

TERRORISM AND ITS IMPACTS ON THE TOURISM INDUSTRY

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Abstract: The tourism industry is considered one of the most important cogged wheels of the global economy. Numerous countries – specially emerging and least developed - have benefited from the growing number of tourists that visit them. Ironically, in these countries, terrorist acts generated by local groups and organizations have scared off tourists and have created a negative image for specific destinations. The present paper tries to verify the existence of a connection between tourism and terrorism and to present the responses of the industry toward these acts focusing on the US market.

Key words: terror, travel, hospitality, Bali, USA

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INTRODUCTION

Tourism represents for many countries - especially emerging ones - the main source of income. It is strange that in the case of many countries of this type, the local tourist industry is adversely affected by the terrorist actions of some political or ethnic groups (Niyaz, 2010; Wynne-Hughes, 2012).

Terrorism has been a tool of politics throughout history and modern terrorism began in the second half of the twentieth century (Figure 1. International terrorism 1968-2000).

In the 60s and early 70s the frequency of terrorist attacks recorded a sharp increase. The most shocking attacks in this period were: Bloody Friday in Belfast and the Munich Olympic Massacre in 1972, and the hijacking at the Rome airport in 1973 (Davidson, 2009).

After a brief period of peace, the 80s began and ended with violence generated by terrorism (Sonmez et. al., 1999).

During the 90s terrorist attacks took place all over the world, from the United States (the Oklahoma City Bombing in 1995) to Israel and Columbia (Al-Hamarnah, 2005).

The begining of the XXI century has seen a flurry of terrorist attacks in different parts of the world, some of which were coordinated with the help of technology and mass-media. Advertising and psychology are important components of terrorism. The attacks listed in Table 1.

Table 1. The most significant terrorist attacks in the 2001-2015 period
(Data source: Kipp, 2004:62-63, www.reuters.com/news/world,
<http://www.bbc.co.uk/news/world/>, <http://edition.cnn.com/>)

Date	Country	Town	No. of victims	No. of casualties
September 11, 2001	USA	New York	2977	3000+
October 12, 2002	Indonesia	Bali	202	240
November 15-20, 2003	Turkey	Istanbul	56	100
March 11, 2004	Spain	Madrid	191	2050
July 7, 2005	UK	London	56	700
July 11, 2006	India	Mumbai	209	714
October 18, 2007	Pakistan	Karachi	136	387
November 26, 2008	India	Mumbai	173	327
October 25, 2009	Iraq	Bagdad	155	520
March 20, 2010	Russia	Moscow	43	100
March 28, 2011	Yemen	Ja'ar	150	45
January 20, 2012	Nigeria	Kano	185	unknown
January 10, 2013	Pakistan	Quetta	126	270
December 16, 2014	Pakistan	Peshawar	145	114
April 1, 2015	Kenya	Garissa	148	79

The most significant terrorist attacks in the 2001-2015 period, have received increased attention from the media, especially TV stations. If attacks or incidents are dramatic enough, as were those of 11 September on the World Trade Center and Pentagon, viewers from around the world will learn about them in a very short period of time (Ross, 2006).

