

## **Influence of Economic and Political Crisis to Resort Tourism Development in Georgia**

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### **Abstract**

*The outstanding fact is that due to the unique geographical location, natural-climatic conditions and rich history Georgia has a wide range of tourism development opportunities. Country has a wide range of tourism development opportunities with numerous and rich tourist resources. Within should be distinguished Resort Tourism as one of the most perspective directions for tourism development in the country. From ancient times in Georgia has been used: mineral waters, rich climatical variety of sea and mountain zones in order to treat various diseases.*

*The total number of mineral springs is more than 2000. There is also number of medical muds. The total number of resorts and resort areas in the 80s has reached 265 with high prospects for their further development and popularization. But occurred political situation, economic-political crisis that took place during the last 30 years destroyed the major part of the resorts located on the territory of Abkhazia, which is currently occupied and uncontrolled region.*

**Key words:** Resort Tourism, Development, Economic, Political Crisis, Tourist resources.

**J.E.L. classification:** H5

### **1. Introduction**

Georgia has a wide range opportunities for tourism development due to the unique geographical location, natural-climatic conditions and rich history. Country has a numerous and rich tourist resources. Within should be distinguished Resort Tourism as one of the most prior and perspective direction for tourism development in the country. These issues has been worked out since 2005 by the group of the Sientists (Mitreveli, 2005).

From ancient times in Georgia has been used: mineral waters, rich climatical variety of sea and mountain zones in order to treat various diseases. The convincing illustration can be the fact, that the ancient Greek mythology has a special dedicated place of Colchis, the ancient region of Georgia. The country of the Golden Fleece was distinguished with high developed entrepreneurial activity simultaneously with the enormous art of treatment, that is linked with the name of Medea. The healing properties of the climate and waters in Georgia centuries ago has been reported in numoerous publications by local professionals and foreign travelers. The thermal waters indicate great attention to the legend linked with the establishment of the capital of Georgia - Tbilisi, which was established and built around the mineral sulfur water, more than 1500 years ago, and nowadays at this place there is functioning a famous balneological resort of Tbilisi.

## 2. Theoretical background

At the beginning of VXIII century the Georgian Resort potential according to the order of Peter I, has been focused by the Russian Empire. Georgian thermal resorts were considered as the center of the most important healing and recreational destinations in the former Soviet Union. Annually the several million tourists have been visiting the resorts from the former soviet 14 countries and from the Europe as well.

As the country is surrounded by the Black Sea from West and by Caucasian Mountain range from South and North, there is variety of almost all the climate zones and different type of mineral water.

The number of mineral spring waters in Georgia reaches 2000. Within 1700 are the natural springs. Significant works about Georgian Resorts and resort's therapy are introduced by the Georgian researchers (Saakashvili, Tabidze, Tarkhan-Mouravi and Kutateladze, 2011).

There are also a number of medicinal muds. The rich traditions of using the muds at the resort places indicate one of the most famous resorts in Tskaltubo, which is frequently referred historical documents of the XII-XIII century. The first international references of medicinal waters were published in the work of the "Berlin Society of Natural Sciences" in 1782. Nevertheless, the official formation of resorts in Georgia took place in the second half of the XIX century. One of the first favorite destinations was Borjomi, which became summer residence for the Russian Imperial Dynasty and the favorite resort for their relatives. It's noteworthy that the production of the world's famous mineral water „Borjomi" started in 1890, and the first hydro power plant was built on the river Borjomula in 1898 to provide electricity for supplying Romanov's Likan Palace. The construction of the palace took place in 1892-1895. The son of the Russian emperor Alexander III's, brother of Nikoloz II, the direct heir of the Russian Imperial Throne, George Romanov, settled in Abastumani for treatment of lung disease. The city of Abastumani existed before B.C and has always been famous with its healing waters.

Especially for the Heir was built healing thermal water bath and palace, which later was reconstructed as sanatorium. At the same time, the relative of Russian King, Prince Oldenburg began building and developing Garga as a resort. A huge part of the funds was allocated to the construction of Prince's Palace.

