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Tourism Development in the South Caucasus: Challenges and Opportunities in the Republic of Armenia

Tourism in Soviet Armenia was a thriving sector, but with the fall of the Soviet Union the newly independent country had more pressing concerns (e.g., economic, political). However, after several years of stagnancy tourism started showing signs of expansion in the late 1990s. Since then tourism has continued to grow as more visitors have discovered Armenia's many historical and cultural attractions, while the Armenian government has been more active in promoting the country. Yet by far most of the tourism development is within the capital city while the regions have only modestly been influenced by this emerging sector. This article takes a brief look at tourism in Armenia, its historical context and current direction. Many of the observations discussed here were based through personal investigations while temporarily residing in the country.

Keywords: Tourism development, tourism infrastructure, cultural attractions, economy, Armenia

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Introduction

Formal research inquiries into tourism in Armenia appear to be few, at least gauging by review of Western research literature. Additionally, tourism-related statistics and other information are also limited (other than anecdotal accounts). Therefore most of the discussion here was informed through personal observations of tourism in the country, and through regular interactions with local tour operators and residents. As a temporary resident of Armenia working in economic and community development from 1998-2000, tourism sector investigations were made firsthand. However, it should be noted that as a Western guest of Armenia these observations are from a non-native cultural viewpoint and may not necessarily reflect how Armenians nationals would perceive the same subject.

Background

The Republic of Armenia is one of three former Soviet republics in the Transcaucasus region of Asia, located between the Caspian and Black Seas. With a deep history dating back 3,000 years (Redgate 2000, Viviano 2004), Armenia is considered by some as the “cradle of civilization” (Lang 1980). Indeed, within historical Armenia (present-day Turkey) Mt. Ararat is where Noah’s Ark came to rest in biblical legend and Armenians typically believe they are direct descendants of Noah (Panossian 2002). Sharing three of its four borders with Muslim countries, orthodox Armenia is essentially a religious and cultural island within the greater region.

About the size of Belgium, modern day Armenia is a small fraction of what it was at the height of its empire in 1st century B.C. (Viviano 2004). The country is ethnically homogeneous with about 3.2 million people (NNS 2004); nearly half live in the capital city Yerevan. Like

Israel or Ireland, Armenia has a large diaspora population recently estimated at over five million people (Petros 2003), with most of those living in the West.

Tourism Setting

In the Soviet era, Armenia had been a popular destination of travelers (mostly Soviet citizens) for its many historical and cultural attractions. Throughout the cities and the countryside dozens of Armenian churches—some dating to 4th century—still stand, most with adjacent monastic cemeteries. Older Armenian fortresses and pagan sites also exist; the restored Garni Temple dates back to 1st century A.D., although it was first a fortress in 3rd century B.C. (Kiesling 2000). In Yerevan nearly 17,000 ancient manuscripts of Armenians' science and cultural roots, including their alphabet from 405 A.D., are housed at the Matenadaran repository.

During the Soviet years many other tourist amenities were developed for travelers. On the shores of Lake Sevan (one of the largest higher-elevation lakes in the world) numerous summer resorts and retreats were built. Similarly, some of the mountainous areas attracted resorts that were built in forested areas and around thermal springs. In most of the larger cities, modern hotels were constructed and provided inclusive food services in addition to overnight accommodations.

With these tourism attractions situated in a mountainous continental landscape, Armenia's tourism industry in the late Soviet period was thriving with more than 600,000 visitors per year (Scorsolini et al 2003). However, with the fall of the Soviet Union in 1991 and consequently Armenia's economic ties sharply weakened, tourism was not a top priority for political leaders. Furthermore, with a regional military conflict with neighboring Azerbaijan (the resulting Azerbaijani and Turkish border closures are still in effect today) and recovery from the

1988 earthquake (claiming more than 25,000 lives), Armenia in the early 1990s had bigger concerns than establishing itself as a tourist destination (Karanian and Kurkjian 2004).

However, Armenia's fledgling tourism sector appears to be in the midst of a rebound. In 2000 it was estimated that approximately 84,000 tourists arrived in Armenia (Scorsolini et al 2003). By 2001 the number had reached 123,000—in part due to Armenia's celebration of its 1,700th anniversary of Christianity—and in 2004 nearly 263,000 tourists had visited the country (BISNIS 2005). Many of these travelers are some of the diasporan Armenians, with about 30 percent of the arrivals from the E.U. and 20 percent from the U.S. (Scorsolini et al 2003).