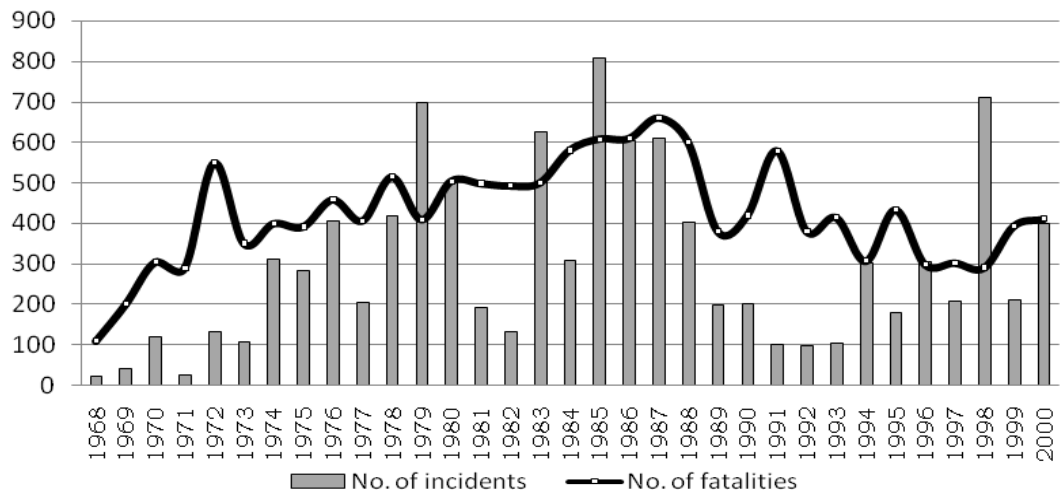


Figure 1. International terrorism 1968-2000

(Data source: Sandler & Enders, 2004; Frey et al., 2006, <http://www.start.umd.edu/gtd/>)

TERRORISM IN THE 21ST CENTURY

The American Civil Code defines terrorism as “*premeditated violence, politically motivated against civilians, committed by local groups or clandestine agents, in order to influence a target audience*” (American Civil Code, quoted by Weinberg, L., Eubank, 2006).

The Romanian language explanatory dictionary defines terrorism as “*all deliberate acts of violence committed by a group or organization to provoke a generalized fear to achieve political goals*” (<http://dexonline.ro/definitie/terrorism>)

Other authors define terrorism as a form of political violence, used mainly when one of the opposed factions has not the strength and numbers to overcome their enemy militarily. The final goal may be to force the other side to concede by inflicting more casualties and damage than they can bear. “*If the opponent is a government, the object may also be to turn their own citizens against them, by constantly reminding them that their government cannot protect them.*” (Korstanje, 2012, 8)

In fact, terrorism is a form of politically motivated violence, for which the advertising - the message - plays a crucial role. Kropotkin considers terrorism as “*propaganda by action*” (Weinberg, Eubank, 2006, 17), one way through which a relatively small number of people can draw attention to a social or political cause.

We can deduce that terrorism is a tactic, a very violent form of political communication, which depends heavily on modern means of communication such as television and the Internet to transmit a message to the audience. Terrorists hope that they will influence their emotions or behavior (Weinberg, Eubank, 2006).

It is difficult to say, if lately terrorism itself grew, or just our awareness and concern about it. But in a society obsessed with mass-media, ample coverage of this type of events, gives terrorist organization the illusion of power and efficiency. In no other period of history, a relatively small number of people managed to create this much chaos so quickly and efficiently. The attacks against the United States on September 11th 2001 and the subsequent terrorist attacks (Bali, Madrid, London) testify to this assertion (Weinberg, Eubank, 2006; Henderson, 2007).

THE IMPACT OF TERRORISM ON THE TOURISM INDUSTRY

One of the victims of terrorism is tourism, especially operators acting in its surrounding areas (Baker, Coulter, 2007; Min, 2008). Glaesser (2006) believes that there is a significant difference, especially for the tourism industry, between natural and anthropogenic disasters. As a rule, negative events caused by people have a longer effect causing a lack of confidence in the safety of potential tourists in the region or city where the events took place.

Goeldner and Ritchie (2009) identified four reasons why terrorists choose to attack tourist centers: 1. an attack on a tourist center is a shock to the entire economy - which highlights even more the importance of the tourism sector for national economies; 2. tourism is at the center of media attention - terrorists seek publicity and media representatives are already on site in the event of major tourist attractions or events, such as sporting events or festivals; 3. attractions, such as museums, historical sites and landscapes represent the spirit and essence of a nation; 4. places frequented by tourists provide

anonymity to the terrorists. Police and security forces do not know the identity or motivation of those who visit sites or festivals.

To determine the exact impact that terrorism has on tourism numerous studies were conducted: Holden (1987), Enders & Sandler (1991), Enders, Sandler and Parise (1992), Drakos & Kutan (2003) etc. Their conclusions are vague in general, because there are several categories of incidents and terrorist organizations, and significant differences from region to region (ETA in Spain, Hezbollah in Lebanon, Al Qaeda in the Middle East, Chechen separatists in Russia etc.). Instead, Drakos and Kutan (2003) concluded that "*the intensity of violence, casualties and location of the incident have significant effects on the host country and in neighboring countries.*" Therefore, the authors emphasize the importance of regional security by creating multinational organizations that receive funds from all the involved states to combat terrorism. In addition, joint operations of the army and police forces of these states can contribute to more efficient security forces. All this can improve economic and political relations between states, which is an important opportunity for peace in the region. Research conducted by Drakos and Kutan (2003) is focused on studying the effects of terrorism at a regional level, the selected countries were: Greece, Turkey and Israel. The authors consider regional cooperation in the fight against terrorism an important cornerstone in the external relations between states.

