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# THE ROLE OF TOURISM AS OF AN INTERDISCIPLINARY SUBJECT IN THE DEVELOPMENT GEORGIAN ECONOMY

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#### **Annotation**

The data revealed in the paper is based on the surveys and statistics conducted by Georgian Tourism national Administration, national Statistics Office of Georgia, Ministry of Internal Affairs of Georgia, World Travel and Tourist Council, Agency of Protected Areas and displays all the academic work and activities Grigol Robakidze University generates to promote the program of tourism (workshops, master classes, meetings with potential employers, practical experience of planning/organizing tours and of becoming a travel guide, organizing and participating in domestic and international conferences for students and scholars, academic forums, international projects, field trips in the country and abroad, etc) and assure its quality and conveys its modest contribution to help students to learn touristic-recreational resources of Georgia and what is more important, to learn how to manage them based on the gained knowledge.

KEY WORDS: tourism; education; economy; development; Georgia; Grigol Robakidze University.

### Introduction

Functioning of different interdisciplinary complexes is more characteristic for the development of contemporary economy than promotion of separate branches. Tourism should be treated as a broad, single-handed, inter-sector agricultural complex of national economy uniting different fields.

Touristic market in Georgia needs to be considered as a category belonging to economy revealing social-economic processes and a combination of relations in the spheres of marketing research, exchange and distribution among producers and consumers of tourist services. Therefore, the urgency of analyzing modern trends of fostering the world, as well as, of Georgian tourist markets and necessity of conveying the problems of their functioning emerged inevitably regarding existing reality.

In Soviet times tourism was reviewed as sports and leisure unlike today, when its role and significance is increased into being one of the leading spheres of business.

It is necessary to note, that the major documents on the tourism, accepted by the World Tourist Organization or with its participation focus tourists on such contacts which would assist the present dialogue based on mutual understanding and mutual trust. It concerns Manila Declaration on World Tourism (1980), Acapulco Document (1982), the Charter of Tourism and the Code of the Tourist (1985), the Hague Declaration Concerning Tourism (1989), the Montreal Declaration (1996), the Global Code of Ethics for Tourism, etc. The highlighted documents emphasize the necessity of tolerant forms of a dialogue with the population of host countries and the population with the arrived tourists. The important problem of tourism considers achievement of higher level of respect and trust among nations. The Acapulco Document reads: tourism should assist the spirit of validity, harmony and respect between people and should promote the knowledge of the world.

Tourist resources (Georgian law on "Tourism and Resorts", the year 1997, Article 2) are the unity of natural historical-cultural, cognitive and social-habitual resources and infrastructure existing on the territory of Georgia meeting demands and requirements of a tourist.

Tourism is a rather complicated branch of business directly related to different sectors of society and economy. Without correct and accurate planning tourism may cause undesirable negative impacts on ecology, social-economic processes and protection of cultural heritage. Strategic planning on national and regional levels should cover policy of tourism development, structural plan, standard of sites, institutional factors and all the other elements necessary for the further promotion and management. In general, the frames of strategic planning should elaborate detailed plans for tourist attractions, resorts and other fields of tourism.

During Soviet rule, Georgia was the tourism center of the USSR, drawing more than 3 million visitors annually. The collapse of communism and resulting civil war in the early 1990s brought tourism to a standstill, as many hotels and resorts became shelters for displaced people. Conditions slowly improved, but the August 2008 conflict with Russia dealt a second blow to the country's fledgling tourism industry. Since then, Georgia's government has worked to actively promote tourism, and the goods and services expected by Western travelers are available in Tbilisi, as well as in the rest of the nation. The dramatic Caucasus Mountains, tranquil Black Sea, numerous lakes, rivers and waterfalls make Georgia's unspoiled landscape unforgettable. Nearly 40 percent of the country is forested, which is protected by 19 nature reserves. Driving the Georgia military highway provides some of the best views. Georgia's mountains rise up to 16,000 feet, ideal for hiking, and skiers and snowboarders

