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## THE INFLUENCE OF GEOPOLITICAL FACTORS ON THE TRANSFORMATION OF INTERNATIONAL TOURIST FLOWS

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### Abstract

: This paper summarizes theoretical approaches based on the concepts of perceived risk and destination substitution, and systematizes the empirical results of modern studies using quantitative indicators of geopolitical tension, in particular the Geopolitical Index. Risk (GPR). It is shown that geopolitical shocks impact tourism through a combination of interconnected channels: security, institutional constraints, transport and logistics, financial and economic factors, and the information environment, causing not only a decline in demand but also its spatial redistribution. It is substantiated that a decline in tourist flows in "risk zones" is accompanied by a substitution effect in favor of more stable and safe destinations, leading to a change in the geography of international tourism and increased regionalization of demand.

**Keywords:** International tourism, geopolitical risk, sanctions, armed conflicts, transformation of tourist flows, GPR, tourism sustainability.

### Introduction

The scientific novelty lies in the systematization of the channels of influence of geopolitical factors on international tourist flows and the substantiation that geopolitical shocks lead primarily to their spatial transformation and redistribution of demand between destinations, and not only to a decrease in the overall volume of international tourism.

International tourism is among the most risk-sensitive and uncertain cross-border activities: unlike basic consumption, a tourist trip can easily be postponed, replaced by an alternative destination, or transformed in format (closer, shorter,



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cheaper, with increased security requirements). Currently, this makes tourism both an indicator and a "transmission mechanism" for geopolitical processes: from armed conflicts and diplomatic crises to sanctions, changes in visa and immigration regimes, and restrictions on transportation connectivity.

The relevance of this topic is confirmed by statistics and analysis from relevant international institutions. UN Tourism projects growth in international arrivals, but emphasizes the unevenness of the recovery and the ongoing impact of "global challenges" on the spatial structure of demand; on the World data page Tourism The Barometer provides up-to-date aggregated estimates of arrival dynamics and regional differences [1]. At the same time, strategic reviews by the World Economic Forum indicate that the sector is entering a phase of structural adjustment amid complex shocks, including geopolitical tensions, which are changing consumer behavior and the operating conditions of the industry [2]. The European Tourism Commission (ETC), analyzing crises in tourism, explicitly identifies political instability and geopolitical tensions among factors requiring institutionalized crisis management and increased destination resilience [3].

In the scientific literature, the influence of geopolitics on tourism is interpreted through several interconnected channels. First, there is the security channel: an escalation of conflict or terrorist threat alters subjective risk assessments and reduces willingness to travel to a "tense zone". The scientific paper "Influence of terrorism risk on foreign tourism decisions" shows that the risk of terrorism and political instability influences stages of the vacation decision-making process and is associated with the cancellation/reconsideration of international trips [4].

Secondly, there is the behavioral channel of perceived risk and anxiety: individual attitudes and cultural- psychographic characteristics enhance or weaken sensitivity to threats, forming differences in travel intentions; these patterns are described in detail in the work «Travel Anxiety and Intentions to Travel Internationally: Implications of Travel Risk Perception» based on data from international respondents [5].

Thirdly, this is a channel of destination substitution: tourists switch to "safer" destinations, and the extent of substitution depends on the type of tourist and the novelty/familiarity ratio, which is confirmed by research on tourist roles and perceived risk [6].



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Modern empirical research has strengthened analysis with quantitative indicators of geopolitical tensions. The most widely used tool is the Geopolitical News Index. The Geopolitical Risk (GPR) model, proposed by D. Caldara and M. Iacoviello, allows for measuring the dynamics of geopolitical threats and events and assessing their macroeconomic effects [7]. The application of GPR in tourism research allows for a transition from descriptive case studies to comparable cross-country assessments and testing of hypotheses about how geopolitical shocks change the volume and geography of international tourism flows.

Within a single destination, a geopolitical shock is rarely limited to a "decrease in demand." It reshapes the entire mobility landscape: changes in air travel availability (airspace closures, alternate routes, increased travel times), financial infrastructure (payments, insurance), visa and administrative procedures, and the information environment (travel warnings, media narratives). As a result, not only absolute arrival figures are transformed, but also the structure of flows (by source country, purpose of travel, length of stay, seasonality), as well as the competitive position of destinations in the international market.

The purpose of the article is to identify and conceptually describe the mechanisms of influence of geopolitical factors on the transformation of international tourist flows, as well as to systematize the effects of redistribution of demand and "substitution" of destinations confirmed in the literature.

In academic research, geopolitical risk is viewed as a combination of threats and realized events related to wars, international conflicts, terrorism, sanctions, and escalating interstate tensions that can disrupt economic activity and cross-border mobility. This category is particularly significant for tourism analysis, as tourism demand is characterized by high elasticity in terms of risk and uncertainty, and travel decisions are made under conditions of limited information and subjective expectations.

