

NEGATIVE IMPACT OF CORONAVIRUS PANDEMIC ON TOURISM

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Abstract

The aim of the article is to present a devastating impact on the global economy of COVID-19. The pandemic caused a rapid slowdown in international air traffic. Many countries have imposed travel bans, closed borders and introduced strict quarantine measures, which has drastically reduced international and domestic tourism. The number of travelers in the world has sharply decreased and European cities, which were once crowded with tourists, have been totally emptied. The pandemic inflicted great damage on the the European tourism industry and literally forced it to stop. The coronavirus has struck a deadly blow to Georgia's tourism industry: many museums, touristic companies and hotels have been closed, a large number of flights have been canceled, and ski resorts have been closed.

Key words: tourism industry, COVID-19 epidemics, strict restrictions, European and Georgian tourism industry.

1. Introduction

Numerous epidemics or pandemics have spread around the world in recent decades, although none of them have had such a devastating impact on the global economy as COVID-19. The spread of Coronavirus has caused catastrophic damage especially to the tourism sector.

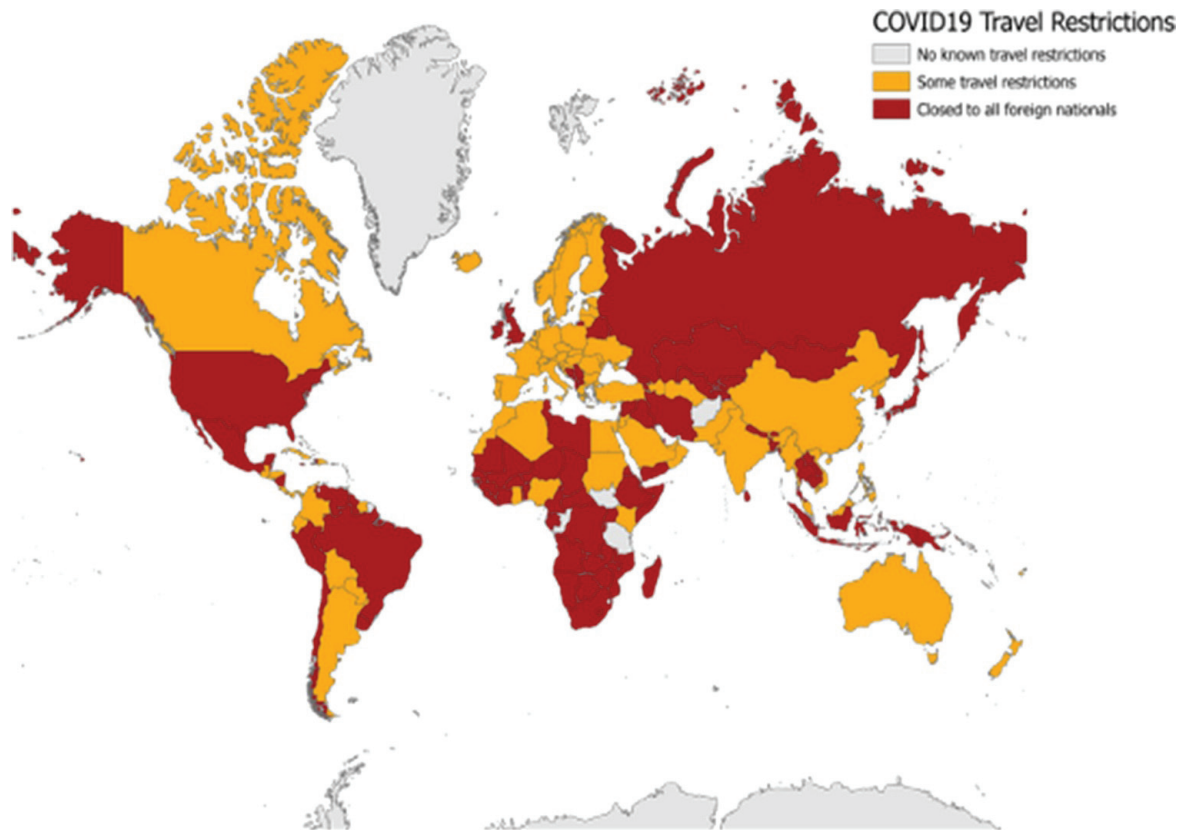
In mid-December 2019, a new infectious disease – coronavirus – spread in Wuhan, one of the most populous cities in China. The virus quickly spread to densely populated areas of China, forcing the Chinese government to take strict measures to stop the virus. Chinese authorities made a public statement about the virus in late January 2020, when the virus was already spreading rapidly in China's neighboring countries as well as in the West. The World Health Organization soon classified the new disease as an unprecedented global pandemic. Due to the state of emergency, the World Health Organization was forced to declare a world-wide state of emergency on January 30, 2020. (Yang Yang, Hongru Zhang & Xiang Chen, 2020)

Due to the rapid spread of the virus in March 2020, the US and Europe have already become the epicenter of the pandemic. Many countries have been forced to impose strict restrictions on movement and mobility of people. In March 2020, the spread of the virus was confirmed in 190 countries, which led to the closure of a large number of enterprises and the imposition of strict restrictions on movement. Business and enterprise closures in April 2020 affected 81% of the world workforce. (Colin Charles Williams, 2020)

The pandemic caused a rapid slowdown in international air traffic. Many countries have imposed travel bans, closed borders and introduced strict quarantine measures, which has drastically reduced international and domestic tourism. The number of travelers in the world has sharply decreased and European cities, which were once crowded with tourists, have been totally emptied.

