

**THE EFFECT OF TERRORISM ON TOURISM IN AFRICA IN THE 21ST CENTURY:
A CASE STUDY OF KENYA**

BY

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DECLARATION

This thesis project is my original work and has not been submitted for a degree to any other University.

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This thesis has been submitted for examination with our approval as University supervisor.

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DEDICATION

I dedicate this work to all those who make daily sacrifices to ensure that our country is secured from all forms of threats.

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First of all, I thank The Almighty Allah for enabling me complete this work; indeed without his grace it wouldn't have been possible.

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LIST OF ABBREVIATIONS

ASEAN	Association of Southern East Asia’s Nations
CJTF-HOA	Counterterrorism Combined Joint Task Force-Horn of Africa
EACTI	East African Counterterrorism Initiative
EU	European Union
FBI	Federal Bureau of Investigation
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GWOT	Global War on Terror
KTB	Kenya Tourism Board
MNC	Multi-National Companies
OECD	Organization for Economic Co-operation and Development
OIC	Organization of the Islamic Conference
SMEs	Small and Medium sized Enterprises
UK	United Kingdom
UNWTO	United Nations World Tourism Organisation
US	United States
GDP	Gross Domestic Product
WTTC	World Travel and Tourism Council

ABSTRACT

Globalization has given terrorist networks a platform to organize, plan and orchestrate cross border or international terrorist attacks. While tourism generates loads of money in addition to promoting international cohesion, it's not immune from terrorism and terror attacks. The impact of terrorism on the travel and tourism industry can be enormous. It can lead to unemployment, homelessness, deflation, depression and many other social and economic ills. The contribution of tourism for many countries is so great that any downturn in the industry is a cause of major concern for many governments. The repercussions are felt in many other industries associated with tourism like airlines, hotels, restaurants and shops that cater to the tourists and allied services. Terrorism is an enigmatic and compelling phenomenon, and its relationship with tourism is complex and multifaceted. This study looks at the effect of terrorism on tourism in Africa in the 21st century: a case study of Kenya. The study focused on the following objectives; to establish the impact of terrorism on global tourism; to evaluate the effects of terrorism on local stakeholders in the tourism industry and to determine and analyze the mitigation strategies adopted by the government to deal with terror in the tourism industry. The study found that Tourism is a provider of employment and economic prosperity in many countries including Kenya, the tourism industry must be able to remain resilient in the face of adversity. Majority of the respondents indicated that their businesses were affected by terrorism which has caused a reduction of number of tourists visiting the country. It also caused unemployment due to reduced visitors which reduced the productivity of the industry. The study also found out that terrorists, do not only target tourists but will use opportunity available to attack them. With the effect of terrorism on tourism being seen, the study sought to know the mitigation strategies put in place by the government to deal with it. It was found out that despite the various counter terror strategies by the government, there was still room for improvement to rescue. Majority of the respondents suggested the government should do more to deal with terrorism and to save the tourism industry in Kenya.

CHAPTER ONE: INTRODUCTION

1.1 Introduction

The 21st century is one characterized by more connectivity than at any other point in human history. Advancements in transport and communication over millennia has made human existence so interconnected and interdependent that it's no longer possible to conceive the world as made up of non-interacting units and systems. Globalization has decimated national boundaries making the long aspired international community a reality. As such, global travel has become widespread, both for business and leisure, but so has other activities like terrorism. Tourism is a major foreign currency earner and a key contributor to the Gross Domestic Product (GDP) of many nations; it's observed that it's vibrant in peaceful and politically stable environments. Terrorism on the other hand, is geared towards creating fear and uncertainty for social political ends. Inevitably terrorism has big role to play in the success or lack thereof in the key tourism sector.

1.2 Background

Tourism and terrorism are two diametrically opposed terms; they cannot exist together, indeed, they're two worlds apart. Tourism connotes living, delight and relaxation whereas terrorism depicts feelings and images of death, horror and annihilation.¹ Travel is an integral part of tourism, tourists move from one location to another to satisfy varied desires. With safety being a concern for each and every human being, it follows that tourists would rather avoid destinations that cannot adequately guarantee their safety and security from threats including terrorism, natural disasters and other man made calamities like war. Terrorism compared to

¹ Beirman, D "Restoring Tourism Destinations in Crisis", CABI Publishing, UK (2003) p 4-58

natural or human made disasters is the most disheartening of all threats of danger for tourists.² Indeed, many analysts have indicated that terrorism has the most pronounced overall effect on the tourism and travel industry. Terrorism seeks to create terror and fear in the minds of the people, this is precisely why it has such an advance effect on tourism as it interferes with one of the most basic needs of human beings, that of security. According to Abraham Maslow in his hierarchy of needs, security is a basic need that supersedes that of leisure; accordingly tourism suffers where security cannot be guaranteed.

The effect of terrorism is immediately felt in a country's economy more so where tourism is a major activity. A reduction in the number of visitors to tourist attraction sites has the inevitable implications revenue and jobs losses for governments and stakeholders in the tourism industry. It must however be noted that terrorism alone would rarely bring the economy of a country to its knees³ more so for the highly diversified economies of the 21st century. While terrorism may not bring down an entire economy, its effects cannot be assumed especially when attacks take place in developing and relatively poor countries and tourists come from the developed and relatively wealthy countries.

There is no universal definition of terrorism which makes it rather difficult to forge a cohesive and coherent strategy to deal with the problem. Political differences have prevented the United Nations (UN) from generating a widely recognized and acceptable definition.⁴ The cause of this absence of consensus regarding terrorism can be found in the definition adopted by the Arab Terrorism Convention, Organization of the Islamic Conference (OIC) and the Terrorism

² Sönmez, Sevil F. "Tourism, terrorism, and political instability." *Annals of Tourism Research* 25, no. 2 (1998): 416-456, 417

³ Essner J. Terrorism Impact on Tourism: What the industry may learn from Egypt's struggle with al-Gama'a al-Islamiya; IPS 668

⁴ The United Nations, 'Terrorism: The Threat we Face' <http://www.un.org/News/dh/infocus/terrorism/sg%20high-level%20panel%20report-terrorism.htm> Accessed September 1, 2015

Convention of the Organization of the Islamic Conference (OIC), they all dismiss armed struggle for self-determination and liberation as entailing terrorism.⁵ The Federal Bureau of Investigation (FBI) on its part however defines terrorism as use of unlawful force directed at persons or property and aimed at coercing civilian population, governments or any segment to further political or social goals.⁶ On the other hand, the United States (US) Defence Intelligence Agency defines it as intentional political violence carried out on noncombatant targets by non-state actors and groups or clandestine state actors aimed at influencing audiences.⁷ This ambiguity in defining terrorism has led to uncoordinated responses which have failed to adequately address the problem. The need for tourism has grown in the last five decades due to advances in technology and improved standards of living. People have more to spend which means that they can afford to travel and see new lands half a world away from their homes. There has thus been an explosion of business that deal in various activities pertinent to the tourist industry. They range from airlines, hotels, travel agents, tours & travel companies and of late security firms. Tourism has therefore become a key part of domestic and global economy. The industry offers jobs, earns foreign exchange, promotes cultural diffusion, promotes international cooperation and to some certain degree stimulates environmental conservation.

Africa has the potential to become a major tourist destination due to its favorable moderated climate and vast picturesque scenery. Africa's tourism sector is barely exploited, while the continent accounts for 15% of global population, it only gets about 3% of global tourism receipts and just about 5% of overall world's tourist arrivals.⁸ Africa is known as a

⁵ Human Rights Voices, There is no UN Definition of Terrorism, http://www.humanrightsvoices.org/EYEontheUN/un_101/facts/?p=61 Accessed September 1, 2015

⁶ Federal Bureau of Investigation, Definition of Terrorism, <https://www.fbi.gov/about-us/investigate/terrorism/terrorism-definition>. Accessed September 1, 2015

⁷ Carmen, A. "Terrorism: An interdisciplinary perspective" (2nd ed.). Toronto: Nelson Thomson Learning, Inc. (2003), p 4

⁸ The African Development Bank, Africa Tourism Monitor vol. 1 Issue 1 (2013) p. 5

conflict zone having witnessed around 80 armed conflicts in the last five decades. Of late it has been catapulted in the world media scene due to terrorists' attacks that span the whole continent. Nigeria's Boko Haram terrorist group is currently wreaking havoc in Western Africa, al-Qaida in the Islamic Maghreb has been terrorizing the Sahel while al-Shabaab in the neighboring state of Somalia has inflicted heavy casualties in eastern Africa. This study will seek to establish how this campaign of terror has affected tourism, tourism being a key contributor in GDP of a majority of African states, and will use Kenya as a case study.

1.3 Problem Statement

Tourism is widely regarded as one of the largest and fastest growing economic sectors in the world. Since the 1980s, tourism has been one of the leading growth sectors in the global economy according to United Nation World Tourism Organization (UNWTO) statistics, from 1950 to 2010; international tourist arrivals grew from 25 million to 940 million. The sector has seen significant growth in revenue and employment as well as the development of new and fledgling markets. It contributes significantly to national GDPs and is a top employer in the economies of many nations. Tourism is labor intensive service which means it employs a lot of people in developing world where jobs are still limited. It is also a security sensitive activity which means that any hints of threat and danger to tourists can damage it.

Terrorism on the other hand is bent on causing extensive casualties and attracting massive national and international media. Owing to the international nature of tourism, terrorists target tourist sites and tourists who are citizens of states they consider to be their enemies. The huge media coverage given to terrorist attacks on tourist attraction sites not only helps terrorists broadcast their message but also sends signals to potential tourists of the places are safe and which they should and should not visit and spend their money in.

The attacks by Al-Shabaab extremists In Kenya have threatened to wipe out the gains made from tourism which has been a huge contributor to the country's gross domestic product, particularly since the Mall attack in Nairobi which not only attacked foreign citizens but also aimed at destructing a property owned by foreign investors, something which has inflicted fear in foreigners either as investors or tourists.

In the light of that it is therefore necessary to undertake an academic examination of the link between terror attacks and tourism in Africa, and how governments have reacted to it in order to facilitate sound policy shifts to safeguard the interests of the country.

Most of the studies done on this topic have looked at the link between the two concepts in developed nations with focus on massive terror attacks involving multitudes of victims and destruction of property. While this is surely important in understanding the phenomena, smaller terrorist attacks in developing nations of Africa needs equal if not more attention due to their sheer numbers and the vulnerability of African economies from terror attacks. It suffices to state that there is a conspicuous gap in the literature linking terrorism and tourism vis-à-vis local/domestic stake holders in Africa.

This study will therefore fill the identified in developing African nations. The study will no doubt augment existing literature and bring to the fore new insights particularly on the knock on effects of terror on the tourism industry, an important yet often ignored area. The study will also become an entry point for other researchers interested in further analyzing terrorism and tourism and other related dimensions in the future. It will also suggest areas of further research.

This research will therefore be conducted to discuss; the effect of terrorism on tourism in Africa and its mitigation strategies. Thus, the study seeks to answer the following pertinent questions. What is the impact of terrorism on tourism in Africa? What is the effect of terrorism

on tourism stakeholders such as hotel operators, curio and souvenir traders, and shopping mall traders? and has the government taken the right measures in mitigating terror effects on tourism?

1.4 Objectives of the Study

The study will be guided by the following objectives.

1. To establish the impact of terrorism on global tourism
2. To evaluate the knock on effects of terrorism on local stakeholders in the tourism industry.
3. To determine and analyze the mitigation strategies adopted by the government to deal with terror in the tourism industry.

1.5 Literature Review

This section reviews already existing literature on tourism and terrorism. While terrorism is as old as human existence, its effects were greatly felt in the 21st century. The 20th century possibly had more terrorist attacks than the last one and a half decade of this century, yet the magnitude of the strikes has risen to a new dimension, which makes it a serious threat to the human life and economy. Tourism being a service offered directly to people is security sensitive due to its very nature of seeking enjoyment. Terrorism on the other hand is orchestrated with the aim of striking fear and creating a mood of uncertainty so that people are never sure if they are safe wherever they are or not. To this effect, terrorism has an undeniable role to play in tourism.

Literature in this study will be divided into two sections; first, literature on tourism and terrorism in the 21st century, secondly, literature on international terrorism and tourism nexus.

1.5.1 Terrorism and Tourism in the 21st Century

Tourism is one of the world's biggest industries providing economic growth to no small number of countries more importantly in the developing nations.⁹ Indeed, tourism contributes about 5% of global GDP and 6-7% of world's employment and ranks number four behind fuels, chemicals and automotive in world's exports.¹⁰ Moreover, tourism enhances understanding of other cultures and encourages international cooperation. Notwithstanding tourism's monumental benefits, it has a darker sinister side that calls for concerted efforts to effectively address. The speedy development of domestic and international travel has made movement of people faster within short periods of time. The net effect is that tourism's international travel has necessitated development of more efficient fuels leading to a spike in the use of non-renewable fuels, overall tourism in its totality now accounts for 4-10% of global Greenhouse gas emissions.¹¹ It's important however to note that on the other hand; terrorism, outlandish foods, crime and cultural barriers are the key risk factors in tourism.¹²

The high contribution of tourism to GHG emission derives from the fact that recent trends in tourism indicate that tourists are travelling farther away from their country which means that they use air transport, they also stay fewer days in one location which implies that they have more trips using automobiles or air transport which are notorious for contributing vast amounts of greenhouse gases. Tourism also consumes copious amounts of natural resources in addition to having the potential to degenerate the ecosystem, equally concerning it can also lead

⁹ Llorca-Vivero†, Rafael. "Terrorism and international tourism: New evidence." *Defence and Peace Economics* 19, no. 2 (2008): 169-188.

¹⁰ United Nations Environmental Program, *Tourism: Investing in energy and resource efficiency* p. 7

¹¹ Peeters, Paul. "The impact of tourism on climate change." *Policy dialogue on tourism, transport and climate change: Stakeholders meet researchers* (2007): 15-04 p 2

¹² Lepp, A. and Gibson, H, Tourist roles, perceived risk and international tourism. *Annals of Tourism Research*, 30(3): 2003, 606-624

to skyrocketing of cost of living for local community not to mention that it has the potential to vitiate local culture by commercializing it.¹³

Terrorism as we know it presently can be traced as far back as 6AD in modern day Palestine when Jews opposed to Roman rule organized themselves into ‘zealots’ and launched terror attacks.¹⁴ Terrorism entails the use of violence and terror by either an individual or a group through illegitimate structures and process aimed at attaining political ends.¹⁵ Some analysts have added a moral angle to this definition owing to the fact that use of violence on civilians for political ends is deemed morally wrong. Terrorists exhibit attitudes which would indicate that they are always driven by the strong and deep seated belief that their actions are for a just cause. This view becomes a philosophical question with overtones alluding to the Just War Theory of war. Terrorists have particular views about society and regardless of the cause they pursue believe in some three fundamental concepts, (i) society is sick and no amount of half reform can cure it, (ii) the state is inherently violent and thus the only way to counter it is by violence, (ii) the truth of terrorist cause validates whichever action backs it.¹⁶

It suffices at this point to distinguish between two forms of terrorism that are widely recognized. International terrorism involves targeting of two or more countries’ victims, perpetrators, or audience while in domestic terrorism the perpetrators and the victims belong to the same/host country.¹⁷ As such, the two categories of terror attract divergent response with the former requiring foreign affairs intervention while the later demands redistribution of wealth and

¹³ Convention on Biological Diversity, A Good Practice Guide Tourism for Nature & Development <https://www.cbd.int/development/doc/cbd-good-practice-guide-tourism-booklet-web-en.pdf> Accessed September 2, 2015

¹⁴ Schlagheck, D. M. International Terrorism. Lexington MA: Lexington Books (1988)

¹⁵ Henderson, J.C. *Tourism crisis: Causes, consequences & management*, Oxford: Butterworth-Heinemann (2007). p 68

¹⁶ Garrison, Arthur H. "Defining terrorism: Philosophy of the bomb, propaganda by deed and change through fear and violence." *Criminal Justice Studies* 17, no. 3 (2004): 259-279.