The theoretical basis for the analysis is the concept of perceived risk (perceived According to the theory of risk), tourist behavior is determined not only by objective threats but also by their interpretation through the media, official warnings, and social communications. Classic studies in tourism show that political instability, conflict, and terrorism increase the level of perceived risk and reduce the likelihood of choosing the appropriate destination [8].



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A complementary approach is the destination substitution theory, which posits that increased risk in one country does not necessarily reduce the overall volume of tourist travel, but rather leads to a redistribution of flows in favor of alternative, "safer" destinations [6]. Thus, geopolitical risk transforms the spatial structure of international tourism, not just its absolute figures.

At the macro level, the impact of geopolitical tensions on economic activity is explained through increased uncertainty, worsening expectations and increased precautionary behavior of households, which directly affects international tourism as a form of discretionary consumption [7].

Modern empirical research widely uses news indices of geopolitical tension. The most recognized instrument is the Geopolitical Risk The Geopolitical Risk Index (GPR) developed by D. Caldara and M. Iacoviello is based on the frequency of mentions in leading international newspapers of phrases related to geopolitical threats and events (wars, terrorist attacks, international conflicts) and allows for a quantitative assessment of risk dynamics over time and across countries [7].

GPR is actively used in tourism research to identify statistical relationships between geopolitical tensions and tourism demand, tourism revenues, and arrival flows. Empirical studies confirm that increases in GPR have a persistent negative impact on international tourism, and this effect can persist into the medium term [8].

Thus, the combination of theories of perceived risk and destination substitution with the quantitative measurement of geopolitical tensions through the GPR index forms a reliable theoretical and methodological basis for the analysis of the transformation of international tourist flows.

Geopolitical factors influence international tourist flows indirectly, but rather through a set of interconnected channels that shape mobility restrictions, alter perceived risk, and transform the operating conditions of the tourism market. The scientific literature identifies several key channels of influence, supported by empirical research:

1. The security and perceived risk channel. Armed conflicts, terrorist attacks, and political instability increase the level of perceived risk and reduce tourists' willingness to visit the relevant destinations. Even in the absence of direct threats to tourists, a negative information environment can significantly reduce



international demand. This effect has been consistently confirmed by research in the field of tourist behavior and risk analysis [9].

2. Institutional-restrictive channel. Geopolitical tensions are often accompanied by the imposition of visa restrictions, sanctions, travel bans, and official warnings about the safety of destinations. These measures create formal barriers to international mobility and lead to a structural reduction in tourist flows between countries involved in conflict or sanctions standoffs.

3. Transport and logistics channel. Airspace closures, restrictions on air traffic, and rising insurance and fuel costs increase the cost and duration of travel. This reduces the competitiveness of long-haul destinations and contributes to a shift in demand in favor of regional and local tourism [7].

4. Financial and economic channel. Stocks and geopolitical crises affect exchange rates, the availability of payment systems, and household income levels. In conditions of increasing uncertainty, households reduce discretionary spending, which includes international tourism, leading to a decline in outbound and inbound flows [9].

5. Destination substitution channel. The combined effect of these factors causes a redistribution of tourist flows: a decrease in demand for "risky" destinations is accompanied by increased interest in alternative countries with higher perceived safety and institutional stability. This effect explains why global tourist flows can generally persist despite sharp regional declines [7].

Table 1 - Channels of geopolitical influence on international tourist flows

Channel of influence	The main mechanism	Manifestation in tourist flows
Safety and perceived risk	Increase in subjective assessment of threats	Decline in inbound tourism in "risk zones"
Institutional and restrictive	Visas, sanctions, travel bans	Formal reduction of mobility
Transport and logistics	Restriction of air traffic, rising costs	Reduction of long-distance travel, regionalization of tourism
Financial and economic	Currency shocks, payment restrictions	Reducing discretionary spending
Substitution of directions	Shifting demand to alternatives	Redistribution of flows between destinations



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Empirical studies over recent decades confirm a robust and statistically significant relationship between geopolitical factors and the dynamics of international tourist flows. Using panel data, event analysis, and geopolitical tension indices, the authors identify both the direct effects of declining demand and structural shifts in the geography of tourism.

1. The impact of geopolitical risk on tourism demand. Most quantitative studies document the negative impact of increased geopolitical risk on international tourist arrivals and tourism revenues. Thus, studies on cross-country panel data using the Geopolitical Index Risk (GPR) studies show that increased geopolitical tensions lead to a reduction in tourism demand in both the short and medium term [9]. However, the effect is often asymmetrical: negative shocks have a stronger and more lasting impact than periods of stabilization.