Due to the spread of the pandemic, the leaders of the European countries publicly called on travelers to return to their homeland and stop traveling to different regions of the world. For example, on March 23, 2020, the British Foreign Secretary called on British tourists to return to their homeland. (Stefan Gössling, Daniel Scott & Michael Hall, 2020)

International travel is becoming increasingly difficult due to the closure of borders, the closure of airports, the suspension of flights and the introduction of strict restrictions.



The world map above shows in red and yellow colors those countries that have imposed travel restrictions due to the spread of the coronavirus.

2. The impact of the pandemic on the European tourism industry

The pandemic inflicted great damage on the the European tourism industry and literally forced it to stop. If we take into account the fact that tourism is a large segment of the European economy, then we can better understand the scale of damage that pandemic has inflicted on the large number of workers that became unemployed do due the spread of coronavirus. According to 2016 statistics, the tourism industry employed 9.5% of the EU workforce, namely 13.6 million people. Due to the difficult situation, the International Labor Organization has called for concrete measures to be taken by the governments to protect workers' rights and to stimulate the economy and employment. The International Labor Organization called on states to pursue rapid and coordinated policies: to introduce social protection for victims, to encourage employment retention, and to provide financial and tax benefits to affected enterprises. According to a declaration by the International Labor Organization, protecting the health of employed people and their families should be a top priority for all countries. Particular attention should be paid to low-income and vulnerable workers in each state (ILO, 2020).

Europe, which has become the epicenter of the pandemic due to the rapid spread of the coronavirus, has decided to take concrete measures to protect workers' rights. The European Commission has allocated € 100 billion in aid to the unemployed people. The European Commission has provided loans to EU member

states to protect workers as much as possible in the event of dismissal and loss of income. Leaders from different states decided to provide unprecedented short-term financial assistance to the touristic companies, as well as to the people employed in the tourism industry.

The main problem is that there are a large number of unregistered enterprises in Europe, and because of this, they are unable to receive short-term financial support. Especially in the tourism industry there are a large number of such enterprises. Most of them include small businesses, such as people working on the beach, unlicensed guides, small family hotels, restaurants and shops. In many cases, they need a small start-up capital and are often family businesses. (Williams, 2017) These unregistered enterprises will not receive any assistance from the government.

On the other hand, there are also registered enterprises in Europe that do not declare all transactions. These enterprises will be able to receive support only according to the level of their declared turnover and for their declared employees. According to a survey conducted in the EU in 2013, one in twenty employees (5%) did not have an employment contract. Unregistered activities in the EU are particularly prevalent in the tourism industry. People who engage in unregistered labor activities will not be able to receive short-term financial assistance and may also not receive any social assistance from the government. (Colin Charles Williams, 2020)

3. Impact of the pandemic on the Georgian tourism industry

The last decades have seen the rapid development of the tourism industry in Georgia. The Government of Georgia has made great efforts and spent large financial resources to develop tourism infrastructure. If we take into account the fact that tourism generates about 11% of Georgia's GDP, then we will understand what a big role this sector plays in the economic life of the country. In recent years, Georgia has seen a growing trend of visitors. More and more tourists and visitors expressed interest in Georgia and traveled to different regions of the country. According to the Georgian National Tourism Administration, the number of visitors to the country has sharply decreased since the spread of the coronavirus pandemic in the world, due to the tightening of border controls and closure of borders.

The coronavirus has struck a deadly blow to Georgia's tourism industry: many museums, touristic companies and hotels have been closed, a large number of flights have been canceled, and ski resorts have been closed. Due to the drastically reduced number of visitors and tourists, travel companies and hotels have been forced to fire their workers. Most of the people, previously employed in the tourism sector, still remain unemployed. (Tinatin Mosiashvili, 2020)

The number of tourists on the Black Sea coast has also sharply decreased, which has caused great financial losses, especially in the cities of Adjara. Black Sea resorts have been emptied and are experiencing a chronic shortage of tourists following the spread of the coronavirus pandemic. Most of the hotels in Batumi, Kobuleti and the Black Sea cities have been forced to reduce their staff sharply due to declining visitors and tourists.

People working in the hotel business say that the situation is really critical and they are appealing to the Georgian government for help. They demand from the Georgian government to adopt an individual legal act in order to support organizations, companies and hotels employed in the tourism sector. (Luka Pertaiia, 2020)

4. Conclusion

Due to the difficult situation in the world, it is necessary for both individual countries and international organizations to develop a clear vision for saving tourism and a crisis management strategy. If the pandemic lasts for a long time, it can deal a deadly blow, especially to those countries, the economies of which are not diversified and depend only on one sector, tourism. Such countries will be severely affected by the pandemic, as reduced incomes in the tourism sector will also cause large financial losses to small and medium-sized businesses.

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