flock to the large ski resorts, such as Bakuriani and Gudauri. Those in search of healing or tranquility can take in the springs and mineral waters at secluded retreats. Wine aficionados may be surprised to learn that grapevines were cultivated in Georgia 8,000 years ago; today, wine producers grow more 500 varieties of grapes. Georgia also is home to numerous ancient and medieval monuments, towers and cathedrals, including four UNESCO World Heritage sites. Tbilisi sits at the heart of the Caucasus region and has long been a crossroads between east and west. Its natural setting is impressive, and its modernity will make most visitors feel right at home. Away from the capital, which is also Georgia's largest city by far, the Black Sea resort city of Batumi and the rugged mountain towns of Svaneti and Kazbegi should not be missed. Georgia's Black Sea coast presents a bountiful spectrum of natural environments, from the Caucasus peaks in the north to semitropical rain forests in the south. Tourism in this region also takes many forms, with historic towns that serve as standard-bearers to Georgian history and culture, and dynamic new resorts that cater to a fashionable clientele. Four Black Sea coast destinations provide centers for tourism in this region.

Social resources, information sector and a service system are worth to be mentioned particularly since those three are the factors touristic Georgia lacked dramatically in the 90-ies of the previous century being on the way of independence and we think our country still cannot claim to have an array of those. Abundance of natural, cultural-historic resources does not necessarily imply well-managed successful tourist industry. Efficient application of the resources is of crucial importance here and this is impossible without educated and qualified social resources able to create particular events and activities, touristic infrastructure and/or service systems. The latter means the existence of the education system backing innovations the orientation on which is a basic strategic vector for a number of leading states.

## **Research and Results**

The education space of Georgia devotes a history of a decade to tourism as to a university discipline and concentrates on the inculcation of new technologies, training of qualified staff and orients on innovations, it does its best to match with European standards and Grigol Robakidze University (we, two scholars from Georgia represent) is among those educational establishments that consider international norms in teaching tourism to integrate education and science to improve quality.

The session of Euro Committee of November 26, 2009 prepared the application about creation of a completely functioning knowledge triangle of education, research and innovations (business). If the orientation on a knowledge triangle and innovations is of such an urgent significance for Europe, it is understandable how much important it is for Georgia, the education space of which decade devoted to the sphere learning/teaching tourism. Inculcation of new technologies, preparation of qualified staff and orientation on innovations is of a crucial meaning for the tourism education field.

It is remarkable that Georgia's education system in the sphere of learning/teaching tourism should match with European universities and Girogl Robakidze University considers international norms in these terms. Periodically held workshops, master classes and meetings with potential employers, etc are among the activities in the list the university performs for the purpose of promoting the program of tourism.

Grigol Robakidze University has been successfully functioning on a Georgian education market since 1992 with the meaningful scientific-research experience. It is oriented on the inculcation of Western values stipulating its strife to actively participate and initiate projects of scientific-research character, realize them efficiently and foster the formation of contemporary knowledge society. Respectively, the university has fruitfully implemented the following projects:

- ➤ Tempus TACIS 2001;
- ➤ World Economic and Harvard University International Research Project 2003;
- ➤ US embassy financed grant project 2009;
- ➤ USAID grant project "Improvement of Energy Opportunities" 2009 (won by the School of Business and Management);
- ➤ USAID (G-PAC) Grant project "Economic policy of Sustainable Energy" 2003;
- ➤ USAID project of training public servants (won by the School of Public Administration and Policy);
- ➤ UAG project of "Grants supporting Higher Education Institutions" by the East-West Management Institute (EJMI); etc.

Prior to focusing on the activities implemented by the university to develop the program of tourism we should have a look at economic indicators and some statistics by National Statistics Office of Georgia, National Bank of Georgia, LEPL Civil Aviation Agency and JSC Georgian Railway to relate the data to the reality existing in the country in terms of the needs and requirements the university faculty should apply to in order to promote teaching tourism to determine the level it assists the development of Georgian economy.

Economic Indicators encompass statistics on the number of people employed in the tourism sector, on tourism services import/export, the share of tourism in GDP, foreign direct investments in hotels and restaurants, and the passenger capacity of Georgian railways and airports. The statistics of economic indicators are available in various breakdowns: employment (data of the number of people employed in hotels and restaurants, transportation and other tourism related services); tourism services import/export (quarterly and annual data of revenues from international tourism and expenditures of Georgian residents abroad); share of tourism in GDP (statistics available quarterly and annually); foreign direct investments (quarterly and annual data of foreign direct investments in hotels and restaurants); capacity (passenger capacity of Georgian Railways and airports of Tbilisi, Batumi, Kutaisi and Mestia).