2. Conflicts and regional effects. Empirical evidence shows that armed conflicts impact not only the epicenter country but also neighboring states. Research shows a decrease in hotel occupancy and tourist arrivals in nearby regions due to the "contagion effect" of risk, even in the absence of direct military action on their territory [10].

3. Substitution effect and redistribution of flows. A number of studies indicate that geopolitical crises do not always reduce the overall volume of international travel, but lead to a redistribution of tourist flows in favor of alternative, more stable destinations. This substitution effect is particularly pronounced for tourists from high-income countries with developed tourism infrastructure [8].

4. The Impact of Sanctions and Institutional Restrictions. Research on sanctions and political restrictions demonstrates that visa barriers, air travel restrictions, and financial sanctions significantly reduce mutual tourist flows between countries subject to sanctions regimes. These effects are often structural in nature and persist after the formal easing of tensions [9].

To summarize theoretical and empirical findings in the literature, it is useful to use a conceptual model describing how geopolitical factors lead to the transformation of international tourist flows. The model is based on the idea of a multi-level transmission of geopolitical shock: from an external political event to changes in tourist behavior and, ultimately, to a restructuring of the spatial structure of tourism.



The model includes a sequential chain of interconnected elements. The initial impetus is a geopolitical factor (armed conflict, sanctions, diplomatic crisis, rising geopolitical tensions). The impact is then transmitted through institutional, transport, economic, and information channels, which shape the conditions of tourist mobility and the level of perceived risk. The response to these changes is the adaptation of tourist behavior and tourism businesses, leading to quantitative and qualitative shifts in international tourist flows.

An important feature of the model is the presence of a substitution effect: a decline in flows to the "risk zone" is accompanied by a redistribution of demand in favor of alternative destinations, and not just a general decline in international tourism. This is consistent with the findings of studies based on perceived risk theory and empirical studies using the GPR index [6,7].

Table 2 - Conceptual model of the transformation of international tourist flows under the influence of geopolitics

Model stage	Stage content	Key effect for tourism
Geopolitical Impulse	Conflicts, sanctions, escalation of tensions	Growing uncertainty and risks
Transmission channels	Institutional, transport, financial, information	Limited mobility, rising costs
Perceived risk	Media and behavioral reactions of tourists	Declining attractiveness of the destination
Behavioral adaptation	Cancellation, postponement or substitution of trips	Demand switching
Transformation of flows	Redistribution of directions and structure of demand	Regionalization and diversification of tourism

The results of theoretical and empirical analysis show that geopolitical factors require systematic consideration in government tourism policy and the management of tourism organizations. Since geopolitical shocks are largely exogenous, the key objective is not their prevention, but rather enhancing the resilience and adaptability of tourism systems.

At the state and national tourism organizations (NTOs) level, institutionalizing geopolitical risk monitoring is a priority. The use of geopolitical tension indices (such as the GPR), as well as regular analysis of transport, visa, and sanctions



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restrictions, allows for the timely identification of potential threats to tourist flows and the adjustment of destination promotion strategies .

An important practical conclusion is the need to diversify inbound markets. Dependence on a limited number of source countries increases destinations' vulnerability to geopolitical shocks, while expanding the geography of demand reduces the scale of losses during crises. This approach is supported by recommendations from UN Tourism and the European Tourism Commission, which analyze the impact of conflicts and political instability on tourism markets. Additionally, public policy should include the development of anti-crisis communications mechanisms: coordinating official messages, working with international media, and creating a transparent information environment that helps restore tourist confidence after the crisis.

For tourism businesses and destination management agencies , increasing operational flexibility is becoming a key focus. This includes introducing flexible booking and cancellation policies, developing insurance products, and adapting tourism offerings to regional and domestic markets in the face of reduced international mobility.

Geopolitical uncertainty also increases the importance of risk management and scenario planning. Tourism enterprises and DMOs (destination management organizations) must take into account alternative scenarios for the development of the external environment, including the temporary loss of individual markets and changes in transport accessibility, and develop measures to reorient flows in advance.

Overall, the practical implications boil down to a transition from a reactive tourism management model to a proactive one, focused on sustainability, diversification and adaptation to a geopolitically unstable international environment.

Geopolitical factors act not only as a "negative shock" to international tourism volumes, but also as a mechanism for spatial restructuring of tourism flows: tourists avoid risk zones and redistribute their travels to destinations with higher perceived safety, stable institutions, and accessible logistics. Literature confirms the statistically significant negative impact of geopolitical risk on tourism and the existence of substitution effects, with recovery from shocks often being inertial.



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In the face of ongoing turbulence, the most rational strategy for destinations and businesses is diversification, risk monitoring, and increasing the adaptability of tourism products.

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