Afterwards, the constructing materials were imported from Norway in order to build the outstanding hotel „Gagriff", which became one of the most important highlights of the city.

Many buildings were also constructed by this time in Gagra, with the support of different countries from the overseas. A lot of exotic plants were imported and planted in the coastal park. The first massive tourist flow in Gagra started at the beginning of the XX century.

In 1911 Gagra was already hub of elite coastal resort, which became the most popular and attractive destination amongst the German tourists.

Before the revolution Gagra was official registered resort with full range of infrastructure, while there were 6 sanatoriums with 367 beds in Georgia. In 80s of XX century, there was listed 265 resorts and resort areas with: climatic, balneological, balneoligocal-climate and climate-balneological profile.

The above mentioned issues are discussed in several works as (Kuskivadze and Goguadze, 2016)

## 3. Recreational Zones in Georgia

The most intensive operation was shared within 500 resort-tourism establishments hosting the guests round the year. The major part of the tourists was coming for health care, disease treatment or prevention.

The territory of the country is divided into five climatic-resort zones, which have different, very effective medicinal properties:

I. Black Sea Coast – which is 310 km length, which is considered to be one of the most important zones for climate resorts development. Here are located world's famous resorts as: Gagra, Bichvnita, Akhali Atoni, Gudauta, Sokhumi, Batumi, Kobuleti, Makhinjauri, Mtsvane Kontskhi, Ureki and etc.

High effective therapy is available round the year provided on 47 resorts where the demand is especially great. Sea climate successfully cures diseases of blood circulation and respiratory organs, functional disorders of nervous system.

II. Valley - 500 m above sea level. This zone unites 25 balneological resorts as: Tskhaltubo, Menji, Tsaishi, Nabeglavi, There are depicted 25 resorts in this zone, including: Tskaltubo, Menji, Tsaishi, Nabeghlavi, Akhtala, Tbilisi.

The mineral waters and muds at these resorts are treating following disease: peripheral nervous system, heart and blood vessels, skin, metabolism, endocrine system and gynecological diseases, neurosis and chronic pneumonia;

III. Lowland - from 500 to -1000 m above sea level. Here It is located 77 balnological-climatic resorts, significantly: Borjomi, Sairme, Utsera, Java, Surami – the most famous resorts for digestive and diuretic diseases.

IV. Average height - at 1000-2000 meters above sea level. In this zone are located 114 climate-balenological resorts and resort areas that are incomparable for the treatment of respiratory organs, neurons, neuroses and other diseases. These resorts are especially demanded for children holidays. The most visited resorts are: Abastumani, Bakuriani, Shovi, Bakhmaro, Tsagveri, Tsemi and others;

V. High mountain - above 2000 meters above sea level. This zone is characterized by a long cold winter and short cool summer. Previously, it was only a tourist attraction for sports' purpose, but during a few decades the mountain ski resort Gudauri located at a height of 2200 m. from Sea level attracts a lot of ski lover tourists. The resort offers a full range of activities round the year. The first construction works of infrastructure at the resort was finished in 1988 by the Austrian experts. Here was built hotels and sport-recreation facilities.

Recently, the resort Gomi Mountain, located in the highland zone, has been particularly spotlighted by the existing legend, that with the the joint effects of mountain climate and sea cobination people suffering from acute diseases can be totally recovered.

#### **4. Influence of Economical and Political Crisis**

Based on the results of the multi-year survey, the general plan for the development of the resorts was implemented, which envisaged renewal of existing resort facilities, exploring new resort areas and development of appropriate infrastructure.

In 1991 after the restoration of the independence, new government was expecting a major source of income from the resorts business. Unfortunately, change of political stucture was followed by the hard political and economic crisis. Civil war, conflics in Samachablo and Abkhazia particularly resulted in destoying major part of the resorts and its infrustructure. Several outstanding and important resorts are located on the conflicted areas as Samachablo and Abkhazia. Due to the unsustainable situation in Georgia and despite of many attempts from the government side, it was practucally ungowernable to pay attention to the resorts for a long time. As a result, the condition of the resorts were ruinous. (Kvaraia, 2011).