¹⁷ Llorca-Vivero†, Rafael. "Terrorism and international tourism: New evidence." *Defence and Peace Economics* 19, no. 2 (2008): 169-188, p. 170

separation/autonomy. The logic of terrorism is to inflict multiple wounds with a single attack. In 2005, terrorists struck at the heart of Egypt's tourism center, Sharm el Sheik, known as 'The city of peace'. It is so referred due to the numerous peace conferences that have taken place there; the bombing of international hotels claimed 64 lives, in so doing the attack hit both the tourism and international politics nerve.

The usage of the words terrorism and terrorist seem to carry a certain degree of political underpinnings. Weaker parties in conflict with more powerful opponent have fewer resources at their disposal and meager chances of a victory. They resort to unconventional means which uses banned weaponry; they target civilian population which is prohibited by the Geneva Convention on the conduct of war. This action raises pertinent question as to whether use of terrorist tactics aimed at attainment of desirable results can truly be justified. People under occupation and colonialism, like a vast majority of African states were several decades ago, use tactics considered terrorist by the occupier or colonialist. There well-known idea that 'one man's terrorist is another man's freedom fighter only adds to dilemma surrounding terrorism.

Terrorists see their activities as the only way to attain political and social objectives. While terrorism is now everywhere, some countries are more prone to attacks than others. Domestic type terrorism usually denotes internal political upheaval, competing factions within a state having failed to achieve their goals peacefully, resort to terrorism. In general, countries in transition, those transitioning from authoritarianism to political freedom are more predisposed to terrorism risk.¹⁸ They are also likely to suffer exceedingly much economically due to terror attacks due to high reliance on specific industries tourism being one of them. On the contrary, economic hardships normally associated with terrorist attacks in developing countries seem to be

¹⁸ Abadie, Alberto. *Poverty, political freedom, and the roots of terrorism*. No. w10859. National Bureau of Economic Research, 2004.

largely missing or insignificant in developed countries. In the long run, terrorism seems to have only negligible effects on overall economic performance of these rich nations.

High poverty levels and unemployment are closely associated with the availability of ready recruits for terror networks in poorer countries. Though richer countries have recorded more terrorist attacks, the economic consequences of terrorism tend to be less pronounced in more democratic societies.¹⁹ The high levels of democracy and incomes in these countries are linked to minimal domestic conflict of which terrorism is a manifestation. Terrorism when it does occur in these states tends to be less punishing because its effects are normally short lived and temporal. It however suffices to note that sustained terror attacks can be economically debilitating for any state, rich or poor. In Spain for instance terrorism has cost the Basque country 10% GDP per capita,²⁰ which by any estimates is quite a significant proportion of national income.

1.5.2 International Terrorism and Tourism Nexus

As noted earlier, terrorism seek to make the greatest impact and inflict the most damage it possibly can with the aim of getting the public to pile pressure on governments culminating in government's change of attitude vis-à-vis terrorist groups. As has been demonstrated, terrorists go as far as targeting citizens of 'hostile' countries as a direct strike on the 'enemy governments'. Americans for instance are deliberately targeted by terror networks wherever they may be since America is considered the enemy. International tourists thus become a prized target by terrorists as they are deemed 'ambassadors of enemy state.'²¹ Equally important to note, terrorism has as its

¹⁹ Tavares, Jose. "The open society assesses its enemies: shocks, disasters and terrorist attacks." *Journal of monetary economics* 51, no. 5 (2004): 1039-1070.

²⁰ Abadie, Alberto, and Javier Gardeazabal. "The economic costs of conflict: A case study of the Basque Country." *American economic review* (2003): 113-132.

²¹ Richter, Linda. "The political uses of tourism: a Philippine case study." *The Journal of Developing Areas* (1980): 237-257.

objective wide coverage by the media, this explains why though there're many easy targets they could strike, they choose areas that will attract the highest media attention. Striking an area with international tourists and foreign citizens guarantees instant and prolonged international media coverage which is in line with the terrorist's strategy.²² The political implications of this are instant, foreign governments issue travel advisories to their citizens against travelling to countries with slightest terrorist activity which inflicts economic and social cultural wounds to these 'blacklisted' countries.

Another key dimension of terror on tourism has to do with perceptions. When terrorist attacks occur, foreign travelers often form a perception about the country. More often than not, the perception is a negative one seeing the country in question as risky and threatening. Attacks on transport infrastructure which tourists use and existence of foreign victims are especially a major turn off. Analysis of perceptions has shown that there is an inverse relationship between international tourism and perceived level of threat by tourists.²³ Since perceptions are about psychology and are not always based on tangible objective facts, they require significant effort to change, something that takes time and effort which have corresponding opportunity costs and lost revenues.

Tourism by its very nature has come to represent consumerism which in extension is seen as the epitome of capitalistic. As such tourism signifies western values and any group with divergent or ant capitalistic ideology sees opposing tourism as opposing the west.²⁴ Striking tourism thus becomes an appealing and effective means in the eyes of terrorists of punishing capitalistic ideology. Moreover, hostile domestic backlash from attacking foreign tourists is

²² Richter, Linda K., and William L. Waugh. "Terrorism and tourism as logical companions." *Tourism Management* 7, no. 4 (1986): 230-238.

²³ Sönmez, Sevil F., and Alan R. Graefe. "Influence of terrorism risk on foreign tourism decisions." *Annals of Tourism Research* 25, no. 1 (1998): 112-144.

²⁴ Aziz H Understanding Attacks on Tourists in Egypt; *Tourism Management* (1995) 16.2, 91-95.

toned down as the local population has little or no connection with foreigners. Attacking domestic tourists would be counterproductive to terrorist as it would most likely arouse strong anti-terrorist sentiments from the citizens, the very population terrorist groups are looking to find new recruits to wage war on 'the enemy'.

1.6 Justification of the Study

1.6.1 Academic Justification

Tourism and terrorism are areas that have received massive attention in media and academia in the last few years. The international nature of the two warrants this attention due to their psychological underpinnings. International tourism has emerged an important aspect of tourism but so has international terrorism. With this in mind, the involvement of multiple governments and non-state actors including terrorist groups and multinationals needs a closer evaluation.

Most of the studies done on this topic have looked at the link between the two concepts in developed nations with focus on massive terror attacks involving multitudes of victims and destruction of property. While this is surely important in understanding the phenomena, smaller terrorist attacks in developing nations of Africa needs equal if not more attention due to their sheer numbers and the vulnerability of African economies from terror attacks. It suffices to state that there is a conspicuous gap in the literature linking terrorism and tourism vis-à-vis local/domestic stake holders in Africa.

This study will therefore fill the identified in developing African nations of Africa. The study will no doubt augment existing literature and bring to the fore new insights particularly on the knock on effects of terror on the tourism industry, an important yet often ignored area. The study will also become an entry point for other researchers interested in further analyzing

terrorism and tourism and other related dimensions in the future. It will also suggest areas of further research.

1.6.2 Policy Justification

Tourism plays a key role in many developing countries of Africa, with the services sector quickly outdoing the commodities market in these countries, the centrality of tourism both from an economic and cultural angle is clear. While this is so, African governments are yet to ensure that the local communities in tourist attraction sites share in the bounty accruing from tourism. It has therefore been the case that expensive tourist facilities are side by side with impoverished households of locals.

In Africa, economically and socially marginalized youths are likely to be lured into radicalism and extremism that breeds terrorism. It therefore behooves African governments to come up with comprehensive policies that not only market their tourist sites as safe and secure destinations to international tourists but also addresses the issue of fair sharing of revenue generated by tourism with the local community. Such monies instead of ending up in corrupt politician's pockets and wasteful government expenditure could best be utilized by developing infrastructure and entrepreneurial training of youths which encourages entrepreneurship that addresses unemployment.

This study will thus be useful to policy makers in governments in designing policies in the tourism sector that mitigate losses from terrorist attacks on tourist attraction sites and resulting harm to local stakeholders. It will also be useful private players in the tourism industry as it will offer in-depth insights into the link between terrorism and the various kinds of tourism. International organizations and Non-Governmental Organizations involved in championing local

community rights and sustainable models of tourism will also use the study to draft their plans of action.

1.7 Theoretical Framework

1.7.1 Instrumental Theory of Terrorism

The theory presupposes that terrorism comprises acts resulting from premeditated decisions of political actors (terrorists). The terrorist organization is conceived as acting to attain political ends. The various acts of terrorism are seen as rejoinders to external stimuli. Examples of external stimuli include governments which terrorists aim to hurt. According to this theory, violence from terrorism is nothing more than deliberate acts of a terrorist group, as such, acts of violence by terror groups are not an end in themselves. This notion buttresses the theory's view that terrorists are not mentally ill people who are hell bent on using violence for the sake of it; on the contrary, terrorism is a means to realize political ends.

Governments and other actors domestically and internationally are viewed by terrorists as contenders who take actions in a strategic manner, terrorist groups therefore set out to change these actors' policies, activities and decisions with the use of force. This theory defines terrorism as deliberate action targeted at changing government's policies; it's not archetypal warfare where parties at war attempt to defeat one another militarily. The decision making mechanism of terrorist organizations bases its logic on cost benefit analysis, they evaluate the cost and benefits of their actions. Success of terrorism according to this theory is the attainment of political objectives of the group in question.

While proponents of the theory including Crenshaw acknowledge that it's rarely the case that terrorist organization attains all its ends due to the fact that their opponent, the state is more powerful and has multiple ways of dealing with the terror organization, the survival of the

terrorist organization is success in itself. As such, terrorist groups are able to survive destruction by the more powerful and stronger state through use of tactics like attracting widespread recognition and publicity. This supports the theory's argument since terrorists have been able to cause political change irrespective of their failure to achieve the definitive political goal.

The theory captures fragmentation of terrorist groups into factions as a survival mechanism through which it survives absent attaining its decisive end. Factions like those observed in groups like IRA, PLO, and Al-Qaida are a consequence of disagreements between the group's members on political ends, differences in ideology or even the success or lack of it in achieving the end goal. The main proponents of Instrumental Theory of Terrorism include Crenshaw Martha Hermann, and David E. Long.

The Instrumental Theory of Terrorism is thus suitable for this study as it explains the publicity motive behind terrorist's targeting of tourists more so international tourists. It also explains why terrorists attack the economic nerve of a government whether by attacking the tourism industry which contributes significantly to the GDP or other economic interests. If terrorists can cause the government to hurt economically, it's a sure way of forcing the government to change its policy towards objectives of the organization.

1.8 Hypotheses

The following hypotheses will be used in the study

1. Terrorism negatively affects global tourism industry.
2. The knock-on effects from international terrorism in the tourism industry are detrimental to local stakeholders.
3. Kenya lacks effective mitigation strategies to deal with terrorism in the tourism industry.

1.9 Methodology

The study is descriptive in nature. Descriptive research is expedient when the object of study is to offer a precise illustration of dynamics relevant to research question.²⁵ Descriptive studies seek to describe social undercurrents by painting a well detailed and accurate picture of phenomena, it also chronicles causal processes. The crux of descriptive research is careful observation, it's conclusions aims to answer the question “how” (how did an event happen?) and “who” (who's involved?) and leverages on diverse techniques of data gathering. Descriptive research is especially politic in informing policy and usually instigates with a well-defined theme and continues to analyze and define it accurately culminating in a thorough and exact picture of the problem.

The study's methodology has employed qualitative and qualitative methods. Qualitative interviews and structured questionnaires have been used. Qualitative interview involves extensive dialogues between researcher and respondents; the researcher directs the conversation to stimulate details by use of follow up queries on answers given.²⁶ Questionnaires on the other hand are useful in capturing data that is quantitative in nature.

1.10 Scope and Limitations

The study has largely looked at African countries with special emphasis on Kenya. The country has witnessed a number of terror attacks due to its geopolitical role in the war on terror. Inevitably the study will also draw from other regions of the world due to the ubiquity of terror. Owing to time and financial limits, the study will mainly rely on data readily available in Kenya.

²⁵ Neuman Lawrence, Basics of Social Research, (2007) p. 15

²⁶ Rubin, H.J and Ru in, I.S, Qualitative Interviewing –The Art of Hearing Data. 2. Edition, Sage Publications (2005), p. 4

1.11 Chapter Outline

Chapter One: The chapter introduced the study broadly covering the background, literature review and theoretical framework of the study. The chapter also scrutinized the pertinent operational concepts key to the study in addition to providing a succinct background that locates the study in international studies. This chapter also provides a general overview of how successive chapters are organized.

Chapter Two: Overview of the Impact of Terrorism on Global Tourism

This chapter has focused on the diverse effects terrorism has on tourism in the world. It has looked at the various regions globally which have come under sustained attacks of terrorism on tourist sites in the last fifteen years. The chapter has also analyzed the changing nature of such attacks and the overarching patterns based on ideologies and strategy of terror networks. It will evaluate how governments have fared in addressing the problem and the various gaps that still remains.

Chapter Three: Knock on Effects of Terror on Domestic Stakeholders in Tourism Industry.

This chapter has focused on possible inferences for domestic activities that benefit from tourism industry directly or indirectly. Such activities include curio and souvenir trade, shopping malls, hotel industry, farmers, tour operators, among others. The chapter also sought to establish if those involved in the business have consequently adopted strategies that mitigate the risk to their business due to terror. And as key stakeholders in the industry, the study has scrutinized their perspectives on how the problem can be solved.

Chapter Four: Kenyan Government Mitigation Policies

The chapter analyzed policies undertaken by the government on how to curb the problem and whether those measures have been effective. It analyzed both the counter terror strategies adapted by the government to mitigate the terror threats and also the strategies to revive the ailing tourism industry through the ministry of East African Affairs and Tourism.

Chapter Five: Summary, Conclusions, Recommendation and Further Research

The fifth chapter dealt with the summary, recommendations, conclusions and areas of further research.

CHAPTER TWO: OVERVIEW OF THE IMPACT OF TERRORISM ON GLOBAL TOURISM

2.1 Introduction

International terrorism and tourism appear to have nothing in common at a glance; a closer evaluation however reveals that the two activities do have some commonalities. To begin with, the two involve crossing of different national borders of different countries, secondly they involve citizens of different states in addition to utilizing communications and travel technologies.²⁷ While the end result of terrorism is death and destruction, in different countries tourism industry is affected differently by acts of terror depending on level of development, political stability inter alia. This chapter will thus evaluate the effect of terrorism on the tourism industry globally, by sampling from different regions of the globe to present a more comprehensive picture. Tourism is one of the largest sectors in the world; it is also one of the first to take a hit when terrorist attacks happen. Terrorism data has become more important to the tourism and travel industry since the attacks on September 11, 2001.

Globally, tourism is a \$6.9 trillion industry that accounts for over 265 million jobs; United States travelers alone spend billions of dollars a year (World Travel & Tourism Council [WTTC], 2014a). According to the U.S. Department of Commerce's Office of Travel and Tourism Industries, over 29 million Americans traveled abroad in 2013. When planning these trips, safety has become one of the first factors to consider. After the terrorist attacks on September 11, 2001 the global tourism industry suffered significantly because customers were afraid to fly. The World Travel and Tourism Council (WTTC) calculated that over 10 million travel industry jobs were lost globally, and also suggested that the terrorist attacks on September

²⁷ Schlagheck, D. M. International Terrorism. Lexington MA: Lexington Books (1988) 5-16

11, 2001, decreased global travel and tourism by 7.4% of global travel and tourism demand (Lennon & O' Leary, 2005). Terrorism negatively affects tourism, and the purpose of this study is to examine the extent of that relationship, specifically of U.S. citizens abroad in the countries of Brazil, Egypt, India, Russia, and the United Kingdom. Studying the history and the recent economic trends helps to understand these countries current conditions.

While tourism contributes significantly in the overall development of many countries, it's unlike other sectors. It's sensitive and fragile in nature as it heavily depends on the prevailing political environment.²⁸ Random terror attacks on tourist attractions are one of the most effective strategies that terrorists use to gain international press coverage and to create a mood of uncertainty. These kinds of attacks taint the picture of such destinations reducing the number of tourist flows and this continues until memories of the horrific attacks fade from mind. Terrorists deliberately target to strike where there are foreign nationals because media attention is guaranteed, it also neutralizes the government's ability to gag news content.