Employment is a rather problematic issue for Georgia. One of the reasons of low employment rate is the lack of trained staff and absence of their work practice and experience. Alike elsewhere, in Georgia

also, in most cases the demand of an employer is to have a meaningful work experience and the demand is not met by the majority of job searchers, and if they are newly graduates in particular. That is why the majority of enterprises begin to train the staff themselves which naturally does not by and large serve the interests of an employer. Integrating theoretical studies and practical vocational ones during the instruction period did not use to be a common practice for the educational system of Georgia. However, a small number of institutions would

provide the combination and Grigol Robakidze University is among them. One of the starting-principles of the academic activities of the university is to prepare students for practical work urgency thus forming the basis of their future employment.

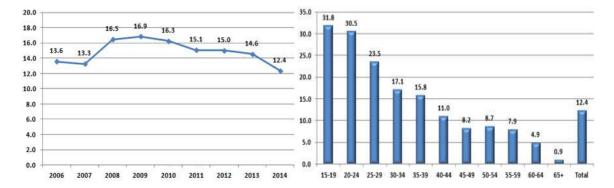
A significant growth of the unemployment rate in Georgia happened during the political-financial crisis in 2008 and reached 16.9%, since 2009 it tends to reduce (See table1 and graph 1-2).

Tab. 1 I	Unemployment	rate in Geor	oia in the ve	ears 2007-2014
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	2007	2008	2009	2010	2011	2012	2013	2014
Active population (labor force),	1965,3	1917,8	1991,8	1944,9	1959,3	2029,1	2003,9	1991,1
thousand persons								
Employed,	1704,3	1601,9	1656,1	1628,1	1664,2	1724	1712,1	1745,2
thousand persons	1701,5	1001,5	1030,1	1020,1	1001,2	1721	1712,1	17 13,2
Unemployed, thousand persons	261	315,8	335,6	316,9	295,1	305,1	291,8	246
Unemployment rate, percentage	13,3	16,5	16,9	16,3	15,1	15	14,6	12,4

(Source: www.geostat.ge - National Statistics Office of Georgia)

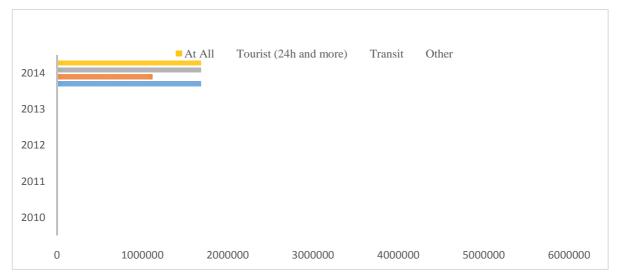
While analyzing unemployment, economists focus on the education level of unemployed able to work. In this terms Georgia is a paradox. For example, according to the account of Human Development 2010, Georgia is among the leading countries by the workforce education index. 81% of unemployed have general or higher education. At the same time, the account of the World Competitiveness (2011-2012) claims workforce having inadequate education to be the main factor preventing doing business in the country.



**Graph 1**. Unemployment rate in Georgia in percentage **Graph 2**. Unemployment rate by age groups in percentage in 2014 (Source: www.geostat.ge – National Statistics Office of Georgia)

As for the youth, the unemployment rate is considerably (twice) higher than the average statistics rate of unemployment. The inconsistency of the levels existing on the labor market and of qualifications needed for business is the essential basis of the problem of unemployment for the state and society.

The role of tourism increases in Georgia every year. The amount of visitors and tourists is importantly increased during recent years. From statistical analyses of Mod's Analytical department is revealed that tourist-visitors amount in 2014 comparing with 2010 is increased with 208.8% and consists 2 229094 person.



**Fig. 1.** The amount of visitors in Georgia in 2010-2014 (Source: www.police.ge – Ministry of internal affairs of Georgia)

The increasing amount of tourists, for getting pertinent profit needs the corresponding level of service. For example, if we compare the research of quality in the region of Adjara, which was held in 2012 by the

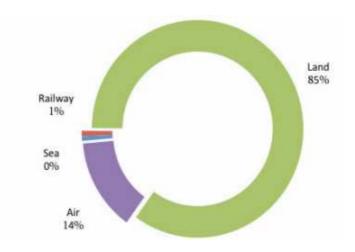
department of tourism and resorts, a number of deficiencies has been revealed, that emphasizes the irrelevant level of the service (See figure 2).



