another aspect is serious conflicts began to dominate the region between tribal bosses who were the milestones of contemporary middle Asian countries, because there were no caliphates of Islamic world and its successors. Another is the starting point of external factors in which
Russia is slowly spreading its influence on nations of this region and other western
countries who identified their long term interests as well. Eventually, Turkey was
established after the fall of Ottoman Empire. Pakistan was formed from India in 1947.
Countries of middle Asia without any ruling experience were associated with radical
nationalism which is another obstacle for regional integrity.

1.10 Organization of a study:
Chapter I: The research work discuss the introduction of the study and explains the
term globalization and some issues about the study area, significance of the study,
statement of the problem, objectives, hypothesis and research methodology.

Chapter II: Namely called literature review and definition. It is divided into 3 parts
including; A. History and target of tourism, B. Definition and purpose of tourist &
tourism, and C. Tourism Typology.

Chapter III: Namely called study of the area and the researcher introduce ten countries
of Eco area including Azerbaijan, Uzbekistan, Afghanistan, Iran, Pakistan, Tajikistan,
Turkmenistan, Turkey, Kirgizstan and Kazakhstan.

Chapter IV: Namely called political-historical structure of governments in Eco region
and discusses the formation of government, forms of government, profiles of
government in eco region. In profiles of government I have discussed the Political
Centrality, Tribal Dependences and Social Instability, Legitimacy and Social base of
Government, Divinity of Government, Lack of Social Security and Personal Rights,
the Situation of Property and Capitalism, Problems of Nations and Ethnic Groups,
Lack of Pluralism, Weakness of Bureaucracy, Organized Mafia, Economy of Shadow,
Corruption and Rent Seeking, Turning of Expenses and Interests of Mafia.

Chapter V: Namely called cultural – historical structure of governments of Eco
region. This chapter deals with religion, radical nationalism and its influences in eco
countries.
Chapter VI: Namely called influence of external elements in eco countries and explains political, economic and military issues in eco, and later discusses about effect of foreign countries such as Russia, European Union, China, USA and India.

Chapter VII: Deal with findings, conclusion and suggestions of the study.