Crisis Affecting Tourism Relations Between Turkey and Russia

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Abstract – The tourism sector, considering its contribution to the national economy, is very important especially for developing countries. Developments in the countries as a result of globalization affect the tourism sector positively or negatively. Russia is an important market for Turkey and there are two major crisis affecting Turkish tourism. One of them is Ruble crisis and this crisis affected Turkish tourism indirectly. The other crisis is airplane and affected Turkish tourism directly. As a result, the Ruble crisis has not affected the Turkish tourism harshly, but the Turkish tourism was affected quite negatively by airplane crisis because of Russia’s sanctions policy. This crisis affected Antalya mostly.

Key words – Tourism, Crisis, Ruble Crisis, Aircraft Crisis.

I. Introduction

Today, tourism is a very important sector for developing countries for its contribution to employment and economy. Countries are making plans and short and long term investments in order to obtain greater share of tourism. A number of developments taking place in the world as a result of globalization, affect countries positively or negatively. When changes in the country’s economy are examined carefully, we can see that they lead to fluctuations in the economy and the consequent crisis arises.

Russia is an important market for Turkey and there are two major crisis between them. The first is Ruble crisis which is the result of the American embargo is emerging in Russia. Second one was occured when Turkey hit Russian combat aircraft. This study will examine the effects of these crises experienced in the Turkish tourism.

II. Conceptual Framework

Tourism activities, in general, are expressed as a set of entertainment and business travels and accommodations of individuals, on condition that it does not exceed one year and it is not in constantly evolving environment (Chuck, 1997: 138).

Because of the economic contribution of the tourism sector, developing countries make investments in tourism sector and they make plans and strategies to create an advantage in international competition and to obtain greater share. Today, international tourism has become the focus of many countries’ governments due to employment and foreign exchange (Aslan, 2008: 1).

Crisis is described as a situation of tension which is previously imperceptible and unexpected, needs to be answered quickly, and threatens the organization’s, structure’s or business’ current values, goals and assumptions, by making their comprehension and accord unfit (Aymankuy, 2001: 105).

In the periods and countries, which crisis took place, results of crisis effect tourism sector as well as the other sectors. Tourism and travel industry are open to economic uncertainties and volatilities for a simple reason. Travel and tourism spending is not mandatory, it requires discretionary spending (Paksyoy ve Çolakoğlu, 2010: 344). Crisis or crises, effect all sectors negatively, by influencing the country.

One of the most important markets of the Turkish tourism is Russian market. Developments in the field of trade and tourism with Russia has increased steadily until 2014. In 2014 4,479,049 tourists came from the Russian Federation to Turkey. This number is the 12.16% of total tourist numbers.

The Russian Federation is one of the most important markets for Antalya region (Karaman et al., 2016: 2). In recent years, there has been two crisis between Turkey and Russia. One of them is Ruble crisis affected Turkish tourism indirectly and the other one, Airplane crisis affected Turkish tourism directly.

II.1. Ruble Crisis and Its Effects to Turkish Tourism

Towards the end of 2013, as a result of negative developments of Russia’s Ukrainian and Crimean policies, USA has changed its policy in terms of relationship with Russia and imposed embargo. Oil prices has been dropped and countries, which have trade relations with Russia, have applied pressures. These factors has shadded economy of the country. The Ruble, currency of the country, has lost its value rapidly and this has led a crisis with a number of problems (TUROFED, 2015).

This crisis is considered as the worst economic crisis of Presedent Vladimir Putin’s government, since 1998 (www.bloomberght.com 2015). Following Ruble Crisis, showing its effects with September 2014, 1 US Dolar has been around 60-70 Rubles, while it was 30 before the crisis. The impact of the crisis on tourism has revealed the expectations of a 15-20 % hike in air fares and the possibility of waives, because of the increasing prices which are in dollar terms (Turofed, 2015). The crisis between the US and Russia have an indirect impact on Turkish tourism. Russian tour operators association (ATR), reported that the Russian tourism sector will shrink by 30 % in 2015. This was interpreted as the tourist numbers would decrease by 25-30 % (TUROFED, 2015).

