

**In the name of God**

**The Compassionate, The Merciful**

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

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**Tourism Planning and Policy making of the Islamic Republic of  
Iran (Analysis of the four Five-year Development Plans)**

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## Abstract

In recent years tourism industry has been considered as a profitable and entrepreneurial industry. Iran has a large number and wide variety of tourism attractions that give it a strong potential for tourism development. To reach the goal of a successful sustainable tourism development, Iran needs careful planning, systematic implementation of the plans and continuous and effective management.

For this purpose, the present thesis aims to recognize the problems and weaknesses of tourism development plans of Iran (after Iran-Iraq war), and examine if the Stakeholders Theory has been considered in these plans. To this end the four Five-year Socio-cultural and Economic Development Plans are analyzed and it is concluded that the Stakeholders Theory has not been considered in tourism planning of Iran. This leads the weaknesses of the plans and creates many other problems.

As tourism industry is interdependent and multidisciplinary, close cooperation and coordination among government and all other stakeholders is required and vital for sustainable tourism development in Iran. At the end of this thesis, some suggestions for improving the existing situation of tourism in Iran are presented. For instance, *introducing a representative from the Tourism Organization to every individual ministry* is suggested to act as a means for collaboration and harmony among different ministries.

This research is descriptive (content analysis). The needed information is collected through library (books, journals, and newspapers), internet and TV programs.

**Key words:** tourism development, tourism policy, plan, objective, sustainable tourism, stakeholder, carrying capacity

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**Note:** In the present thesis, all of dates are presented according to Christian calendar.

By subtracting 621 years from Christian dates, dates in solar calendar can be obtained.

# **Chapter 1**

## **Introduction**

## **Chapter One**

### **1-1- Introduction:**

With its rich cultural heritage and ancient civilization, the Islamic Republic of Iran has a variety of outstanding tourist attraction and potential from several points of view. For centuries, the hospitable people of Iran have understood the necessity of cultural interaction and exchange and have been hosting many tourists from all over the world. Today considering the positive cultural and economic effects of the tourism industry, Iranian welcome the worldwide development of this dynamic industry and they also involved in seeking measures for the development of this industry at the national and international levels. The present research is the reason of this claim.

The first chapter of this thesis is the introductory chapter. First of all, some key words related to the discussion are coming. Then the problem and significance of it which is the reason for studying and analysing the tourism planning and policymaking of Iran is discussed. A review of literature will be presented in this chapter to acquaint the reader with relevant researches and theories in tourism planning. This review helps identify key issues in tourism development planning of Iran. According to objectives of the thesis which are pointed out in this chapter, the research questions and hypothesis are coming. Study and analysis of the four Five-year development plans of Iran helps to answer to these questions and examine the base theory (the Stakeholders Theory). The research methodology and limitations, and also the organization of the coming chapters are the last parts of chapter One.

### **1-2- Key Words:**

#### **Tourism Industry:**

The entire world industry of the travel, hotels, transportation and all other components, including promotion that serves the needs and wants of travelers. (Goeldner, 2006)

**Tourism development:**

Tourism development is a development that aims at developing infrastructures and providing recreation facilities for visitors & residents alike. Tourism development means establishing a development program consistent with the cultural, social, and economic philosophy of the government and the people of the host country or area while optimizing visitor satisfaction.

(Goeldner, 2006)

**Tourism Policy:**

“A set of regulations, rules, guidelines, directives, and development/promotion objectives and strategies that provide a framework within which the collective and individual decisions directly affecting long-term tourism development and the daily activities within a destination are taken.” (Goeldner & Ritchie, 2003)

**Objective:**

'Objective' refers to what is expected to be achieved from the planning of tourism development.

(Inskeep, 1991)

**Strategic Planning:**

Strategic planning is a process by which the guiding members of a community or group envision its future and develop the necessary procedure to achieve that future. It also represents a process through which members of a community or organization attempt to create their future with regard to the realities of their external environment and internal capabilities (Hanlan, Fuller, Wild, 2006).