Tourist kidnapping attracts a barrage of news coverage, the media highlights this kind of news as it also improve their ratings and circulation. Terrorists find tourist attraction sites and facilities attractive because they can satisfy their own desires. Hordes of foreign speaking visitors offer effective camouflage to terrorists as they can easily carry out transactions like foreign currency exchange without raising any suspicion.²⁹ While some tourists choose adventure and are not daunted by news of terrorist attacks, the number of those tourists who seek to have a safe trip far outweighs those who seek riskier adventure.

²⁸ Maditinos, Zissis, and Christos Vassiliadis. "Crises and disasters in tourism industry: happen locally, affect globally." In *Management of International Business and Economics Systems, MIBES Conference*, (2008) pp. 67-76.

²⁹ Richter, L. K., and W. L. Waugh, Jr. 1983 Tourism Politics and Political Science: A Case of Not So Benign Neglect. *Annals of Tourism Research* 10:313-315.

2.2 Effect of Terrorism on Tourist Behavior

Tourist's perceptions of risk play an important role in their decision to visit certain destinations over others. Generally terrorism is viewed as presenting a risk not only to the destination country but also to the tourist. There are several types of risks that tourists are faced with, they are: financial, travel, functional, situational, psychological and social risks.³⁰ The most prevalent risks related to travel are health, terrorism, and natural disasters³¹ Studies looking at the effects of terrorism on tourism have found a direct link between the two. It has been found that terrorism negatively affect tourism in different parts of the world. Terrorism affects tourist activities and behavior more so international tourism, the biggest effect resulting from this nexus occurs in the economic aspect. The indication is that terrorism affects foreign exchange flows of a country especially for those countries whose tourism is a top export.

In making decisions as to whether to visit a place or not, safety becomes a key factor for tourists.³² In the planning of visiting a destination considered risky, tourists experience fear of harmful consequences which easily leads them to annul their travel plans or alter their destination. Tourist base their travel plans on internal and external factors. Internal factors include preceding travel experience which can erode or boost a tourist's confidence about visiting the destination.³³ Risk perception levels, amount of information available to the tourist and availability of alternative destinations play a central role in tourist's decision to visit a place or not.³⁴

³⁰ Baker, David Mc A. "The Effects of Terrorism on the Travel and Tourism Industry." *International Journal of Religious Tourism and Pilgrimage* 2, no. 1 (2014): 9.

³¹ Hall, M. Travel Safety, terrorism and the media the significance circle of the issue attention cycle. *Current Issues in Tourism*, 5(5), (2002), pp 458-466.

³² Sonmez, S.F. 'Tourism, terrorism, and political instability', *Annals of Tourism Research*, Vol. 25, (1998) pp.416-456.

³³ ibid

³⁴ Mukesh Ranga, & Priyanka Pradhan Terrorism terrorizes tourism: Indian Tourism effacing myths?. *International Journal of Safety and Security in Tourism*. Issue 5, (2014). pp. 26-39

Terrorism has the potential to create anxiety about particular destinations. The role of attitude towards a particular destination cannot be emphasized enough; an individual who harbors a negative attitude about a destination because of terrorism activities is least likely to visit that destination owing to safety concerns. External factors also play a key role in shaping tourists decision. Press coverage on terrorist attacks and issuance of travel advisories by governments will indeed negatively affect tourist's decision to travel. On the other hand, special offers made to tourists to encourage them to visit a destination after terrorist attacks has been found to play a key role in their travel plans.³⁵

Terrorism is considered to affect individual's decision making process about travelling; tourists for instance are least likely to visit a destination in the midst of a terrorist attack. Moreover, terrorism alters the behavior of tourists whenever they visit 'risky destinations, visitors may do away with conspicuous consumption, keep a low profile and dress so as not to stand out. This is especially for people who cannot avoid such destinations because their visit is work related.³⁶ Another response to terror risks in one destination could mean avoiding that destination altogether and instead picking a different destination. This view is rather plain to see as tourists are considered to be rational people who weigh benefits and costs, a riskier destination is likely to attract higher costs than a safer one.³⁷

2.3 The Role of Media on Terror/ Tourism nexus.

The press is often associated with a dual role when it comes to many areas of modern life. In tourism, it can either aggravate the threat posed by terrorism and other forms of political

³⁵ SWARBROOKE, JY HORNER. "S (1999): Consumer behavior in tourism." 6-13

³⁶ Hartz, C. Business Executives as International Terrorist Targets. *In* International Terrorism: The Decade Ahead, J. R. Buckwalter, ed. Chicago: The University of Illinois at Chicago. Office of International Criminal Justice, 1989 , pp. 21-28

³⁷ Mansfeld, Y 'The Middle East Conflict and Tourism to Israel, 1967-90', Middle Eastern Studies, Vol. 30, No. 3, (1994) pp.646-667.

instability or lessen anxiety and negative attitudes towards a country, region or even province. Indeed, it is the common belief among a majority of tourism analysts that media plays a key role in as far as shaping perceptions of threat to tourism arising from terrorism are concerned. The mass media can play a vital role in easing fears of potential tourists; the press can create images of political tranquility and safety in particular destinations and regions.³⁸ Equally, the media can portray a negative image associated with a certain tourism destination by focusing too much on recent terror attacks which may amplify the real threat.

The media by overemphasizing terrorist attacks play into the hands of terrorists who gain free and widespread international attention which is one of terrorists' key goals in attacking foreign tourists. As alluded to, terrorists value the press for getting their messages across to a large audience, something they would struggle to get absent terror attacks. On the other hand, the media becomes the only credible source of news to the wider public more so during times of crisis.³⁹ As such media coverage offers instantaneous access to an international audience for the terrorists, it also becomes a key source of information for governments in their decisions to issue travel advisories.

The tourism industry in particular finds itself in a dilemma because while it needs copious press attention to ensure that its terrorism issues make it to the top of government's agenda, it risks slowing down the number of tourist arrivals in the long term as it makes them associate the destination with insecurity and terrorism. Ideally, one would be predisposed to think that the prevalent nature of mass media coverage of terrorism would immediately discourage tourism in an affected area. The reality however is that tourists' reaction and response to

³⁸ Hall, C. Michael, and Vanessa O'Sullivan. "Tourism, political stability and violence." *Tourism, crime and international security issues* (1996): 105-121.

³⁹ O'Connor, Noëlle, Mary Rose Stafford, and Gerry Gallagher. "The impact of global terrorism on Ireland's tourism industry: An industry perspective." *Tourism and Hospitality Research* 8, no. 4 (2008): 351-363.

a terrorist attack normally takes some time before it is visible. For example: tourist decline in Spain due to terrorist attacks was in excess of 140,000 but this decline was only after 3 months since the terrorist incident.⁴⁰ Among 12 European countries studied with emphasis on Austria, Greece and Italy the observed decline in the number of tourists following a terror attack and consequent heightened international media coverage occurred after 6-9 months.⁴¹

Possible reasons for the delay in cancellation of planned trips by tourists to a destination which experience a terrorist attack could be that a majority of people do not expect another terror attack to occur in the same place immediately. Alternatively, international tourism being an expensive affair with hotel bookings and payments made well in advance, as such many people would rather continue with a planned trip either because they are not willing to cancel them or they are unable to. As observed the media is critically important in creating an image of a tourist destination, an image according to Crompton entails ideas, beliefs, perceptions and impressions that individuals harbor in relation to an event, object or behavior.⁴²

Images are formed either organically (internal formation based on tangible experiences and or visitation) and induced (external formation based on acquired and processed info from news coverage, advertisements, advise from acquaintances and publicity).⁴³ Thus media coverage about a terrorist attack in a certain place has a powerful effect in the formation of images in the minds of tourists. It can precipitate formation of negative attitude towards a destination by associating it with violence associated with terrorism more so against foreigners

⁴⁰ Enders, W., and T. Sandler Causality between Transnational Terrorism and Tourism: The Case of Spain. *Terrorism* (1991) 14:49-58.

⁴¹ Enders, W., T. Sandler and G. F. Parise An Econometric Analysis of the Impact of Terrorism on Tourism. *Kyklos* Englander, D. W. (1992) 45: 531-554.

⁴² Crompton, J. L. An Assessment of the Image of Mexico as a Vacation Destination and the Influence of Geographical Location Upon that Image. *Journal of Travel Research* (1979) 17:18-23.

⁴³ Gartner, W. C. Image Formation Process. *In* Recent Advances in Tourism Marketing Research, D. R. Fesenmaier, J. T. O'Leary and M. Uysal, eds., New York: The Haworth Press. (1993) pp. 191-215.

and thus reduce the number of international tourists visiting a particular destination. Equally, the media through advertisements can alter the negative image of a locality previously plagued by terrorism by portraying it a safe destination and thus increasing the number of international visitors.

It thus behooves marketers in the tourism sector to comprehend perceptions and attitudes in order to develop effective promotional strategies that adequately address tourists concerns and replace the negative perceptions with positive ones. As Sonmez notes, countries that are negatively perceived owing to a past history of violence more often than not improve their tarnished image by sustained advertising campaigns aimed at depicting them as safe destinations.⁴⁴

2.4 Effect of Terrorism and Political Turmoil on Tourism Sector of Neighboring States

Terrorism affects not only the tourist industry of the country directly affected but neighboring countries and regions as well. Since overwhelming evidence suggests that terrorism and political turmoil does negatively affect tourism in target countries, it behooves one to remember that tourists have alternatives. The notion that tourists are rational individuals who would rather avoid costs than incur them plays an important role here. When tourists perceive a destination as risky and thus costly, they substitute it for another destination deemed more stable and thus less costly.⁴⁵ Two effects emerge in relation to political instability in a region, the generalization effect and spillover effect.

The ‘generalization effect’ occurs where political instability or terror attacks in one country creates the perception among potential tourists that the entire region is unsafe.

⁴⁴ Sönmez, Sevil F., Yiorgos Apostolopoulos, and Peter Tarlow.. Tourism in crisis: Managing the effects of terrorism. *Journal of Travel Research* (1999) 38:13-18.

⁴⁵ Gu, Z., and T. L. Martin Terrorism, Seasonality, and International Air Tourist Arrivals in Central Florida: An Empirical Analysis. *Journal of Travel and Tourism Marketing* (1992) 1:3– 15.

During the Gulf war of 1990s, the region recorded a decline in the number of tourists; as a matter of fact it affected even Indonesia which is quite a far off from the Gulf. A similar thing was observed in Europe, terrorist attacks in Spain's Basque region led to a decline in the number of tourists arriving in other European countries of Germany and Britain. The number of American citizens visiting Europe in 1985 hit 6 million and more than this number were expected to visit in 1986, however due to terrorism activities over half of them (54%) cancelled their trip.⁴⁶

The 'Spillover effect' this occurs when tourists shun a country with terrorism/political turmoil for a more peaceful neighboring country. Unlike the generalization effect where a whole region is avoided, the region in this case is still visited but not the specific country. According to Mansfeld, there was a marked reduction in the number of tourists visiting the more volatile states of the Middle East which experienced frequent terror attacks or what he calls the 'inner ring' including Syria, Egypt, Lebanon, Egypt and Jordan and an increase in the number of tourists to more quieter 'outer ring' which includes countries like Turkey, Greece and Cyprus.⁴⁷ The explanation is that the increase in the number of visitors to the 'outer ring' was caused by the decrease in the number visiting 'inner ring', the 'outer ring' gained from the losses of the 'inner ring'. In addition, he also noted that countries that take part in conflict also tend to receive few tourists.

From this it's possible to see the relationship and effect of terrorist activity on one country within a region vis-à-vis its neighbors. On the other hand, the 'generalization effect' is where tourists choose to ignore a region affected by political turmoil completely as opposed to 'spillover effect' where a country neighboring a country in political turmoil benefits by receiving

⁴⁶ D'Amore, L. J., and T. E. Anuzua International Terrorism: Implications and Challenge for Global Tourism. *Business Quarterly* (November): 1986 20-29.

⁴⁷ Mansfeld, Y. The Tourism Industry in the Partitioned Island of Cyprus. *In* *Tourism, Crime and International Security Issues*, A. Pizam and Y. Mansfeld, eds., (1996) pp. 187-202. New York: Wiley.

tourists who had initially planned to visit the affected country. The substitution effect thus explains why some countries within a region are more preferred than others while generalization effect may explain why some regions are presumed more risky than others.

It thus emerges that terrorist attacks in one country can have either beneficial or detrimental effects to a neighboring country. As such other things like Foreign Direct Investment flows can also be affected by the level of terrorism activity in a neighboring country. It would suffice to argue that the ‘spillover effect’ would lead to a movement of FDI in tourism sector from a country with frequent terror attacks over long term to a neighboring country with no terrorist attacks while the ‘generalization effect’ would see a safe country neighboring a country with frequent terror attacks lose out in FDI as tourists avoid the entire region.

2.5 Effect of Terrorism on Foreign Direct Investment in Tourism Sector

Tourism as an industry is highly differentiated consisting of vast numbers of small and medium sized enterprises (SMES) and behemoth multinationals which cater for domestic and international tourists.⁴⁸ It’s an industry that depends on other sectors of the economy including food and beverage, transport, tours, attractions, souvenirs and accommodation.⁴⁹ Foreign direct investment (FDI) is a key component of Gross Domestic Product (GDP) of virtually all nations. FDI has been a key contributor to the global economy, it is a key determinant of economic development in the receiving countries and nations compete to attract it both developed and developing.

Owing to the demand for foreign direct investment in the global economy, investors have a wide variety of choice as to where they will put their capital. As such, investors evaluate countries in order to determine which will offer desired returns. Several factors are important in

⁴⁸ Bergin Anthony, Khosa Rupal, ‘Terrorism and the Australian Tourism Industry’ p 62-79

⁴⁹ *ibid*

this analysis, economic development and political environment of host country are two of the most important considerations. Multinationals are happy to invest in countries with a good economic performance as it indicates the population has money to spend on their products and services in other words, there is a ready market. Terrorism is a form of political violence which is inversely related to FDI, terrorism makes a country unattractive to foreign investors.⁵⁰

Why is terrorism not good for foreign direct investment? As has emerged thus far, terrorist attack foreigners and their interests. In the tourism industry, the foreigners own hotel chains, tour companies, and other facilities in tourist attraction sites. By targeting these, terrorists can inflict wounds on the government and foreigners whom they consider as an enemy espousing consumerism. Another reason why terrorism would negatively affect tourism and FDI is that the attacks also target tourism infrastructure which is what attracted foreign investments in the first place. With the infrastructure gone, investors have no desire to continue incurring additional costs in the country while a neighboring country may offer better infrastructure. This has the additional effect of discouraging potential investors from bringing their capital to a country affected by terrorism in the short and longer term which leads to lost revenues.

Large scale terror attacks like 9/11; the Madrid and London bombings have been linked with negative and anomalous returns.⁵¹ Even when terror attacks occur in a different region of the globe, globalization means that the effects will be felt in other parts more so in major financial centers of the world. A terrorist attack outside the US can affect the prices of stocks on Wall Street because investors exhibit higher aversion to risk which leads them to increase the rate of discounting cash flows in the future and directly influences cash flows in the future

⁵⁰ Alfaro, Laura, Sebnem Kalemli-Ozcan, And Vadym Volosovych. Why Doesn't Capital Flow from Rich to Poor Countries? An Empirical Investigation. *The Review of Economics and Statistics* 90(2): (2008) 347–368

⁵¹ Drakos, K. Terrorism-induced structural shifts in financial risk: Airline stocks in the aftermath of the September 11th terror attacks. *European Journal of Political Economy* 20, (2004). pp. 435–446

through an increase in anticipated costs or decrease in projected revenue.⁵² Similarly, stocks are observed to perform better during periods of relative calm than in the midst of political turmoil and terrorism. Spanish firms with whose operations are in the Basque country performed better than their counterparts during periods of truce and underperformed with the expiry of the truce.⁵³

It's important to note that all foreign investors in the tourism industry are not uniformly affected by terrorist attacks. Generally, Smaller and medium sized companies are adversely affected more than larger multinationals. The reason is simple, while multinationals have a huge pool of available capital and other resources, SMEs don't, SMEs also tend to be operating in a single country and single location and as such attacks in these areas leave them with no alternative source of revenue. MNCs on the other hand operate in different countries, which mean that they are able to spread risk, if one country is attacked, they can direct their customers to a different country where they also have operations.