**Fig. 2.** The number of employees in hotels and restaurants according to the types of activities (Source: <a href="www.geostat.ge">www.geostat.ge</a> – National Statistics Office of Georgia)

The number of the employed in hotels and restaurants stands out according to the growth indicator. The labor market research reveals an increasing interest of employers in this sector as well as the demand to improve the service level by the internationally set standards of hospitality and travel services. This is a substantial term of maintaining and broadening tourist interest possible only through experienced and knowledgeable human resources.

Control of massive international tourism is substantial for Georgia. Border crossing statistics are as follows: in the second quarter 2015, 85% (1 141 466) arrived in Georgia by land transport, followed by air transport 184 412. The first 6 months figure was 2 002 103 arrivals by land, followed by air transport with 202 033 arrivals. The business border was Sarpi (Turkish border) revealing 336 665 crossings in the second quarter 2015, and 583 222 crossings in the first 6 months (Figure 3, graph 3-4).



**Fig. 3.** Georgia International arrivals by borders 2015: II quarter (Source: https://wttc.fluidreview.com/– World Travel and Tourism Council 2015)

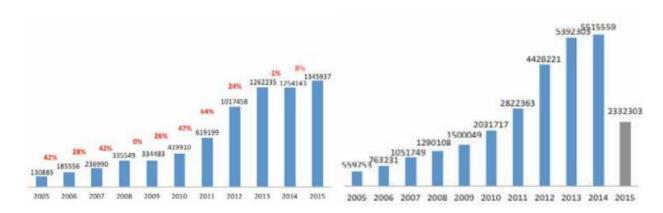


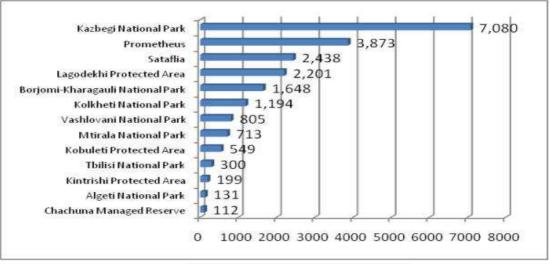
Fig. 3.. International arrivals in II quarter (2005-20015)

Fig. 4. International arrivals by years

(Source: https://wttc.fluidreview.com/- World Travel and Tourism Council 2015)

Out of the factors having the impact on the realization of tourist product, the political state of the country and current legislation are utterly important.

Tourism sphere in Georgia is regulated by Georgian laws on "tourism and resorts" and "resorts and zones of sanitary preservation of resort venues" (See graph 5).



**Fig. 5.** Visitor Statistics by Protected Areas 2014 (Source: http://apa.gov.ge/en/ - Agency of Protected Areas)

Georgia is continuing to experience growth in tourism; more visitors crossed the state border the last month than previous years. Latest figures revealed there were 852,377 visitors to Georgia in August 2015 – a 10 percent increase on the same period in 2014. Today the Information-Analytical Department of the Ministry of Internal Affairs presented statistical data, which noted out of 852,377 visitors 383,619 were tourists. That was a two present increase year-on-year (y/y). Meanwhile last month 383,619 visitors used Georgia as a transit country – a 54 percent increase y/y.

The remaining 243,765 people came for other purposes, such as business, which was a 3.5 percent increase compared to 2014. Statistic showed most guests who visited Georgia last month came from Turkey, which was a 10 percent increase y/y, while the number of guests from Azerbaijan also increased 7.5 percent. The next highest number of visitors were from Armenia (24.7 percent more), followed by Russia (23 percent more) and Ukraine (5.6 percent more). A positive trend was also observed regarding visitors from European Union (EU) countries. Georgia recorded a 36 percent increase in visitors from Kazakhstan. Additionally, 54 percent more guests came from Belarus and 35 percent more came from Moldova. The number of visitors from the United Arab Emirates to Georgia in August increased by 766 percent and from Saudi Arabia by 75 percent. Georgia enjoyed a 10 percent increase in the number of visitors from the United States too. Similarly, the number of guests who visited Georgia between January-August 2015 was also higher than previous years. In this period increasing numbers of guests came from Lithuania (21 percent), the Czech Republic (20 percent), Latvia (14 percent), Germany (12 percent), Italy (10 percent), Great Britain (10 percent) and the Netherlands (10 percent). In the first eight months of the year 3,922,376 visitors came to Georgia – a six percent increase y/y. [1]