**Plan:**

'Plan' refers to an orderly arrangement of parts of an overall system that reflects the policy;

(Inskeep, 1991)

**Strategy:**

'Strategy' refers to the means of accomplishing the policy and plan recommendations.

(Inskeep, 1991)

**Stakeholder:**

[A] stakeholder in an organization is (by definition) any group or individual who can affect or is affected by the achievement of the organization's objectives (Freeman, 1984). Thus, a group qualifies as a stakeholder if it has a legitimate interest in aspects of the organization's activities (Donaldson and Preston 1995) and, thus, according to Freeman, has either the power to affect the firm's performance and/or has a stake in the firm's performance.

(Sautter and Leisen, 1999)

**Sustainable tourism:**

- Sustainable tourism is tourism and associated infrastructure that both now and in the future operate within natural capacities for the regeneration & future productivity of natural resources; recognize the contribution that people and communities, customs and lifestyles, make to the tourism experience; accept that these people must have an equitable share in the economic benefits of local people and communities in the host areas.
- Sustainable tourism is responsible tourism.
- Sustainable tourism is tourism that is 'economically viable, but does not destroy the resources on which the future of tourism will depend, notably the physical environment and the social fabric of the host community'. (Adapted from Ritchie & Crouch, 2003)

**Sustainable tourism development:**

“is development that meets the needs of present tourists and host regions while protecting and enhancing opportunities for the future. It is envisaged as leading to management of all resources in such a way that economic, social, and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, and biological diversity and life support systems”. (The World tourism Organization, 1998)

**Environmental sustainability:**

Environmental sustainability refers to the minimization of the negative impact of mass tourism on the environment. (Mowforth and Munt, 2003)

**Economic sustainability:**

Economic sustainability refers to the additional income provided to locals to compensate them for the burden that the presence of tourists may cause. (Mowforth and Munt, 2003)

**Social sustainability:**

Social sustainability refers to the minimization of the potential tensions, which may arise as a result of the widening gap between those who benefit from tourism and those who do not. (Mowforth and Munt, 2003)

**Cultural sustainability:**

Cultural sustainability refers to the protection of local rituals, customs, and norms in the face of the different lifestyles brought by tourists. (Mowforth and Munt, 2003)



**Carrying capacity:**

Carrying capacity is the maximum number of people who can use a site without an unacceptable alteration in the physical environment and without an unacceptable decline in the quality of experience gained by visitors. (Inskip, 1991)

**Leadership:**

Leadership is the ability to influence people toward the attainment of goals. (Daft, 2006)

**1-3- Statement of the Problem:**

In recent years tourism has known as a profitable and entrepreneurial industry which can have a great role in foreign exchange balance of countries. As a service industry, tourism is labor-intensive, plays a significant role in generating employment opportunities and helps reduce unemployment rates. Tourism provides an important way to expand a country's economic base through linkages with the agricultural, industrial and service sectors. Also, as Goeldner (2006) pointed out, tourism is believed to have a positive effect on world peace. As people travel place to place with a sincere desire to learn more about their global neighbors, knowledge and understanding grow. Then at least a start has been made in improving world communication, which seems so important in building bridges of mutual appreciation, respect, and friendship.

But tourism has not found its real place in Iran. Iran's strength as a tourist destination is that it is unspoiled and not overdeveloped, especially in terms of the environment and the unique and rich culture and its heritage. Iran has a suitable geographical situation and natural endowments (e.g. Iran has 12 out of 17 kinds of climate) and 11 thousand registered historical attractions. This makes the country a strong tourism product that is waiting to flourish.