Reduction of foreign SMEs investment is thus more detrimental owing to the fact that they depend largely on local labor unlike MNCs who have a global human resources pool and can operate effectively even without domestic labor force. SMEs are also likely to look to governments for assistance and compensation after terror attacks which further drains from an already economically weakened government due to loss of tourism revenue.

2.6 Tourism and Terrorist Attacks in the United States

Tourism plays a key role in the economy of the United States employing thousands of people. The industry is also responsible for contributing significantly to the GDP of the US making it one of the most important sectors. In 2014, tourism economic output in the US was

⁵² Bos, Jaap Wilhelm Bernard, Michael Frömmel, and Martien Lamers. *FDI, Terrorism and the Availability Heuristic for US Investors before and after 9/11*. Maastricht University School of Business and Economics, Graduate School of Business and Economics (GSBE), 2013.

⁵³ Abadie, A. and J. Gardeazabal The economic costs of conflict: A case study of the Basque country. *The American Economic Review* 93(1) (2003). , pp. 113–132.

\$2.1 trillion with \$927.9 billion spent by domestic and international tourists.⁵⁴ The industry contributed \$141.5 billion in taxes to the local, state and federal government and employed 15 million people in the same year.⁵⁵ Moreover, in 2013 in excess of 29 million American citizens traveled abroad and one of the key things that tourists bear in mind while planning for trips is security. Being the major power in the world, America is vulnerable to terrorist attacks due to its ubiquity globally. It has come under several attacks but possibly the most well-known due to its magnitude and scale is the one that took place on September 11, 2001(9/11).

After the attacks, global tourism was affected negatively as people became increasingly afraid of flying. In the aftermath of 9/11, the World Travel and Tourism Council estimated that more than 10 million jobs in the global tourism and travel industry were lost and international travel and tourism demand decreased by around 7.4%.⁵⁶ Since 9/11 it's become apparent that terrorists have turned commerce and leisure activities as terrorist weapons. It's therefore not inconceivable that terrorists would attack a cruise with hundreds if not thousands of tourist as it would cause great human and material losses.⁵⁷ To magnify the perceived threat and appear bigger in the minds of the public, terrorists pick their targeted sites carefully to create the impression that the attacks are random which amplifies the feeling of threat, uncertainty and danger among the population.⁵⁸

People are generally known to respond overwhelmingly to unlikely dangerous events than they are to daily threats, this gives terrorists the; power to achieve much with very limited

⁵⁴ US Travel Association <https://www.ustravel.org/marketing/national-travel-and-tourism-week/talking-points-and-facts> Accessed September 12, 2015

⁵⁵ *ibid*

⁵⁶ Lennon, R., & O'Leary, B. (2005). A Comparison of the Effect of International Terror Attacks on German and American Consumers' Perceptions and Future Travel Plans. *Journal Of Accounting & Finance Research*, 13(2), 181-191.

⁵⁷ Greenberg, M., Chalk, P., Willis, H., Khilko, I., & Ortiz, D. (2006). *RAND Corporation: Maritime terrorism – risk & liability*. <http://www.rand.org/pubs/monographs/MG520> Accessed September 2, 2015

⁵⁸ Enders, Walter, and Todd Sandler. "Terrorism and foreign direct investment in Spain and Greece." *Kyklos* 49, no. 3 (1996): 331-352.

resources. Indeed, people tend to harbor irrational fear where terrorism is concerned since the chances of getting killed by a terrorist attack are quite minimal.⁵⁹

The 9/11 attacks in New York did not only bring to the fore the threat of terrorism to the fore but had also demonstrated the profound effect it has on tourism. It was the most overwhelming terrorist attack in the history of America and had lasting impressions and influence in the US tourism industry, lifestyle of US citizens, national security the economy.⁶⁰ Accordingly, the tourism industry in the US affected around 453,000 jobs⁶¹, this is because people avoided air travel which they associated with the disaster. Airlines saw dramatic reduction in passage load and hotels witnessed a decline in occupancy rates.

There was even concern by the travel industry that following the stricter visa regulations introduced after 9/11, America was becoming a less attractive destination to international tourists.⁶² The effects of the terrorist attack were not only felt in America but globally. There was reduced global demand for air travel in 2001 and 2002 in addition to a global economic recession.⁶³

2.7 9/11 Effects on Australia's Tourism

The fall out of 9/11 was felt globally as a clear example, Australia's tourism industry experienced dramatic changes following the terrorist attacks. Australia has one of the most vibrant tourism industry, globally, the country ranked number 13th in 2007 as ranked by the World Economic Forum Travel and Tourism Competitiveness Report. Moreover, tourism earned

⁵⁹ Gilham, R., *Tourism and the Media*; Hospitality Press Pty Ltd, Australia, (2001) p 146-162

⁶⁰ Chen, Rachel JC, and Joseph S. Chen. "Terrorism effects on travel arrangements and tourism practices." *International journal of hospitality & tourism administration* 4, no. 3 (2004): 49-63, p 50

⁶¹ Walsh, M. W. "Many once thriving cities are suddenly hurting." *New York Times* 41, no. 1 (2001): 34-36.

⁶² Alden, Edward. *The closing of the American border: terrorism, immigration, and security since 9/11*. Harper Collins, 2008.

⁶³ Baker, David Mc A. "The Effects of Terrorism on the Travel and Tourism Industry." *International Journal of Religious Tourism and Pilgrimage* 2, no. 1 (2014): 9.

Australia AU\$19.1 billion in visitor exports and contributed 10% of the country's GDP, it also accounted for 5% of its total investments in 2013.⁶⁴ The country has a thriving domestic tourism which accounts for a third of its tourist revenue. 9/11 led to the collapse of Ansett airlines within days of the Twin Tower attacks.⁶⁵ Consequently around 40% of Australia's national seat capacity was lost which left some destinations with extremely reduced services. The knock on effects were dire, Ansett operated flights from main markets in Japan and New Zealand and was the sole local partner in the Star Alliance which left Australia without a Star Alliance connection.⁶⁶

Analysts associate unstable political situations caused by terrorism with diminishing desire to travel which in effect depresses tourism.⁶⁷ The attitudes of people globally have become pessimistic due to the upsurge of terrorist attacks, most people perceive top tourist destinations and the world in extension to be more dangerous in the aftermath of "War on Terror".⁶⁸ Overall, the desire to travel decreases with the prevalence of such activities as war and terror.⁶⁹

2.8 Terrorism and Tourism in Indonesia

Indonesia is the fourth most populous nation in the world, it has a huge tourism sector that has depended on international tourists. Like other Asia Pacific nations however, the country is faced with challenges in its tourism sector including political turmoil including terrorism and lack of skilled labor.⁷⁰ Indeed, Indonesia is no stranger to the effects of political turmoil and its adverse effects on tourism. Though Indonesia is miles away from the Persian Gulf, it was

⁶⁴ World Travel and Tourism Council (WTTC) Travel and Tourism Economic Impact 2014 Australia

⁶⁵ Atkins, Belinda, Joseph KS Chew, Daniel Gschwind, and Alan Parker. "The impact of terrorism on tourism and hospitality business: An online debate by experts in the field." *Tourism and hospitality research* 4, no. 3 (2003): 262-267, p. 263

⁶⁶ *ibid*

⁶⁷ Chapman, C. R. and Harris, A. W. A skeptical look at September 11th – How can we defeat terrorism by reacting to it more rationally?. *Skeptical Inquirer*, Sept/October, 2002. : 29–34

⁶⁸ Brun, Wibecke, Katharina Wolff, and Svein Larsen. "Tourist worries after terrorist attacks: Report from a field experiment." *Scandinavian Journal of Hospitality and Tourism* 11, no. 3 (2011): 387-394.

⁶⁹ Larsen, S., Brun, W., Øgaard, T. and Selstad, L. 2011. Effects of sudden and dramatic events on travel desire and risk Judgements. *Scandinavian Journal of Hospitality and Tourism*, 11(3): 000–000

⁷⁰ International Labor Organization, Implications of the Global Economic Crisis for Tourism Employment, p. 3

directly affected by the Gulf War of the early 1990s despite ‘Visit Indonesia Year’ which was Association of Southern East Asia’s Nations (ASEAN) tourist campaign designed to draw tourists in the wider Asia and region.⁷¹

This highlights not only the interconnectedness of the globe but also the sensitive relationship between tourism and security. It also confirms earlier works by Enders et al., which linked international terrorism to a reduction in the number of tourists not only to a country affected by terrorist attacks, but also to neighboring countries.⁷² The country did recover as a tourist hub with the end of the war and experienced good years of international tourism up to 1998 when President Suharto fell. The Island of Bali in Indonesia had a booming tourism industry prior to October 12, 2002 when three coordinated bombings happened in a Sari nightclub, a paddy bar and American Consulate located in Denpasar.

⁷¹ Hitchcock, Michael, Victor T. King, and Mike Parnwell, eds. *Tourism in south-east Asia*. London: Routledge, 1993 92-97

⁷² Enders, Walter, Todd Sandler, and Gerald F. Parise. "An econometric analysis of the impact of terrorism on tourism." *Kyklos* 45, no. 4 (1992): 531-554.

Table 2.1: Nationalities of the Victims 2002 Bombings

Country	Number of victims
Australia	88
Indonesia	35
UK	23
USA	7
Germany	6
Sweden	5
Switzerland	3
The Netherlands	4
France	4
Denmark	3
New Zealand	2
Brazil	2
Canada	2
South Africa	2
Japan	2
Korea	2
Italy	1
Portugal	1
Poland	1
Greece	1
Ecuador	1
Taiwan	1
Total	196
Plus 3 unidentified victims and 2 bombers	201
Source: Planning Bureau of Badung Regency, 2003.	

By then, Bali was a popular tourist destination which entertained many foreign visitors and as such was an ideal target for terrorist attacks as it guaranteed vast international press coverage.⁷³ Three attacks were particularly deadly leading to a loss of 201 lives, most of who were foreigners. The bombings had conspicuous effects on the country tourism sector. There was

⁷³ Putra, I. Nyoman Darma, and Michael Hitchcock. "Terrorism and tourism in Bali and Southeast Asia." *Tourism in Southeast Asia: Challenges and New Directions* 83 (2009).

a 60% reduction in the number of foreign tourists visiting Bali while nationally; the country experienced a foreign tourist slump of 21%.⁷⁴

As a response to the bomb attacks, the Austrian government, which suffered the highest number of casualties, issued a travel advisory for Indonesia which led to a decline of visitors and massive exodus of tourists out of the island. Coupled with massive media attention, visitors from other regions were also discouraged to travel to Bali. The Christmas season used to be the busiest for Bali, but following the 2005 attacks, the image of the island began to deteriorate and this negatively affected arrivals which culminated in a reduction of 40% in hotel bookings in and occupancy dropped by 30% in 2006.⁷⁵

The travel industry was also affected as a consequence with Bali based carrier Air Paradise International laying-off 350 of its staff due to plummeting demand. Another carrier Garuda Indonesia experienced a reduction of flight frequency, its weekly trips within and without Indonesia dropped from 32 to 25, in one week, the frequency of its Bali-Japan flight moved from 22 to just 16 within a week. After the 2005 bombing tourists from Japan and Australia, Bali saw a 50% decline in visitors from these two countries. Later on October 2005, another bomb rocked Bali and claimed 20 lives of whom most were Indonesians.

2.9 Terrorism and Tourism in Pakistan

Pakistan has some of the most attractive sites in the world, it boasts of the second largest juniper forest which is situated in Ziarat and is home to the Himalayan peak of Nanga Parbat, the ninth tallest mountain in the world.⁷⁶ The country is also known to be one of the safe havens for

⁷⁴ Atkins, Belinda, Joseph KS Chew, Daniel Gschwind, and Alan Parker. "The impact of terrorism on tourism and hospitality business: An online debate by experts in the field." *Tourism and hospitality research* 4, no. 3 (2003): 262-267, p. 263

⁷⁵ Hitchcock, Michael, Victor T. King, and Mike Parnwell, eds. *Tourism in south-east Asia*. London: Routledge, 1993 97

⁷⁶ Sonya Rehman, *Pakistan: Fighting Terrorism with Tourism, The Diplomat*
<http://thediplomat.com/2013/07/pakistan-fighting-terrorism-with-tourism> Accessed September 16, 2015

multiple terrorist groups which have carried numerous attacks within and outside the country. It is home to the Pakistani Taliban and Baluchistan Liberation Army (BLA). In 2013 nine foreign tourists were killed by in the Himalayan peak including Ukrainians, Chinese and Russian and their Pakistan guide, it was one of the most grisly attacks that tarnished the country's tourism image.⁷⁷

The projections in 2015 were increased growth, this according to some skeptical analysts seems rather unlikely owing to the many terrorist groups who are becoming even more assertive. Pakistan however does present an example how tourism can be used to combat terrorism. Tourism is the only economic mainstay of the Khyber Pakhtunkhwa province and thus is the only tool the government can use to draw youths from joining terrorist groups.

2.10 Terrorism and tourism in Turkey

Turkey makes for an interesting case study for evaluation owing to several factors. To begin with, the country is located at the cross roads of the east and the west, it is a gateway that links Africa, Asia and Europe. It borders the Middle East, Europe. Moreover turkey has over 31 ethnic groups in different regions of the country which though provides diversity, also are a source of political instability.⁷⁸ Turkey stands out as the only country with a majority Muslim population that has a republican parliamentary system democracy. The country is a member of Organization for Economic Co-operation and Development (OECD), North Atlantic Treaty Organization (NATO) and is under consideration for eventual European Union membership. It has also been at the forefront in confronting terrorism having been a target itself.

Owing to the diversity of the country it has not escaped political upheavals in way of terrorist attacks. Turkey has come under sustained terrorist attacks in its cities and rural areas as

⁷⁷ *ibid*

⁷⁸ Abadie, A. 2006. Poverty, political freedom, and the roots of terrorism. *American Economic Review*, 96(2): 50–56

opposed to one time terror attacks as those in America and London. One of the most notorious groups which the US, Turkey and other western powers labelled terrorist is the Kurdish separatist group known as PKK/KONGRA-GEL, the group has been in operation since 1978, it has carried out numerous attacks in urban and rural areas of Southeast Turkey for more than 30 years.⁷⁹ The organization has sought to establish an Islamic state governed by sharia law and will often force business men to close their shops for certain durations of time in the Southeast region leading to loss of revenue. The number of terrorist attacks have however declined in Turkey over the years from the bloody 1980s due to capture of leaders of terrorist groups like Abdullah Ocalan the head of PKK, the implosion of the Soviet Union which diminished support for left wing radical groups in addition to government's efforts to integrate conservative political parties like Fazilet Partisi (FP) as well as Adelet ve Kalkinma Partisi (AKP).⁸⁰

Terrorist groups in Turkey have in the past targeted tourist destinations. According to Enders et al., terrorists target popular tourist attractions to unleash terror at tourism business with the expectation that the public will put pressure on governments to yield to terrorists' demands.⁸¹

A direct and immediate consequence of terrorist attacks is the plummeting of revenue accrued from tourism. With so many destinations to visit globally, tourists avoid visiting areas with prevalent terrorism and choose to visit safer destinations instead. Compared to the 1980s which marked the height of terrorist attacks in Turkey, the period from 1999 to 2005 saw a 248% growth in tourism.⁸²

⁷⁹ Ozsoy, O., and H. Sahin. "Direct and indirect effects of terrorism on the Turkish economy." *International Journal of Business Management and Economics* 2, no. 1 (2006): 59-74.

⁸⁰ Yaya, Mehmet E. "Terrorism and tourism: the case of Turkey." *Defence and Peace Economics* 20, no. 6 (2009): 477-497.

⁸¹ Enders, Walter, and Todd Sandler. "Causality between transnational terrorism and tourism: The case of Spain." *Studies in Conflict & Terrorism* 14, no. 1 (1991): 49-58.

⁸² Ozsoy, O., and H. Sahin. "Direct and indirect effects of terrorism on the Turkish economy." *International Journal of Business Management and Economics* 2, no. 1 (2006): 59-74.