In addition to improving security systems, the tourism industry will have to implement a crisis management system that can handle a wide range of disasters.

September 11, 2001 was a key moment in human history, but in terms of tourism impact was considered minor by officials at the UNWTO (Bonham et. al., 2006:100). The number of international arrivals decreased with less than 1%. Instead, the American tourist market fully felt the shock, the number of American and international tourists dropped from 128.2 million in 2000 to 122,200,000 in 2001 and 116,100,000 in 2002 (Henderson, 2007, 67). The hardest hit sector was air transport, airlines lost about \$ 2 billion in 2001 and in the following years important airlines filed for bankruptcy: United Airlines, Air Canada and Delta Airlines (Beirman, 2003, 53).

Regarding the Bali attacks, its consequences were felt immediately at local and national level, registering an exodus of foreign tourists and an avalanche of cancellations of reservations by tourists who wanted to come to Indonesia. Travel agents and tour operators from several countries blocked the sale of packages to Bali, and simultaneously sought solutions to repatriate the customers who had already reached the island (Henderson, 2007). All sectors of the tourism industry were affected, including the national air transport company, which had to reduce the number of flights because of the lack of demand. The occupancy rate of the hotel decreased from about 75% to less than 10% (Baker, Coulter, 2007). All other businesses (catering, tourist attractions and trade), which depended on tourism, suffered losses. Amateur tour guides, salespeople, souvenir producers and sellers, which formed a substantial underground economy, were in the same dire situation (Henderson, 2007).

CONCLUSIONS

In general, despite worldwide efforts to reduce the activity of terrorist groups, the frequency of terrorist acts will be higher than before, at least due to these three important reasons (Ross, 2006): citizens will feel powerless in the

face of injustices, created by political leaders and national governments or some other countries, and they will begin using terrorism as a form of protest; governments will want to avoid armed conflicts and thus will sponsor and support terrorist groups; weapons and communication technologies will be more accessible to terrorists.

As a consequence, increase security (both by police number and using cutting-edge equipment) will become a necessity for air carriers, hotels, restaurants and other service providers. In addition, experts in the field of security will have to be prepared for the entry or the presence of people carrying bacteria or viruses that may infect the entire population of a city.

We can conclude that the tourism industry of any country or region can be profoundly affected by a terrorist attack. For this reason the recovery is extremely important, and the involvement of all stakeholders (national, regional and local governments, business, academia and civil society) is essential.