Although Iran is in the list of 10 superior countries of the world from view point of tourist attractions, but the share of Iran from income of tourism industry in the world, is just 0.04% (Jam, F. 2006, November 28. Tourism, a Disturbed Industry. Hamshahry, pp.7)

According to the anticipation of WTO, in future, tourism industry will be on top of the other industries from the view point of income and the largest part of international trade will be allocated to tourism. It is notable that the income of this industry, after oil, is the largest amount in the world. Tourism is one of the dynamic parts of the world's economy that it is used for the growth and development of the economy and society. This industry has always taken into consideration as one of the goals and master plans of societies which have touristic attraction.

Many oil rich countries, which apparently are among the rich country, have sever economic problems because of depending on oil and having not various source of income. The most evident result of having single source of income, is vulnerability and moving to economic crises. In this situation, one of the main source of income and getting rid of economic problems is tourism development.

As Iran can not depend on its oil resources forever and because of economic situation of Iran, it seems that tourism development in Iran is not a choice anymore but it is a vital and urgent matter. Tourism development can be an important vehicle for economic, social and peace development in Iran and because of the increasing negative political propagandas against Iran from the West, tourism can be used as a means to offset them. The country can also use tourism as a means to introduce its real culture and specifications. Tourism will increase foreign exchange earnings of Iran, create employment, promote development in various parts of the country, reduce income disparities, strengthen linkages among many sectors of the national economy and help to alleviate poverty.

But tourism also brings with it problems and dangers; tourist travel & tourist facilities place a strain on natural resources and environment; in many of the countries visited, the over-use of natural resources often results in loss of biological diversity; social and cultural structures may suffer from encounter with outside values and modes of behavior; the traditional life-styles of indigenous people adapted to ecological conditions gradually disappear and cultural heritage could be ruined.

As Williams (1998) pointed out some negative impacts of tourism upon host society and culture can be: Debasement of cultures; moral drift & changing social values; increased tensions between imported and traditional lifestyles; erosion in the strength of local language; and new patterns of consumption. So it is very important to consider these probable impacts and allowing action before they cause problems. This is why the concept of sustainability should be combined to tourism development, and a careful and proper planning is required.

Therefore, today tourism industry of Iran needs a scientific revolution and change in its structures, the planning and policy making according to new trends of the industry and socio-cultural and political situation of the country. However we should keep in mind that tourism is **not** an end for Iran but a means to an end.

**So it is very important to develop tourism in Iran selectively, sensitively and gradually.**

#### **1-4- Significance of the Problem:**

The Islamic Republic of Iran intends to develop its tourism sector to meet innate needs and as an effective economic factor in the national economic and social development plan. Tourism offers an opportunity for development not only through its contribution to the economy, but as a vehicle for bringing about further dialogues among nations and reinforcing the sense of national identity.

As the objectives for tourism development in Iran must be set in a context and contribute positively to the achievement of the broad economic, social, cultural and environmental and political objectives of the nation and country, so tourism can not be planned or managed in isolation. Tourism needs to be viewed professionally and using the traditional and old methods for its development, certainly does not guarantee its success. Therefore tourism planning for development in Iran needs more research and investigation.

### **1-5- Literature Review:**

Accordance to Farzin (2007), the first organization concerning tourism in Iran was set up in 1935 and was called 'Attracting Tourists and Advertisement'. But from that time till now, the responsible organization for tourism in Iran has confronted many changes from its name and its structure to its objectives and policies. For the first time, in the forth developmental program (1962-1966) of Iran, a special place was allocated to tourism (Farzin, 2007). This was continued till 1978. After the victory of Islamic Revolution of Iran in 1978 and the starting of the imposed Iran-Iraq war, tourism industry of Iran was badly damaged due to the political crises and war. But from the first developmental plan of the country after the Islamic revolution, tourism was taken into consideration once again (Safaei, 2007). In short, the objectives of tourism development in the four Five-year Socio-cultural and Economic Development Plans of Iran (after Iran-Iraq war) were:

- introducing the culture and civilization of Islamic Iran
- increasing the foreign exchange of the country
- stimulating local commerce and industries
- generating a favorable worldwide image of the country