In 2013, the Turkish tourism industry contributed to 2.3% of overall employment in the economy creating 587,000 jobs, the overall contribution of tourism in the GDP was TRY 192 billion or 12.3% of GDP.⁸³ This is a great improvement to 1980s when tourism accounted for less than a percentage point of Turkey's GDP.⁸⁴ With such statistics the impact of terrorism on tourism becomes apparent. To fully appreciate the cost of terrorism on the Turkish economy, analysts have calculated the cost over time. On average, terrorism was responsible for reducing the number of tourists visiting the country by 6 million tourists in a period of 9 years and the economic cost on tourism was \$700 million in 2006.⁸⁵ Similarly, Drakos et al., showed that Turkish tourist market share reduced by up to 5.1% from 1991-2001 as a result of terrorism.⁸⁶

2.11 Terrorism and Tourism in Africa

Africa's experience with terrorism goes beyond 9/11 well into the early 1990s in Sudan. Osama bin Laden, the late Al Qaida founder was then operating in the country where a plot to assassinate Egypt's president Hosni Mubarak was orchestrated.⁸⁷ Three years after the failed assassination, the US embassies in Nairobi and Dar es Salaam would be bombed by Al Qaida killing over 200 people. Terrorist attacks have however not only occurred in Sudan and Eastern Africa, other regions of the continent have not been spared either. From the east to west, north to south, terrorism has left a scar in the face of Africa in the past and in the present.

Africa is home to many developing countries of which tourism is a crucial sector to some of them. Tourism is especially gainful for developing countries as it provides jobs that are labor

⁸³ Rochelle Turner, Trade & Tourism, Economic Impact 2014 Turkey, 'World Travel and Tourism Council' <http://www.wttc.org/-/media/files/reports/economic%20impact%20research/country%20reports/turkey2014.pdf> Accessed September 2, 2015

⁸⁴ ibid

⁸⁵ Ozsoy, O., and H. Sahin. "Direct and indirect effects of terrorism on the Turkish economy." *International Journal of Business Management and Economics* 2, no. 1 (2006): 59-74.

⁸⁶ Drakos, Konstantinos, and Ali M. Kutan. "Regional effects of terrorism on tourism in three Mediterranean countries." *Journal of Conflict Resolution* 47, no. 5 (2003): 621-641.

⁸⁷ Lyman, Princeton N. *The war on terrorism in Africa*. na, 2013.

intensive and low skilled which offer a continuous flow of income in contrast to the volatile commodity market.⁸⁸ It is a major source of income, foreign exchange, employment and cultural influence. Tourism also provides low skill entry jobs and is thus a key strategy to alleviation of poverty.⁸⁹ It is one sector that was developed throughout colonization and after independence and it grew to become a major regional industry.⁹⁰ Africa however seems not to have much progress or gains in the tourism sector vis-à-vis its potential.

Perhaps this can be partly explained by a long history of armed conflict that has plagued the continent for the last 5 to six decades. Between 1960 and 1990s, around 80 armed conflicts were recorded in Africa.⁹¹ To add salt to injury, the continent has once again been in international media headlines for all the wrong reasons of late. Terrorist attacks aimed at tourists and foreigners have been recorded in Kenya, Tunisia, Egypt, Libya and Mali. This has led to travel advisories being issued to these and other African countries which has severely affected tourism. Africa thus has had a not so appealing image in the eyes of the rest of the world

A key challenge facing developing countries is their vulnerability as they happen to be the main localities of violence.⁹² In 2011 alone Africa experienced 978 terrorist attacks which was 11.5% increase from 2010.⁹³ Unless countries have a distinctly unique tourist attraction, the threat of terrorism greatly costs the, for instance, countries who all they have to offer is sunny climate, pristine beaches and warm weather are extremely vulnerable because any terrorist threat

⁸⁸ Levantis, Theodore, and Azmat Gani. Tourism demand and the nuisance of crime. *International Journal of Social Economics* (2000) 27:959-67.

⁸⁹ International Labor Organizaton, Impocatio of the Global Economic Crisis for Tourism Employment

⁹⁰ Anangwe, Alfred. "International terrorism and East African sub-regionalism: developing a sub-regional tourism industry in the face of war." *African Journal of International Affairs* 7, no. 1-2 (2004) 81-97

⁹¹ Adedeji, Adebayo, ed. *Comprehending and Mastering African Conflicts: The Search for sustainable peace and good governance*. Zed Books, 1999.

⁹² Neumayer, Eric. "The impact of political violence on tourism dynamic cross-national estimation." *Journal of Conflict Resolution* 48, no. 2 (2004): 259-281.

⁹³ Author Stream Insecurity, Terrorism and Sustainable Tourism development in Nigeria <http://www.authorstream.com/Presentation/mamurtala-2283410-insecurity-terrorism-sustainable-tourism-development-nigeria/> Accessed September 22, 2015

will see tourists visit other destinations.⁹⁴ It's important to note however that even when a country offers attractions that cannot be easily substituted, attacks targeted at tourists can significantly damage the tourism sector of that country like will be highlighted below in Egypt in the 1990s. Yet despite the serious challenges facing the sector, tourism still plays a key role in the continent. In South Africa for instance, the sector accounts for 9.5% of GDP.⁹⁵

To highlight more on the continent's experience with terrorism, the following are the regions which have been affected most by terrorism in their tourism sectors.

2.11.1 Eastern Africa

Historically Eastern Africa tourism has been the second highest foreign exchange earner in Kenya, Uganda and Tanzania since 1960s.⁹⁶ In Kenya tourism sector contributed 12% to the GDP and offered 10.6% of total employment in 2014.⁹⁷ Kenya being an integral part of war on terror has been instrumental in combating terrorism in the region. It has been diplomatic power house playing a key role in efforts to stabilize its neighbor Somalia. It has also been a strong ally and supporter of the US 'war on terror' campaign and other anti-terrorism efforts before 9/11 making it a target of terrorist organizations. The country experienced a deadly attack in 1998 when the building hosting the US embassy in Nairobi was bombed almost simultaneously with the one Dar es Salam. Since then, other terrorist attacks have occurred which have affected its important tourist industry in no small way.

A number of factors help explain why Kenya has been a victim of past terrorist attacks. The main factors are geography, ethnic composition, political stability, unstable neighbors,

⁹⁴ Neumayer, Eric. "The impact of political violence on tourism dynamic cross-national estimation." *Journal of Conflict Resolution* 48, no. 2 (2004): 259-281.

⁹⁵ Croucamp Piet the Quantification of Risk and Tourism *African Journal of Hospitality, Tourism and Leisure Vol. 3* (2) - (2014) p. 1-6

⁹⁶ Anangwe, Alfred. "International terrorism and East African sub-regionalism: developing a sub-regional tourism industry in the face of war." *African Journal of International Affairs* 7, no. 1-2 (2004) 81-97 91

⁹⁷ The World Travel & Tourism Council (WTTC) Travel & Tourism Economic Impact 2014, Kenya

poverty, Islamic fundamentalism, and poor law enforcement. Kenya's geography and geographic location contribute to making Kenya an attractive terrorist target. Kenya's strategic location makes it a significant gateway from the Middle East and South Asia to East Africa and the Horn of Africa. Because it is a geographic gateway, Kenya has developed a major seaport at Mombasa, international airports in Mombasa and Nairobi, and extensive rail, road, and communications infrastructure throughout the country.

In addition, Kenya is relatively easy to enter and travel within undetected, because of its porous borders shared with its five neighbors, and its long, largely unmonitored coastline. This combination of infrastructure and porous borders makes Kenya an attractive target and an easy conduit for terrorist-related materiel, activities, and transit points. (Hared, 2013) Because of its wildlife and well developed tourism sector, Kenya is also a significant tourist destination for Westerners. The many tourists' resorts, diplomatic missions, and business investments in Kenya present attractive terrorist targets because they are seen as soft targets. Political instability in the neighboring country of Somalia enables expansion of terrorist interest into Somalia and, thus, into Kenya. For example, Somalia's collapse in 1991 tremendously affected Kenya's security. The lack of a stable government in Somalia for the last 24 years has allowed unimpeded movement of terrorists across the common border. Somalia's collapse brought an influx of Somali refugees into Kenya, allowing terrorists to blend in with the refugees, move freely across the border, and easily import terrorism into Kenya. Poverty and widespread unemployment have made Kenyan youths vulnerable to indoctrination and recruitment for terrorist activities.

Kenya experienced two terrorist incidents within a five-year span: the 1998 US Embassy bombing and in 2002, the terrorist attack at an Israeli-owned hotel and the surface-to-air missile attacks on an Israeli airliner taking off from the Mombasa airport. These incidents brought the

problem of transnational terrorism to the attention of the Kenyan government (GoK). The pattern of incidents indicated that the primary terrorist targets were US and Israeli interests. The 2002 terrorist incident in Mombasa, masterminded by Fazul Abdullahi Mohammed (alias Abdul Karim), the East African Al Qaeda cell leader, was actually considered a failure because it did not achieve the high number of casualties the terrorists desired, but there still existed a terrorist threat instigated by Al Qaeda against US interests in Kenya. (Hared, 2013). Kuto finds that terrorism has so affected tourism in Kenya that hotels are on the brink of closing and several employees have been laid off.

Acknowledging the effort put by the government to rehabilitate the industry, Kuto suggests that this would be more effective if a comprehensive crisis management plan were executed (Kuto, 2004). Otiso argues that in fact tourism has impacted on terrorism as well observing that one of the major reasons that Kenya has found itself on the receiving end of terrorist attacks is the vibrant tourism industry. He suggests that tourism has actually made it easier for Al-Qaeda affiliated terrorists to infiltrate the locals who abhor the erosion of their local culture by terrorists (Otiso, 2009). He further argues that terrorism has cost the country the loss of workers and undermined the country's economy especially tourism. It has also forced the government to reinforce security and so led to higher spending on security. This paper will further interrogate in the subsequent chapters, the impact of terrorism in Kenya, in terms of how it has affected tourism related businesses and also examine the policies put in place by the government to mitigate those effects.

2.11.2 Northern Africa

In Northern Africa, Egypt has had to deal with mounting losses in its tourism industry due to terrorist attacks. The country suffered from reduced tourism trade from 1992 to 1997

owing to sustained attacks of international tourists within its borders soil by the Al-Gama'a Al-Islamiya group.⁹⁸ Egypt borders Sudan and Libya, the Red and Mediterranean Seas and has a high population of 78 million. Due to the Sahara desert, it receives low rainfall which has resulted in the settlement of a majority of its population in Cairo and along the Nile River. Its main tourist resorts are located in Sharm el Sheikh, El Goana, Hurghada and Taba along its coast. It thus offers tourists rich marine ecology and sandy beaches. Moreover, its history, the pyramids of Giza, Aswan dam and river Nile cruises makes it a magnet for tourists.

Egypt is a predominantly Muslim country and has a minority group of violent extremist groups who mostly operate in its extensive desert. Al-Gama'a Al-Islamiya is one of these extremist groups its members subscribe to a strict form of Islam and wish to create an Egypt governed by strict interpretation of sharia law. In 1992 armed gunmen killed 100 people in a cruise ship with German tourists, attacks on trains and cruise ship with tourists would continue and climaxed when a bus shelter was hit by terrorist killing 18 people⁹⁹ this particular incidence portrayed clearly the terrorist motive which was to kill as many people as they could. Another serious attack followed in 1997 when 57 tourists from different nationalities were killed while in a temple, the attacks continued though in less intensity into the new century and in 2005 Sharm al Sheikh resort was bombed killing 88 people while 62 more people mostly tourists were killed in Luxor in 1997.¹⁰⁰ The turbulent 1990s for Egyptian's tourism sector which led to a decline in the number of international tourist arrivals in the country would recover after 1997 and into 2000s. Foreign tourist arrivals rose from 2.6 million in 1990 to reach 12.8 million in 2008, this

⁹⁸ Stanford University, Mapping Militant Organizations, Al Jama'a Al- Islamiya <http://web.stanford.edu/group/mappingmilitants/cgi-bin/groups/view/265?highlight=Yemen> Accessed September 22, 2015

⁹⁹ Bennett, M. A. R. K., and H. A. R. R. Y. Bray. "The Impact of terrorism on tourism." *The Ecclesbourne School, Material disponible en www. ecclesbourne. derryshire. sch. uk.*

¹⁰⁰ Parkinson Justin and Heyden Tom, BBC News, How terrorist attack affect tourism <http://www.bbc.com/news/magazine-33310217> Accessed September 22, 2015

reflected an average annual growth of 21.5%, and receipts from international tourism also rose from \$2.95 billion back in 1995 to 12.1 billion by 2008.¹⁰¹ Following ousting of Hosni Mubarak in 2011 through the ‘Arab Spring’, Egypt has witnessed a surge in the number of terrorist attacks targeting the military and foreign nationals.

A looming jihadist threat in the Sinai Peninsula has now proliferated into the Nile Delta. There has been several attacks on foreigners including the latest one where the Egyptian army accidentally attacked and killed a group of tourists from Mexico mistaking them for terrorists.¹⁰² Before the Arab Spring, Egypt’s tourism revenues totaled \$12.5 billion this halved in 2013, in 2010 the country had over 14.7 million tourists which dropped to 9.8 million in 2011, this number increased in 2012 to reach 11.5 but declined to 9.5 in 2014.¹⁰³ The costly effect of terrorism in Egypt’s tourism and its economy clearly emerges.

As recent as 2010-2011, North African countries of Libya, Egypt and Tunisia underwent political upheaval in what has been termed as the Arab Spring that swept North Africa and the Middle East from late 2010.¹⁰⁴ While the outcomes of this event were similar in that it led to fall of long ruling regimes in the three countries the ensuing political environment is different. Libya has disintegrated into a protracted conflict pitting armed militias against each other while Egypt has returned to military rule, Tunisia saw a relatively peaceful transition into democracy. The three countries have experienced terrorist attacks as already Egypt has had its share of terrorist attacks in the period after the popular revolution.

¹⁰¹ Mohamed Abbas Mohamed ali Ibrahim, The determinants of international tourism demand for Egypt European Journal of Economics, Finance and Administrative Sciences Issue 30 (2011)

¹⁰² Malsin Jared, Egypt Rejects Criticism Over Airstrike that Killed Mexican Tourists, The New York Times, http://www.nytimes.com/2015/09/16/world/middleeast/egypt-mexican-tourists.html?_r=0 Accessed September 22, 2015

¹⁰³ Reuters Egypt tourism could fully recover in 2015 <http://uk.reuters.com/article/2014/09/15/uk-egypt-tourism-idUKKBN0HA0VV20140915> Accessed September 22, 2015

¹⁰⁴ Ross Gartenstein Daveed The Crisis In North Africa Implications For Europe And Options For EU Policy Makers p 18-29

Despite Tunisia’s relative peaceful transition of power, it has not escaped terrorist attacks and 2015 is perhaps the deadliest year for tourists in Tunisia, after two attacks that targeted tourists and claimed more than 50 lives. In March 2015, terrorists killed 22 people including 20 foreign tourists and injured 50 others in Tunis at the Bardo National Museum.¹⁰⁵ Later in June, a jihadist attacked a tourist sea side resort in Sousse killing more than 38 people and wounding 39 others of who majority were British tourists.¹⁰⁶

Table 2.2: Victims of Bardo National Meseum attack in Tunisia and their nationalities.

Nationality	Deaths
Italy	4
France	3
Japan	3
Poland	3
Spain	3
Colombia	2
Russia	1
United Kingdom	1
TOTAL	20

Source: Global Terrorism Index, 2015

¹⁰⁵ Walt Vivienne, Deadly Museum Attack Highlights Tunisia’s Internal Struggle, Time Inc. Network <http://time.com/3753563/tunisia-bardo-museum-attack-domestic-politics-youth-issues/> Accessed September 22, 2015

¹⁰⁶ Spark Laura, Tourist flee Tunis after resort attack, CNN, <http://edition.cnn.com/2015/06/27/africa/tunisia-terror-attack/> Accessed September 22, 2015

Table 2.3: Victims of Sousse attacks in Tunisia June 2015 and their nationalities.