This summer Georgia hosted several sport (European Youth Olympic Festival with over 3 500 sportsmen and 7 000 visitors) and music festivals (Tbilisi Open Air (hosting 50 000 in general) and GEM Fest in Anaklia, as well as the UEFA Cup Super Final with 6 000 foreigner fans [2], and some more events like Global Gathering in Rustavi and semi final of the beauty contest "Miss China" took place in September in Tbilisi. The contest was organized by the Tourism National Administration at the Ministry of Economy and Sustainable development and was believed to promote touristic potential of Georgia on Chinese market, as well as the growth of visitors coming from China and European countries [3]. We should emphasize the fact that Georgian youth and mostly university students volunteered to assist the events and participate in those to support and advocate the country's image, as well as to gain practical experience in the sphere of tourism.

The practice of organizing and carrying out the conference among different universities significantly stipulates the assurance of quality and promotion of the tourism program at Grigol Robakidze University. The conference is annually attended and participated by the representatives of various higher educational establishments along with the students of the school of

business and management at Gr. Robakidze University. The conference fosters the enhancement of research and communication skills of undergraduates.

Academic personnel involved into the bachelor program of tourism actively participate in international and/or local scientific forums, conferences such as the annual Eurasian Multidisciplinary Forum - EMF organized by European Scientific Institute (ESI), Center for Law and Economic Studies – University of the Azores (Portugal), Grigol Robakidze State University, International Scientific conference "Human Reources Management: Current Trend, Challenges, Inspirations", Alexander Dubcek of Trencin, Engaging Culture and Heritage for Sustainable Tourism Development" -INTERREG IVC CHARTS closing conference (European Union) - Valis Resort, Agria, Volos, Thesalia Region, Greece, etc. to stimulate faculty selfdevelopment, be engaged in international space and gain experience to assure the quality of scientific research.

In order to assist students to develop practical skills, the tourism professors of the School of Business and Management led the team of students to attend ISCONTOUR 2015 (International Student Conference in Tourism Research at Salzburg University of Applied Sciences, Austria and participate in the Tourism International Exhibition - EMITT (East Mediterranean Tourism and Travel Exhibition).

On top of international projects, the university is particularly focused on arranging and organizing domestic academic tours for students of the tourism program [10], thus encouraging the efficient synthesis of theoretical and practical knowledge. Students often visit mountains regions of Georgia such as Svaneti, Khevi, Khevsureti, etc. The significance of the tours financed by the university is revealed in the fact that they help students to study tourist recreational resources of Georgia and moreover, to manage them correctly. They also obtain the practical skills of planning and projecting a tour and gradually acquire the mastery of being a tour guide. The list of complex activities mentioned above enhances the functioning of the tourism program and quality of teaching/leaning at Grigol Robakidze University. Integration of education, science and innovative approaches are the substantial factor improving the quality of education. Qualified alumni serve the purpose of eliminating the existence of the paradox we have talked about thus contributing to the development and well being of the state economy, as well as its general prosperity.

## Conclusion

Encroachment and damage of the resources, let alone their destruction, will by and large end all the talks about tourism. It is also remarkable that maintenance and rescue of a certain part of the resources is possible by tourism uniquely. Tourism projects, research and teaching relies on strong links with the sphere due to the applied nature of the discipline. Work-integrated learning experience drawing heavily upon interactions with industry also seems significant for the forging of future employment prospects in tourism industry. All the academic work and

activities Grigol Robakidze University generates to promote the program of tourism (workshops, master classes, meetings with potential employers, practical experience of planning/organizing tours and of becoming a travel guide, organizing and participating in domestic and international conferences for students and scholars, academic forums, international projects, field trips in the country and abroad, etc) and to assure its quality is its modest contribution to help students to learn touristicrecreational resources of Georgia and what is more important, to learn how to manage them based on the gained knowledge. 30-35% of Grigol Robakidze University alumni are employed in the sphere of tourism and we are sure they put their share in the solution of the problem tourism in Georgia faces nowadays. Respectively, it is to create an image of Georgia as of a touristic country and its popularization, as well as, preparation of qualified staff in the tourist sector and development of tourism industry in general. Thus, it is urgent to actively participate in international tourist exchanges and exhibitions to promote Georgian touristic product and eventually secure the growth of interest towards the country, the increase of tourist flows into the country and stimulation of demand with the latter to

support and raise economic development of the country in turn.

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