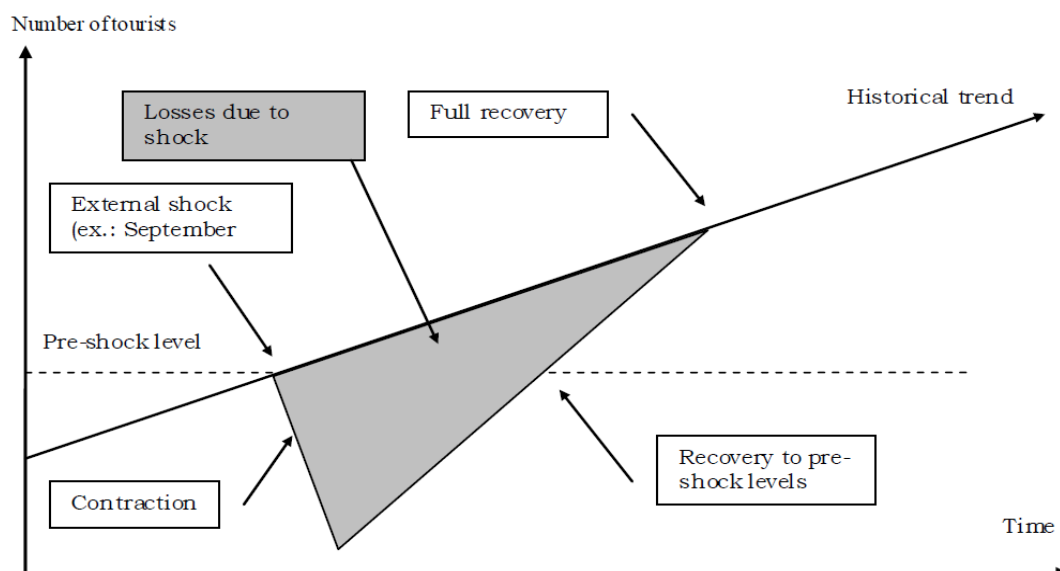


Figure 2. The impact of a shock on the incoming tourists
(Source: Bonham et. al., 2006, 101)

With regard to the recovery following a disaster, there are two different opinions on this concept. In the case of the disaster of September 11th 2001, for example, tourism officials take as a reference the year 2000, and consider a full recovery when international visitor arrivals and / or receipts will exceed the ones recorded pre-shock (Figure 2). On the other hand, economists see things differently. For full recovery to take place, it is necessary to reach a level that would be reached if the shock had not occurred.

If we will focus on the second opinion, we can deduce that in the post-impact period, tourism will have to register a growth rate much higher to recover in a very short time the losses due to a shock. Evidence suggests that while terrorism can cause damage to the tourism industry in the long term tourists will not avoid visiting these destinations. “Many locations (Northern Ireland, Egypt, Cyprus, Greece, Turkey, etc.) that have seen significant decreases in the

number of tourists duet o terrorist attacks, recorded a growing number of visitors when the hostilities stopped” (Baker, Coulter, 2007, 264).

From this point of view, both the United States and Indonesia have recovered and recorded impressive growth rates of about 4% and 9% per year (UNWTO, 2011). If we analyze Figure 3 we can see that in the United States, in 2006 the number of international tourists reached the level recorded in the year 2000 (50.9 million), but so far failed to achieve the (virtual) level it could have reached without the September 11 attacks, even if the historical trend we took into account was an average increase of only 3% (in 1998 and 1999, growth rates were 4.5% and 4.9%) (OTTI, 2014).

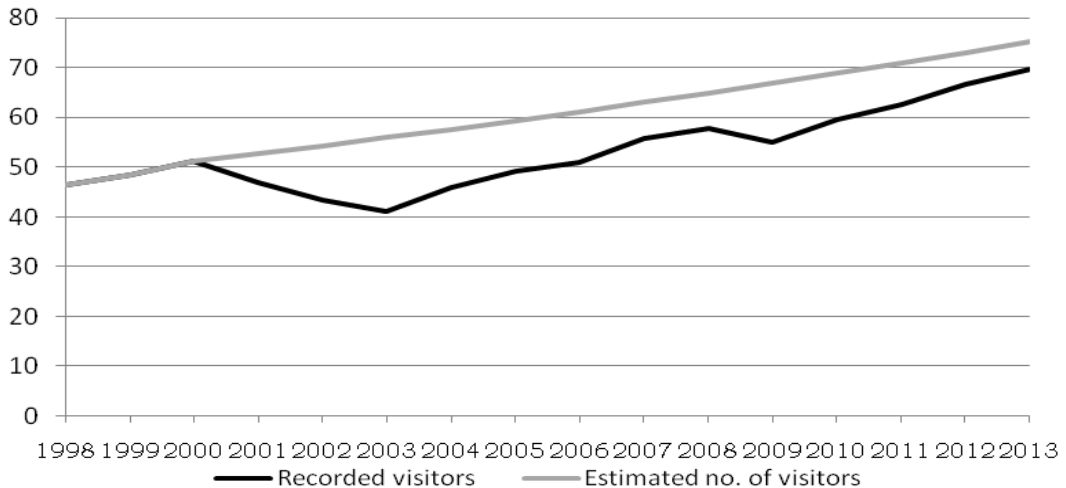


Figure 3. The impact the September 11 attacks on incoming tourists in the United States (millions of visitors)
(Source: OTTI, 2014)

Practice shows us that, through proper crisis management, any destination can overcome any kind of shock, whether it is a natural disasters or a terrorist attacks. But we must also recognize that terrorism remains one of the most important challenges of the global tourism industry.

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