Nationality	Deaths	Wounded	Total
United Kingdom	30	26	56
Republic of Ireland	3	0	3
Germany	2	1	3
Belgium	1	3	4
Russia	1	1	2
Portugal	1	0	1
Tunisia	0	7	7
Ukraine	0	1	1
TOTAL	38	39	77

Source: Global Terrorism Index, 2015

Following the two attacks, there has been inevitable backlash on Tunisian economy. Tourism industry in Tunisia in 2011 contributed 6.5% of its GDP and offered the economy 450 thousand jobs; in the previous year the country received about 7 million foreign tourists whose export revenues was US\$ 2.7 billion.¹⁰⁷

Following the tumultuous political upheaval of 2011, the first three months of the year saw foreign tourist arrivals decline by 44% while receipts fell by 43%.¹⁰⁸ After the two 2015 terror attacks on international tourists, more than 22 hotels in the country have since shut down which has seen 2400 employees being laid off, the tourism sector is projected to lose around

¹⁰⁷ World Tourism Organization UNWTO <http://www2.unwto.org/press-release/2011-04-27/unwto-supporting-tourism-recovery-tunisia> Accessed September 22, 2015

¹⁰⁸ ibid

\$384 million in 2015 while its GDP will likely see a 1% growth which will be the lowest the country has seen since the ‘Arab Spring’.¹⁰⁹

Libya, the worst of three countries affected by the Arab Spring’ has no central government and is instead run by multiple militias who control different regions of the country. It has high degree terrorism threat since the overthrow of Murrur Gaddafi in 2011. Terrorist groups have targeted foreigners and religious minorities, to date several foreigners are held hostage including two Britons, between January and April 2015, over 43 foreigners, Ethiopian Christians and Egyptian Coptic Christians have been killed, this includes 5 other foreigners killed in an attack at an international hotel in the capital Tripoli.¹¹⁰ Tourism in Libya in 2014 was 5.5% of GDP and supported 72,000 jobs, in addition it had investments of 2.3% of the country’s total investment. Travel advisory given to UK and US citizens against travelling there by their governments does not help matters.¹¹¹

2.11.3 Western Africa

In Western Africa, Nigeria has a tourism sector that contributed 4.1% to the GDP in 2014 and employed about 3.6% of total employment in 2014.¹¹² Nigeria has witnessed a rise in the number of terrorist attacks since the crystallization of Boko Haram, a terrorist group in the North Eastern part of the country that is opposed to western education. The group has carried out sustained attacks and kidnappings on locals and foreigners for the last decade. The violent

¹⁰⁹ Legeman, Thessa, Tunisia’s tourism struggling one month after massacre, <http://www.aljazeera.com/news/2015/07/tunisia-tourism-struggling-month-massacre-150727080510954.html> Accessed September 22, 2015

¹¹⁰ United Kingdom Government, Foreign travel advice, <https://www.gov.uk/foreign-travel-advice/libya>. Accessed September 22, 2015

¹¹¹ See US Department of State, <http://travel.state.gov/content/passports/en/alertswarnings/libya-travel-warning.html> and UK Foreign Travel <https://www.gov.uk/foreign-travel-advice/libya> Accessed September 22, 2015

¹¹² The World Travel & Tourism Council (WTTC) Travel & Tourism Economic Impact 2015, Nigeria

campaigns by Boko Haram have hit the tourism and banking subsectors hard resulting in diminished international tourists and reductions in FDI in the tourism and banking.¹¹³

Perceptions of Nigeria as a vulnerable country to terrorist attacks on foreigners was heightened on Christmas day 2009 when a young 23 year old Nigerian engineering student, Abdulmutallab attempted and failed to detonate an explosive on board an American Airliner in 2009.¹¹⁴ Before the attempted suicide attack by Abdulmutallab, hotel occupancy in Nigeria varied from 65% to 70%, for big hotel chains like Transcorp Hilton Hotel while smaller hotels had 40%-50% as the highest occupancy rates, by February 2010 this was expected to drastically drop.¹¹⁵

Nigeria has long endured travel advisories by other governments due to its high risk security situation. The US Department of State warned US citizens against traveling to Nigeria citing limited facilities for tourists, existence of violent crimes carried out by ordinary citizens and gangs in military uniforms, kidnappings, and dangerous public transport.¹¹⁶ By 2011, the US Mission in Nigeria advised its citizens to keep off some of the biggest hotels in Abuja including Transcorp Hilton, Sheraton and Nicon Luxury due to imminent threat of Boko Haram attacks in these tourists' facilities.¹¹⁷ The UK government still has a travel advisory to Nigeria¹¹⁸ which has resulted in the reduction of tourists in the country.

¹¹³ Okhiria Adebimpt Obadeyi J.A, Terrorism, A Global Phenomena Threat to Tourism and Banking Sectors in Nigeria, *European Journal of Science and Humanities* vol. 1 No. 5 2005

¹¹⁴ Umar Farouk Abdulmutallab, *The New York Times*, http://topics.nytimes.com/top/reference/timestopics/people/a/umar_farouk_abdulmutallab/index.html Accessed September 22, 2015

¹¹⁵ Destination: Nigeria-Unspoiled and Authentic How Terrorism Tag Impacts Nigeria's tourism p.3

¹¹⁶ Okey, Ovat, O. Tourism and Economic Development in Nigeria: An Empirical Investigation, *Global Journal of Social Service*, 2 (1): (2003) pp 33-34

¹¹⁷ Bivnzes Space <https://bivnze.wordpress.com/2011/11/11/terrorism-emerging-challenges-for-nigeria-tourism/> Accessed September 22, 2015

¹¹⁸ The UK Government <https://www.gov.uk/foreign-travel-advice/nigeria> Accessed September 22, 2015

Its neighbor Niger has suffered Al Qaida in the Islamic Maghreb (AQIM) attacks and Tuareg rebellion which has led to its northern region being labelled the area as ‘no go’ zone s which has scared away holiday makers and aid workers.¹¹⁹ Elsewhere in the Sahel the Al Qaida in the Islamic Maghreb (AQIM) has targeted European nationals especially diplomats by bombing and kidnapping them¹²⁰ which has had the effect of reducing international tourist arrivals.

2.12 Sport Tourism and Terrorism

With globalization, many forms of tourism have emerged. Sports tourism is a type of tourism which involves the travel by individuals whose major motive is participating in sports or being a spectator.¹²¹ According to Gibson, sports tourism has three distinguishing behaviors including participating in sporting events, spectating at a sports event, or visiting popular attractions associated with sports.¹²² Attending events like Olympics, world cup and local sporting events are good examples of sporting tourism. These events are normally associated with numerous benefits and countries around the world compete to host them. Due to the prestige associated with such sporting events, they become a prime target for terrorists.

Perhaps the well know instance is that in Munich the 1972 games when members of ‘Black September’ stormed an Israeli team quarters and captured hostages which led to the death of all kidnapped people a policeman and some of terrorists.¹²³ Other recent attacks include that of

¹¹⁹ Waggener Irene, tourism vs. terrorism in Niger, Matador network <http://matadornetwork.com/change/tourism-vs-terrorism-in-niger/>. Accessed September 22, 2015

¹²⁰ Cockayne James, Ipe Jason, Millar Alistair, implementing the UN Global Counterterrorism strategy in North Africa. P. 9

¹²¹ Gibson, Heather J. "Sport tourism: An introduction to the special issue. " *Journal of Sport Management* 17, no. 3 (2003): 205-213.

¹²² Gibson, Heather J. "Sport tourism: The rules of the game." *Parks & Recreation* 34, no. 6 (1999): 36. 34(6): 36-45

¹²³ (Veal, Anthony James, Kristine Toohey, and Stephen Frawley. "The sport participation legacy of the Sydney 2000 Olympic Games and other international sporting events hosted in Australia." *Journal of policy research in tourism, leisure and events* 4, no. 2 (2012): 155-184.

Atlanta games of 1996 when a bomb targeting spectators exploded killing a spectator. The net effect of such threats has necessitated strict security and antiterrorist planning, for instance the Korean world cup became the strictest with Japanese and Korean security agencies collaborating with FBI, MI6 and MI5.¹²⁴ Sports being a ritualistic event, the overall effect of the very strict measures led to a reduction of the number of spectators expected as well as reducing tourist flow into South Korea during the event tourism arrivals fell by 5% and continued to fall even after the event.¹²⁵ Moreover, the strict measures put in place led to an increase in the cost of organizing the event.¹²⁶

2.13 Conclusion

From the above literature, it clearly emerges that terrorism inevitably affects tourism of countries throughout the world. Its impacts are negative regardless of a country's level of development. Threat perceptions by tourists, plays a key role in the decision they make as to whether a certain destination is safe to travel to or not. The formation of these perceptions is to a large extent based on the reports proliferated by the media, the media becomes useful more so during times of crises because it's possibly the only credible source of information in such times. The use of media by countries with tarnished images due to terrorism on the other hand can help potential visitors form a positive image increasing its international tourism.

¹²⁴ Toohey, Kristine, Tracy Taylor, and Choong-Ki Lee. "The FIFA World Cup 2002: The effects of terrorism on sport tourists." *Journal of Sport Tourism* 8, no. 3 (2003): 186-196.

¹²⁵ *ibid*

¹²⁶ Toohey, Kristine, Tracy Taylor, and Choong-Ki Lee. "The FIFA World Cup 2002: The effects of terrorism on sport tourists." *Journal of Sport Tourism* 8, no. 3 (2003): 186-196.

CHAPTER THREE: EFFECTS OF TERRORISM ON DOMESTIC STAKEHOLDERS IN TOURISM INDUSTRY

3.1 Introduction

This chapter looks at the effects of terror activities on tourism and will focus on possible inferences for domestic activities that benefit from tourism industry directly or indirectly. Such activities include curio and souvenir trade activities, shopping malls' businesses, hotel industry, tour operators, among others. The chapter will also seek to establish if those involved in the business have consequently adopted strategies that mitigate the risk to their business due to terror. And as key stakeholders in the industry, the study will scrutinize their perspectives on how the problem can be solved. Data is analyzed using frequencies and percentages. The target population was curio and souvenir trade, shopping malls, hotel industry, farmers and tour operators. The chapter will first highlight the methodology used in the research, then analyze the data collected and interpret it.

3.2 Research methodology

3.2.1 Introduction

The purpose of this section will be to explain the design of the research, sample size, the place where it took place, the population, methods of data collection and their reliability and validity, data presentation as well as analysis & ethical considerations. The aim was to set out in detail what the research entailed and the way in which it was done.

3.2.3 Research Design

The research followed a survey research design, one that involved investigation of populations using selected samples to discover and then analyze occurrences. The design majors

on the present and was suitable for describing numeric population samples. This choice was influenced by the cost effectiveness of the design as well as the fact that it made it easier to understand the particular sample size chosen as well as the population it was part of.

3.2.4 Target Population

The focus of this study was Nairobi County in Kenya which is home to over 300 major hotels. The target population mainly comprises of people in the hotel industry, Tours and Safaris, curio and souvenir traders, shopping mall owners, officials tourism Ministry, as well business people on tour related markets.

3.2.5 Sample size and Sampling Procedure

Sampling involved taking a number out of the total population and using various methods of data collection on that sample with the intention of analyzing that data and drawing conclusions that either proved or disproved a hypothesis for the whole population. Due to cost and time considerations, it was not possible to work with a large number of people and the sample was reduced to 110 respondents.

3.2.6 Data Collection Instruments

The study combined primary and secondary methods of data collection in order to give a complete viewpoint. It also combined qualitative and quantitative methods in an attempt to acquire all the necessary data for analysis. The quantitative method referred to here was basically that of interviews while the qualitative methods include questionnaires. Methods of primary collection were used for physically observable data through questionnaires. Secondary methods involve perusal of published material such as scholarly articles. In nutshell, this project sought to employ questionnaires (semi-structured), drawings and analysis of documents. The methods all have unique strengths that when combined overall yield better data.

Questionnaires provide a convenient and popular method of data collection especially in survey research. It is cost effective and fast as well as convenient in terms of administration not forgetting that it lacks the bias that might be occasioned by the presence of interviewer. It provided a means for the collection of data that was alike for all subjects in the sample concerned with respect to the variables involved. It was an indispensable tool for the collection of primary data on people, their attitudes, beliefs, behavior, and opinion and whether they know of certain issues. The questionnaire has two sections, with section A seeking Bio data and section B seeks information related to the objectives of the study. The questions are both closed and open ended and also provided the respondent with the option of providing extra information that they felt was useful to the study.

3.2.7 Validity of Research Instruments

Validity is the correctness and the usability of the conclusions drawn from the data collected. They were both measures of the quality of data and how good the data collection methods were with regard to the project. A pilot introduction of the instrument was done in few hotels for testing before the rest of the population was subjected to it. Comparison of the responses from various methods was done in a bid to determine the reliability of each method.

3.2.8 Reliability of Research Instruments

Reliability refers to the extent to which the instrument of research gives consistent data after a number of trials¹²⁷. In order to ensure that reliability was promoted, the researcher ensured that the interview questions draw from the study objectives. Peer review was sought to ensure that the questionnaire developed was sound in content and structure after which the supervisor

¹²⁷ (Mugenda & Mugenda, 2003)

was requested to review as well¹²⁸. Analysis was done in light of the objectives of the study and also in totality in order to compile a complete picture of the study eventually.

3.2.9 Data Collection Procedure

In preparing questionnaires, the researcher recognized that a number of difficulties may be faced and so they were prepared adequately in advance with assistance from the study supervisor. Questionnaires were prepared and sent out to the respondents concerned through the mode of communication that was most suited for them. They were employed for the hoteliers and other stakeholders so that the project may have standard questions for the said industry. There were semi-structured and as such contained open and closed ended questions. These provided the simplicity of closed ended questions while allowing the respondent to explain further as necessary. They were sent at least two weeks before the due date and the researcher followed up to collect them within the required time.

3.2.10 Data Analyses

Once collected, the data was computed using SPSS and MS Excel for analysis with an aim of achieving a complete picture on data collected and so that the research questions could be answered. Simple statistical methods were applied such as means, percentages and other statistical techniques. These were supported by secondary data from published sources and observations which boosted the credibility and validity of the information. Both qualitative and quantitative data analysis methods were used. Qualitative research provides insights and understanding while quantitative research tried to generalize those insights to a population pattern. The data was organized with significant patterns to reveal the essence of the data. Open-

¹²⁸ (Mensah, 2006)

ended responses items was analyzed and to be recorded quantitatively. They was edited and coded. A closed-ended item was analyzed and reported using descriptive statistics such as frequency tables and charts. All responses were checked for completeness in terms of errors and omissions, inadequate, illegibility and irrelevant responses.

3.2.11 Ethical Considerations

Ethics obligate the researcher to inform the participants about all the objectives and other elements of the study that may influence them to opt out of it. In the same vein, the researcher explained the purpose of the study as well as the fact that they did not have to take part in it or answer all the questions asked in the questionnaire; this encapsulated informed consent.

A closely related concept was accessed and accepted which referred to the permission to conduct a study in a particular social grouping. There were two elements involved here: consent to enter physically as well as agreeing to the method of conducting it. The study recognized that the respondents might have issues with confidentiality and concealment of identity and in this regard, the researcher ensured that the collected information remained confidential. Information prejudicial to the persons who gave it was handled with extra care and not revealed in any manner that may injure the providers. The design of the instruments left to the discretion of the respondent the choice to provide their name and address. The author should also take extra care in presentation ensuring that where need arose; they changed actual names and addresses of the information providers.

3.3 Data Analysis and Interpretation

3.3.1 Introduction

This chapter analyses the data collected on the influence of Terrorist Activities on Tourism related businesses through questionnaire survey.

3.3.2 Response Rate

The response profile of the sample population used for this study is described by the frequency below. Out of 120 respondents identified for the survey, 110 respondents returned their questionnaires. This represented a response rate of 91%. Only ten of all the questionnaires that were either not returned or were considered incomplete.

The following figure shows the response data.

Table 3.1: Response rate of the respondents

Category	Number	Response rate	Percentage
Hotel operators	25	20	80
Curio and souvenir traders	35	35	100
Shopping mall traders	45	45	100
Key informants	15	10	66.7
Total	120	110	91.7

Source: field data (2005)

According to Mugenda and Mugenda a 50% response rate is adequate, 60% good and above 70% is rated very good. This also concurs with Kothari assertion that a response rate of 50% is adequate, while a response rate greater than 70% is very good. This implies that based on

this assertions; the response rate in this case of 91% is very good and is an accepted figure for a social science research study.