At the beginning of 2000s government started an active and fast development of the famous resorts as: Batumi, Kobuleti, Ureki, Borjomi, Bakuriani, Gudauri, Kazbegi and etc., Georgian and foreign investors were totally involved in tourism infrastructure building process, exploring new resort areas and its further development. The country's government has been encouraging investors in all directions and took appropriate measures to develop the infrastructure, but due to the war between Russia and Georgia ocuured in 2008 and global economic crisis increased local economic regress in the country. Current situation obstructed to implement projects in this direction. (Kvaraia and Malania, 2017).

The main aim of the country by this time was supporting refugees with the accommodation from Samachablo region. Government immediately started constructing of accommodation for the refuges and all the financial and material resources of the country have been utilized. In recent years, country's government renewed again resort tourism development process. The active campaign is being implemented in order to develop all the above-mentioned popular resorts. Construction works are being implemented in the direction of communication improvement. Funds were allocated for: road rehabilitation, water supply, sewage and other communications in resort

areas. With the support of investors, a lot of resorts are being developed. The best sample of this is Sairme Resort, which is considered to be one of the best resorts for treatment kidneys and diuretic pathways. (Kvaraia, Kutateladze and Malania, 2013)

In fact, due to the creation of appropriate conditions for the investor by the governmental support in 2011-2013, the entire resort has been renovated. A new sanatorium, rehabilitation center, nutrition and entertainment facilities, landscape and other infrastructure have changed radically. In the shortest time hundreds of local and international tourists have been attracted at the resort. Simultaneously, a slow process of development is holding on at the various resorts as: Adjara, Svaneti, Racha, Samtskhe-Javakheti. (Kvaraia, Kutateladze and Malania, 2012). It should be mentioned that the government is protecting so-called "prestigious" resorts and lot of important resorts with its meaning and quality are not being developed. Amongst them can be underlined resorts in the zone of Borjomi-Kharagauli for health improvement for children suffering from tuberculosis. These are: Libani, Patara Tsemi, Chitakhevi. The infrastructure is totally destroyed, when the thousands of children had been treated at these resorts.

There are also 8 resorts in Kakheti region and only 3 of them is functioning and operating currently. No attention is paid to the resort Arkhiloskari, which is distinguished by its medicinal factor of the climatic conditions and high efficiency of the treatment and is listed among the few resorts in the world. The nephrology profile sanatorium for children is now completely destroyed. More examples could be displayed, but it's important to note that political and economic crises developed over the last 30 years interrupted development of resort tourism in Georgia, which is considered to be one of the most profit and important filed for the country.

*Table no. 1. International Visitors in Georgia. All above mentioned visitors during their stay in Georgia visit at least one resort*

Type of Visit	2017: 9 months	2018: 9 months
<b>International Travelers' Visit</b>	<b>6,105,045</b>	<b>6,788,377</b>
<b>International Visitors</b>	<b>5,002,104</b>	<b>5,647,109</b>
Tourism Visits	3,203,704	3,772,102
One day visits	1,798,400	1,875,007
<b>Other purpose</b>	<b>1,102,941</b>	<b>1,141,268</b>

*Source:* Ministry of Internal Affairs of Georgia, Informational-Analytical Department

## 5. Conclusions

No other post-Soviet republic damaged its tourism infrastructure like Georgia did. 300 thousand refugees from Abkhazia and Samachablo were accommodated in the best hotels, health resorts, and guest houses. All Georgian infrastructures were paralyzed.

Nowdays tourism in Georgia is transforming in new system and is overcoming many obstacles. Problems facing with resort tourism in Georgia can be categorized in 2 groups: aspects related to tourism products (diversity, quality, safety, capacity) and tourism market requirements (transportation problem, marketing, value, and incoming tour operators).

In order to improve the situation, the Georgian authorities must ensure strategic plan for the development of the health and wellness tourism strategy, create appropriate conditions for local and foreign investors.

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