TABLE 1

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Visitors</th>
<th>Change Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>4,269,306</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>4,479,049</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>3,649,003</td>
<td></td>
</tr>
</tbody>
</table>

Source: www.tursab.org, 2016

When Table 1 is examined we can see that the number of the Russian visitors was 4,269,306 in 2013. In 2014, this number showed an increase of 4.91 % and became 4,479,049. In 2015, it has decreased by 18.53 % and became 3,649,003.
When the number of the visitors between January and August 2015 is compared with the number of 2014-2015, we can see the biggest decrease by -20.72 %. Russia experienced the biggest decrease in the list of top 15 countries sending tourist to Turkey. It has been stated that the loss from Russia has reached around 470.00 after the period of January-August. And 400,000 of this loss was in Antalya (Karaman et all., 2016: 5-6).

II.II. Airplane Crisis and Its Effects to Turkish Tourism

Airplane crisis is the crisis beginning with the event of Russian Sokhoi Su-24 M type aircraft was shot by Turkish Air Force on 24 November 2015, because of border violation (www.bbc.com, 2016).

According to the statement by the Turkish Armed Forces, Russian aircraft violating Turkish airspace, although it was warned 10 times in 5 minutes it didn’t end the border violation and according to the rules of engagement, was shot down by 2 Turkish F-16 aircrafts. Aircraft belonging to the Russian Federation Air Force, fell to the Buyurucak where was under control of the Syrian Turkmen army. Despite the two pilots jumped with parachutes, one of them was captured dead by 10th division of Syrian Turkmen army, and the other pilot was taken to the Russian base in Latakia. The Russian Ministry of Defense, on the other hand, has claimed that the aircraft was not in violation of Turkish airspace. (tr.wikipedia.org, 2016). After these developments, Russian Federation has officially expects an apology from Turkey (www.aljazeera.com, 2016).

After this crisis, the relations between the two countries broke down and Russia applied some sanctions against Turkey. These sanctions are;

- Restrictions on the importation of Turkish merchandise were imposed,
- Restrictions on the hiring Turkish citizens to Russian Companies were imposed,
- The Turks were suspended visa-free entry to Russia. Measures have exempted the families of Turkish citizens and Turkish diplomats, having temporary and permanent residence in Russia (www.bbc.com).
- The termination of the charter flights to Turkey and Russia are also in the name of the Russian tourist company calls a halt holiday package sales are made in Turkey. (www.bbc.com).
- Russia began to give up once the sanctions-Russia bilateral relations with the apology that Turkey has entered a normalization phase (www.bbc.com, 2016).

| TABLE 2 |
|-----------------|-----------------|-----------------|
| THE NUMBERS OF VISITORS COMING FROM RUSSIA IN 2015-2016 IN THE PERIOD OF JANUARY-JULY |
| 2015 | 2016 | Change ratio (%) |
| 2.140.874 | 231.616 | -89 |

Source: www.turizmdatabank.com, 2016

When Table 2 is examined, while 2.140.874 visitors came to Turkey from Russia, after Ruble crisis, in the period of 2015 January-July, in the period of 2016 January-July 2016, which is after aircraft crisis, this number decreased by 89 % and became 231.616. Antalya has become the most effected city after the results of this aircraft crisis between Russian Federation and Turkey.

While 2.169.965 visitors came to Antalya during the term of January-August 2015, same period of next year this number decreased by 95.35 % and became 100.092 (www.turizmdatabank.com, 2016).

Conclusion

When the numbers of foreign visitors of Turkey is was examined, one could see that Germany was the first and Russian Federation was the second. When viewed from this aspect, Russian market has an important contribution to Turkish tourism income. Positive or negative developments of bilateral relations in or with Russia are crucial. During Ruble crisis, which effect Turkish tourism implicitly; in 2013 the number of visitors coming from Russia was 4.269.306, in 2014 4.479.049, increased by 4.91 %, in 2015, after the crisis, 3.649.003, decreased by 18.53 %. The aircraft crisis, which affected Turkish tourism directly, and sanctions by Russian Federation has effected the tourism sector mostly and Turkish tourism experienced the worst times recently. As a result of these sanctions, Turkish tourism almost hit rock bottom. While 2.140.874 visitors came to Turkey from Russia, after Ruble crisis, in the period of 2015 January-July, in the period of 2016 January-July 2016, which is after aircraft crisis, this number decreased by 89 % and became 231.616.

To recompense the loss in Russian market, it has been proposed that Turkey to front different markets and to implement publicity and advertising campaigns and to prevent the loss by giving some sort of exhortations. In this kind of crisis, the exhortations, supports, reduction of the prices and promotions by the government could reduce the loss to the least. Besides, it has been proposed that fronting the markets, which have potential, and seeking for alternatives could reduce the loss to the least.

References