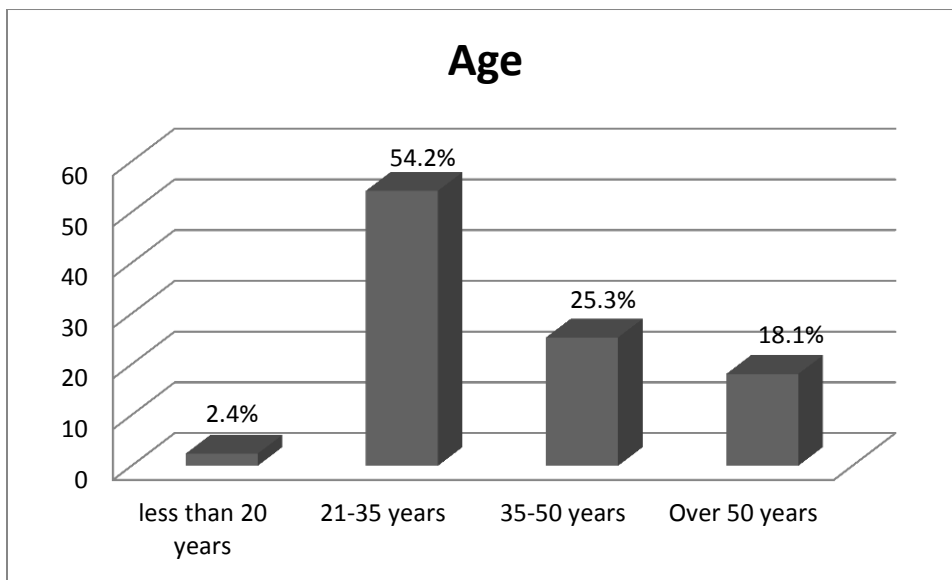
3.3.4 Personal Information

This section deals with the personal information of respondents which includes their age, religion and gender.

3.3.4.1 Age Bracket of Respondent

The response on age was as follows in figure 3.1

Figure 3.1: Showing % of the respondents' age.



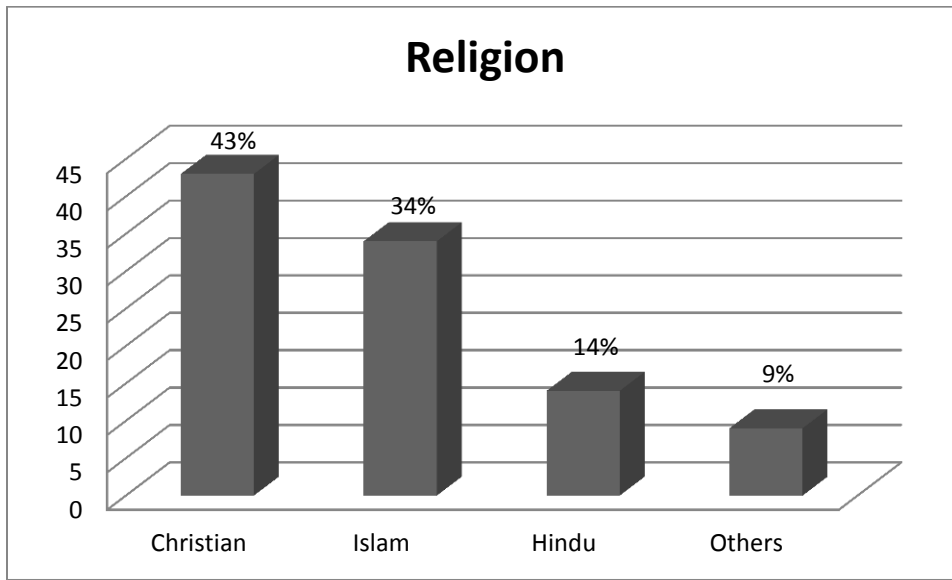
Source: field data

Based on the findings of the study 54.2% indicated that they were aged between 21-35 years who were the majority, 25.3% were aged between 35-50 years and 18.1% were aged over 50 years while 2.4% were aged below 20 years. This implied that most respondents in study were aged between 21 and 35 years. The age between 21 and 35 represents the most productive age increasing the validity of the study.

3.3.4.2 Religion

The respondents were asked to indicate their religion. The figure 3.2 below shows the results.

Figure 3.2: Percentage of respondents' religion



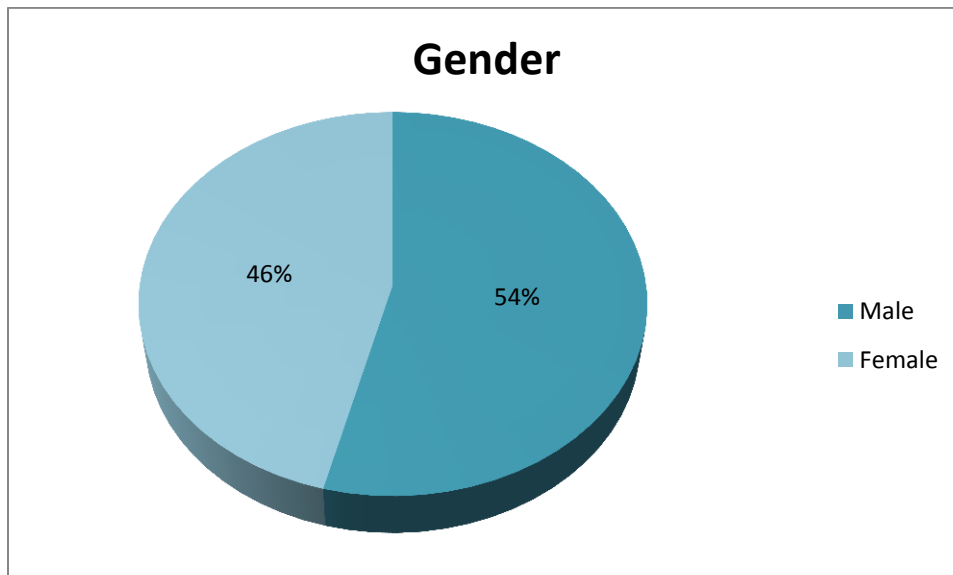
Source: field data (2015)

The findings shows that majority 43% of the respondents were Christians, followed by 34% who were Muslims, 14% were Hindu while 9% were from other religions. This shows that the respondents were from diverse religions.

3.3.4.3 Gender

The respondents were asked to indicate their gender. The figure below shows the results.

Figure 3.3: Gender details



Source: field data (2015)

The findings show that majority of the respondents were male at 54% while female were 46% this is an indication that all genders were represented in this study.

3.3.5 Effect of terrorism on Tourism

This section deals with analysis on the effects of terrorism on tourism in Kenya. The researcher was interested in finding out from the respondents whether their businesses were affected by terror activities in the country. The results were as shown in table 3.2 below. 71% of the respondents indicated that their businesses were affected by terror attacks while 29% said they were not really affected. Those in the hotel industry were seemed to be the most affected as all of them indicated that their business was affected.

Table 3.2: Effect of terrorism on businesses

Measurement	Category	Frequency		Total
		Yes	No	
Have terrorism activities affected your business?	Hotel operators	20	-	20
	Curio and souvenir traders	23	7	30
	Shopping mall traders	28	22	50
Total		71	29	100
Percentage		71%	29%	100%

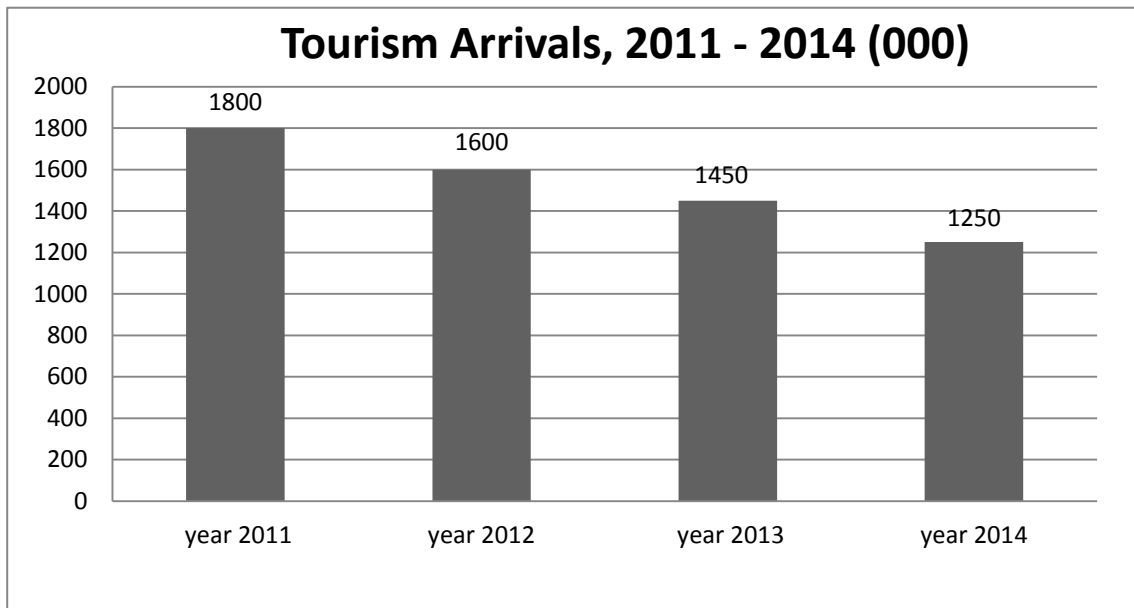
Source: field data (2015)

These findings are in line with the available information that shows the tourism industry in the country has been heavily affected by the threats of terror attacks. With over one million visitors per year, international tourism contributes 10% of Kenya's exports. The tourism industry in Kenya is the third most important sector in the economy, accounting for nearly 12 per cent of GDP.

Terrorism reduces consumers' and firms' expectations for the future and forces governments and the private sector to invest in security measures and redirect investment away from more productive economic uses. For example, many firms in Kenya spend considerable capital on security costs which is essentially unproductive in that it does not add to their output or improve their product quality. Hardest hit are small operators who are unable to sustain continued losses. Some experts warn the slump will turn business away from ecotourism, which has done well recently in Kenya, to mass-market operators. The smaller, eco-tourism operators tend to plow more of their profits back into Kenya's economy, and some eco-friendly game lodges in the Masai Mara reserve are run as cooperatives with the local Masai community.

Since the beginning of the operation Linda Nchi begun in October 2011, when the Kenyan Defence forces (KDF) entered Somalia, it has been obvious that Kenya was at war with al-Shabab, hence the group started what it called retaliatory attacks against the Kenyan invaders. One of the subsequent consequences, was the deterioration of the performance of the tourism industry in Kenya, due to the several attacks that were planned and executed by al-Shabab in Kenya. Despite the efforts of the government to curb those attacks, the terrorists have been able to extend their operations to Nairobi, the heart of Kenya, with a series of terrorist attacks with the Westgate Mall attack in the capital in 2013 being the worst of all. The following figure shows, the tourism arrivals and earnings in the country since 2011.

Figure 3.4 : Tourist arrivals in Kenya 2011-2014



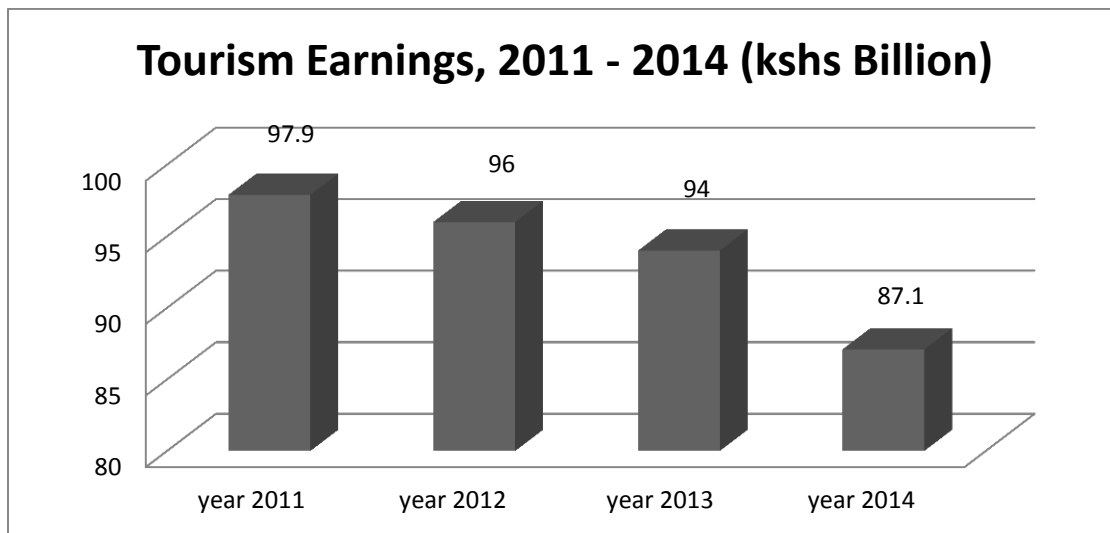
Source: Kenya Bureau of Statistics

The figure above shows the number of tourist arrivals for the last four years. The figures show that there has been a decline in the number of tourists coming in the country. Year 2014

recorded the lowest number of tourists who came in. This is after several deadly attacks in late 2013 and early 2014.

With the reduction of tourist arrivals, the earnings from tourism also reduced as shown in the table below.

Figure 3.5 : Tourism Earnings in Kenya 2011-2014



Source: Kenya Bureau of Statistics (2011-2014).

The earnings in the tourism industry as shown in the figure above indicate a decline in earnings in the sector with year 2011 recording the highest earning while year 2014 recorded the lowest earnings.

Table 3.3: Tourism indicators 2011-2014.

Tourism Indicators, 2011 – 2014					
	Unit	2011	2012	2013	2014
Visitor Arrivals	('000)	1,822.90	1,710.80	1519.6	1350.4
Visitors to Parks	('000)	2,664.10	2,492.20	2,337.70	2,164.60
Visitors to Museum & historic sites	('000)	843.4	824.6	770.8	690.9
Tourism earnings	KSh Billion	97.9	96	94	87.1
Hotel Accommodation					
Hotel bed nights available	('000)	17,419.60	18,849.60	18,292.20	19,877.20
Hotel bed nights occupied	('000)	7,015.20	6,860.80	6,596.70	6,281.60
Rooms available	('000)	10,552.20	11,529.60	11,430.10	12,403.30
Rooms Occupied	('000)	4,787.70	4,882.00	4,792.50	4,727.10
Bed Occupancy rate	%	40.3	36.4	36.1	31.6
Room Occupancy rate	%	45.4	42.3	41.9	38.1

Source: Kenya Bureau of Statistics

The data in the table above shows how the tourist sector has been performing for the last four years. The figures show a decline in all the sectors. Year 2011 recorded the highest numbers while year 2014 recoded lowest numbers. There is a clear indication that there is a relationship between the rise of the terror attacks in the country in that period and the fall of the tourism industry's performance in the same period.

3.3.6 Travel Advisories and its Effects on Business

The study found that travel advisories had affected businesses negatively as indicated by 77.2% of the respondents as opposed to 22.8% who see that travel advisories did not necessarily affect tourism business but rather terror attacks that caused the travel advisories caused the effect as illustrated in table 3.4 below.

Table 3.4: Effect of travel advisories on businesses

Measurement	Category	Frequency		total
		Yes	No	
Have travel advisories given by countries due to terror threats affected your business?	Hotel operators	17	3	20
	Curio and souvenir traders	30	5	35
	Shopping mall traders	31	14	45
	Key informats	7	3	10
Total		85	25	100
Percentage		77.2%	22.8%	100%

Source: field data (2015)

Tourism in Kenya has obviously been a casualty with travel advisories discouraging foreign nationals from travelling to the country which is particularly bad as often warnings on non-essential travel attract remove insurance cover. Most hoteliers whom the researcher spoke to indicated the decrease is has been greater this year, following cancellations of hotel bookings due to travel advisories and warnings by some of the country's top tourism sources.