Incoming tourists to Armenia often travel exclusively within the capital. Indeed, Yerevan has seen the most development in infrastructure improvements as well as expansion of tourist services. There is steady growth in Western-style accommodations, restaurants, and other leisure amenities. Recently large scale projects such as waterparks, golf courses and sports facilities have been built in the city. Residential complexes have also been built or renovated, thus adding to Yerevan's efforts of evolving into a modern metropolitan city. Considering all of these developments, coupled with Yerevan's cultural and historic legacy (the city celebrated its 2,780th anniversary in 2000), tourists can find the city with many appealing attributes.

Tourism Challenges

In contrast to the increasingly active tourism scene in Yerevan, the rural regions of Armenia have substantially fewer tourist activities. This is not due to lack of attractions; rural Armenia has numerous ancient cultural sites in scenic mountain settings as well as several developed resorts. Most of these regions lag behind in tourism because of poor infrastructure, insufficient marketing, less political attention, the unresolved dispute with Azerbaijan, and lack

of facilities and services that many Western tourists expect. Increasingly Yerevan-based tour companies have packaged group tours to the regions, yet they are mostly for day trips.

Occasionally independent overland travelers venture into the regions and other remote areas of the country. However, these types of travelers and the small group tours are few and likely go unnoticed by many of the residents and the local economy.

Unfortunately, until the infrastructure, business and political climates of these rural regions improve tourism will probably remain a very small part of the rural economy, and many visitors may miss the historic and cultural attractions they offer. In addition, until diplomatic relations improves with the Azerbaijani and Turkish governments both regional and national tourism will likely be limited. Nevertheless, now that Yerevan has substantially improved its tourism infrastructure and services, public and private sectors now have a model with which they can view the regions for expanding tourism development.

Future Opportunities

With Armenia's wealth of historical and cultural resources, combined with its rugged mountainous backdrop, the country has many opportunities for future tourism. Though Armenia is likely many years away from developing levels of tourism services and infrastructure on par with most western European countries, it has potential for several forms of niche tourism. For example, travelers seeking historical and cultural tourism can appreciate the abundant art, music, architecture and literature resources in Armenia. Most sites are free of charge and relatively easy to access due to the country's small size.

Because of its diverse high-elevation environment, nature-based tourism and recreation in Armenia likely has more tourist potential. Lake Sevan offers a variety of water-based activities.

High mountains (there are 10 peaks over 12,000 ft.), deep canyons and forested areas also offer visitors many outdoor opportunities. Biking, hunting, hiking, and sailing guides have recently begun offering their services for tourists (ADTA 2005).

Furthermore, Armenia's agricultural plays a large part in its culture and economy. Tourists with agricultural interests can experience Armenia's mainly Middle Eastern cuisine, as well as observe or experience the old-world agricultural techniques still in use today. Sheep herding, cattle ranching, viticulture, dairy and bread making are among many of the food and agricultural activities that Armenians practice using centuries-old methods. Sheep shearing still occurs in traditional ways, as does the subsequent cleaning, yarnning, and dyeing of the wool; many of the resulting garments and carpets are still made by hand (as are many Armenian handicrafts). These activities, combined with the renowned local hospitality, could provide very memorable experiences for interested travelers.

Recently the Armenian government has seen all of these activities—and tourism in general—as priority issues for economic development. In 2000 the Armenian government created the Armenian Tourism Development Agency (ADTA) to promote Armenian tourism abroad (Scorsolini et al 2003). Specifically, the ADTA focuses on cooperation with Western tour operators at international exhibitions, collaboration with foreign journalists and tour operators, and coordination of large-scale events (Khachatryan 2004). Moreover, in early 2005 tour guides were legally required to become licensed in order to raise service quality and professional standards (Mkrtychyan 2005). The timing of these efforts happened to coincide with robust growth in tourist visitation since 2000, and perhaps bore considerable influence. The Armenian government and the tourism sector hope that the impact of policies such as these will continue driving tourism's recent upward trend.

Concluding Remarks

Located along the former Silk Road on the northern border of the Middle East, Armenia is at a geographic and cultural crossroads. Similarly, Armenian society, its politics and economy, is at a social crossroads as it makes its transition from 70 years of Soviet rule to newfound independence. Tourism too is at a crossroads in Armenia. After several years (in the early and mid 1990s) of being relatively nonexistent, the tourism sector has now surfaced and increasingly attracts regional and international visitors, thus adding much-needed stimulus to the economy; however, the challenges of its current infrastructure and service needs, limited marketing, the regional diplomatic impasse, and lack of political interest—especially in the rural regions—will require continued discussion.

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