The respondents indicated that bookings at the group's hotel for the next high season had dropped drastically after the UK (the main source of Kenya's European tourists), Germany,

France, Italy and the US issued travel advisories, citing insecurity in the country. The findings show that terrorist attack on Garissa University College made tourists who had booked for the next high season, which started in July, cancel their bookings, although things are improving as the government strives to improve the security situation.

According to hoteliers respondents, the number of bed-nights declined from 6.6 million in 2013 to 6.3 million in 2014, while the number of international conferences fell from 299 in 2013 to 241 in 2014, a 19 per cent decline. Hoteliers are not expecting more bookings, given that it is already low season, so some have opted to suspend operations until the situation improves.

Tourism was already declining last year, but now the decline is gathering speed. Kenya's visitor numbers dropped by 25 per cent in the first five months of 2015. British visitors, the biggest contingent of tourists here, have fallen by an even steeper 35 per cent this year. Mombasa, the historic port and trading city at the heart of Kenya's coastal tourism sector, rarely sees any foreign tourists any more. Two dozen hotels around Mombasa have shut down because of slumping tourism. Those that remain open have laid off staff or cut salaries to cope with the low occupancy rates.

For instance one of Mombasa's oldest hotels, the 177-room Nyali International, has managed to stay open by catering to a domestic business and conference clientele, but its staff say its occupancy rate is just 20 per cent and it has dismissed half of the 260 staff that it employs at its peak. Clocks in the lobby give the current time for cities from Tokyo to Zurich, but virtually no foreigners can be seen in the hotel these days. Industry players say that, while there have, indeed, been terrorist attacks in different locations, it is the perception that Kenya as a whole is insecure that has dealt a severe blow to tourism. It was found that the situation has been

deteriorating over the past two years, even as they moved to assure their international and local clients that the government is taking comprehensive measures to improve security.

3.3.7 Reduction of tourists forced business to reduce the number of employees

The study sought to know how the reduction of tourists caused by terrorism has affected employment in tourism industry. The following table 3.5 illustrates how the respondents responded.

Table 3.5: The effect of tourists' reduction on employment

Measurement	Category	Frequency		Total
		Yes	No	
Has reduction of tourists affected your employees?	Hotel operators	13	7	20
	Curio and souvenir traders	18	17	35
	Shopping mall traders	24	21	45
Total		55	45	100
Percentage		55%	45%	100%

Source: field data 2015

The research found out that 55% of the respondents agreed that the reduction of tourists following terror threats has affected employment in the industry, while 45% did not agree that reduction of tourists has caused employees to lose their jobs.

Tourism in Kenya contributes 12% to the Gross Domestic Product (GDP). It is a key source of employment to both people in the informal and formal sectors. Due to the recent terror attacks in Kenya, some countries have had to recall their tourists, while others have cancelled

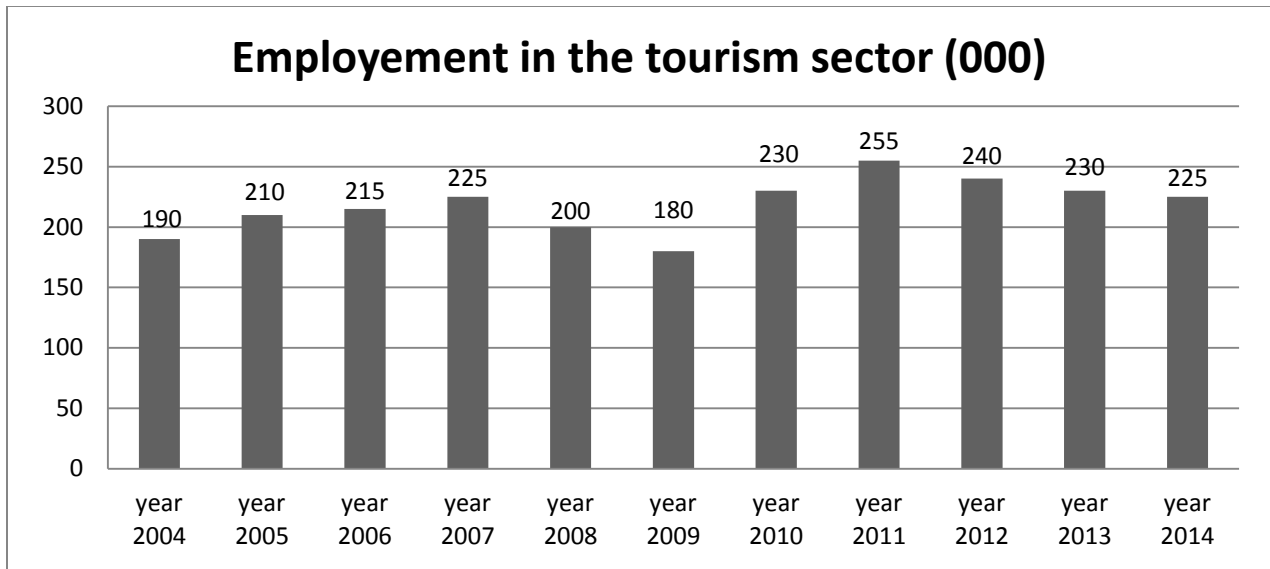
their earlier plans to visit the country. This has directly affected people employed in the tourism sector, especially those employed in hotels. Some hotels have had to downsize their workforce as there is not enough work due to lack of guests.

In the last two years it is estimated that at least 40,000 workers in the hotel and hospitality industry lost their jobs, after more than 40 hotels at the Coast were closed, according to tourism industry players. The sad state of affairs is due to fewer international visitors, meaning income from the industry, which is one of the country's top foreign exchange earners, has dropped significantly.

Arrivals decreased by 11.1 per cent from 1.52 million in 2013 to 1.35 million in 2014, according to the government statistics, which also notes that "tourism earnings declined by 7.3 per cent from Sh94 billion to Sh87.1 billion over the same period. This is significant, given that, according to the World Travel and Tourism Council, in 2013, travel and tourism directly supported 226,500 jobs (4.1 per cent of total employment in Kenya), and the number of jobs was expected to fall by 0.4 per cent in 2014.

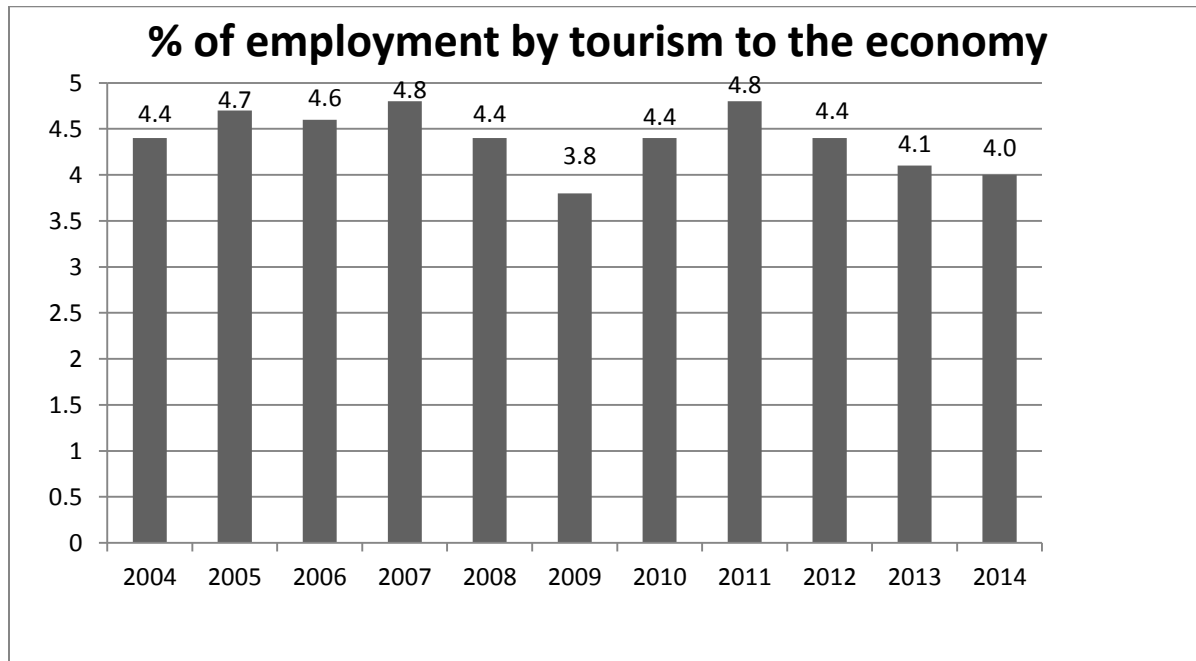
The following figures show tourism statistics in terms of its contribution to the economy through employment. Figure 3.6 shows the numbers of people directly employed by tourism and travel, while figure 3.7 shows the percentage of tourism employment out of the whole economy.

Figure 3.6: Employment in the tourism sector in Kenya (2004-2014)



Source: Travel & Tourism, Economic Impact 2014 Kenya

Figure 3.7: Percentage contribution of tourism to whole country's employment (2004-2014)



Source: Travel & Tourism Economic Impact 2014 Kenya

According to the figures by world travel and tourism council statistics, Travel & Tourism has seen a drop in the number of people directly employed by travel and tourism since 2011. The number has dropped from 255,000 in 2011, to 240,000 in 2012, and 230,000 in 2013 and 225,000 in 2014 as shown in figure 3.6. This also represents a drop in the percentage of tourism contribution to the economy from 4.8% in 2011 to 4.0% in 2014.as shown in figure 3.7.

It is worth noting that this drop has coincided with the period in which Kenya has been involved in fight against Al-shabab in Somalia, showing that terror activities have played a big role in damaging the industry.

3.3.8 Reduction of tourists affected suppliers

The study sought to establish if the reduction of tourists has affected other suppliers who indirectly benefit from the tourists. These suppliers include product suppliers such as farmers, as well as service providers.

The study findings indicate that reduction of tourist affected suppliers as indicated by majority 68%. The sector was negatively affected since the demand for organizations products and services reduced. This has been a downturn in economic conditions. Customers have less money to spend, resulting in them purchasing less and impacting on demand for products and services. As supply chains become more global, variable economic conditions continue to have a greater impact on the effective management of supply chains. Hotel operators indicated that farmers who supply white meat as well as eggs and beverages are the most affected suppliers since most of their products are highly consumed by tourists.

Table 3.6: The effect of tourists' reduction on suppliers

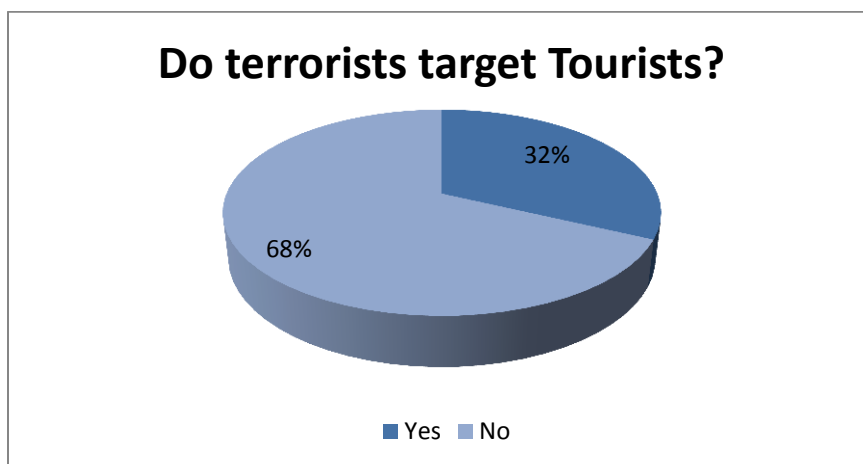
Measurement	Category	Frequency		Total
		Yes	No	
Has reduction of tourists affected your suppliers?	Hotel operators	20	-	20
	Curio and souvenir traders	30	5	35
	Shopping mall traders	18	27	45
Total		68	32	100
Percentage		68%	32%	100%

Source: field data 2015

3.3.9 Terrorists Target Tourists

The respondents were asked to indicate whether terrorist target tourists and the response rate were as indicated in the figure below.

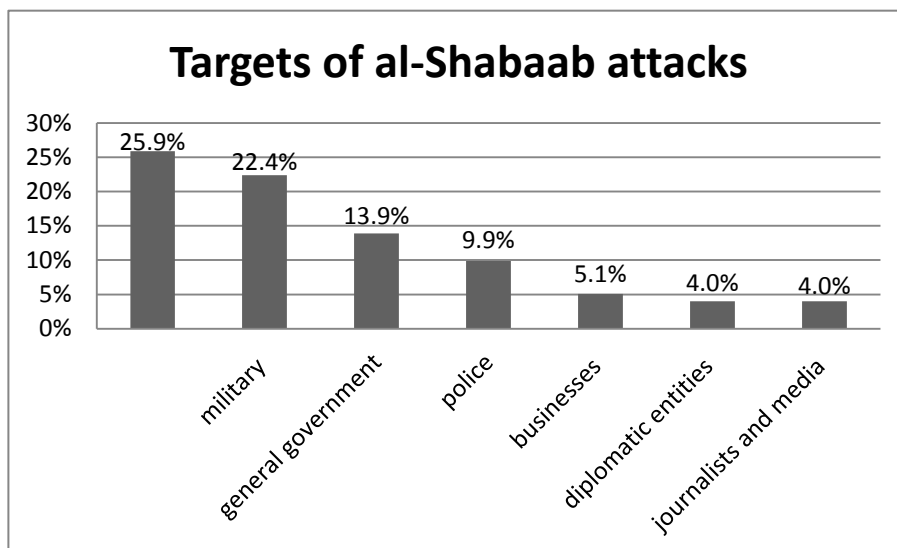
Figure 3.8: terrorists' targets.



The findings indicate that majority of the respondents indicated that terrorist do not target tourists (68%), while 32% indicated that terrorist do target tourists. The attacks have been there for a while. It is the dynamics that have changed. In 1998 there was an attack on the US embassy in Kenya. There have been various attacks targeting foreigners in the past. There is now a change with the dynamics since Kenya’s intervention in Somalia. More of the attacks are now focused on Kenyans.

The targets of al-Shabaab attacks are quite varied, most frequently including private citizens and property (25.9%), military (22.4%), general government (13.9%), police (9.9%), businesses (5.1%), diplomatic entities (4.0%), and journalists and media (4.0%). In an effort to gain control of territory in Somalia, al-Shabaab has attacked military targets from various nations, including Ethiopia, Kenya, Somalia, Turkey, and Uganda, as well as multinational AMISOM forces.¹²⁹

Figure 3.8: Al-Shabab Attack Targets in Kenya.



Source: Global Terrorism Database

¹²⁹ Background report, National Consortium for the study of terrorism and the responses to terrorism (START) September 2013, page 1.

Those who indicated that terrorists did not target tourists were of the opinion that terrorists have attacked Kenya because of its intervention in neighboring Somalia. Insecurity arises from political instability in neighboring South Sudan and Somalia. Since the Kenyan army's military incursion into Somalia in 2011, there has been an upsurge in terrorist attacks on public places. The main threat comes from radical Islamist group Al Shabaab and homegrown Islamist militants.

It was found that 56% of those who indicated that terrorists target tourists were of the view that it is because they are mostly from western world while 44% were of the view that it is so that they can gain international media attention.

3.3.10 Malls are an Attractive Target for Terrorists

The study sought to know what the respondents thought were the most dangerous places for tourists to visit due to terror threats. The respondents indicated that shopping malls and public markets are the most attractive target sites for terrorists aiming to hurt tourists and thus shopping centers present numerous challenges for security. 30% of the respondents thought the tourist sites such as the beaches and national parks were the most dangerous places to visit while 9% indicated that tourists faced terror risks even at their hotels.

Table 3.7: Tourist target locations of terrorists.

Measurement	Category	Frequency	Percentage
What location is the riskiest place for tourists to be attacked by terrorists?	Malls and markets	67	61%
	Hotels and residential	9	8%
	Tourist sites	34	31%
	Total	110	100%

Source: field data 2015

There had been over 60 terrorist attacks against shopping centers in 21 countries since 1998. There have been several reported international terrorist threats against malls in the United States over the years, though none have been carried out. The reason is because shopping malls have large crowds of people therefore tempting for attackers.

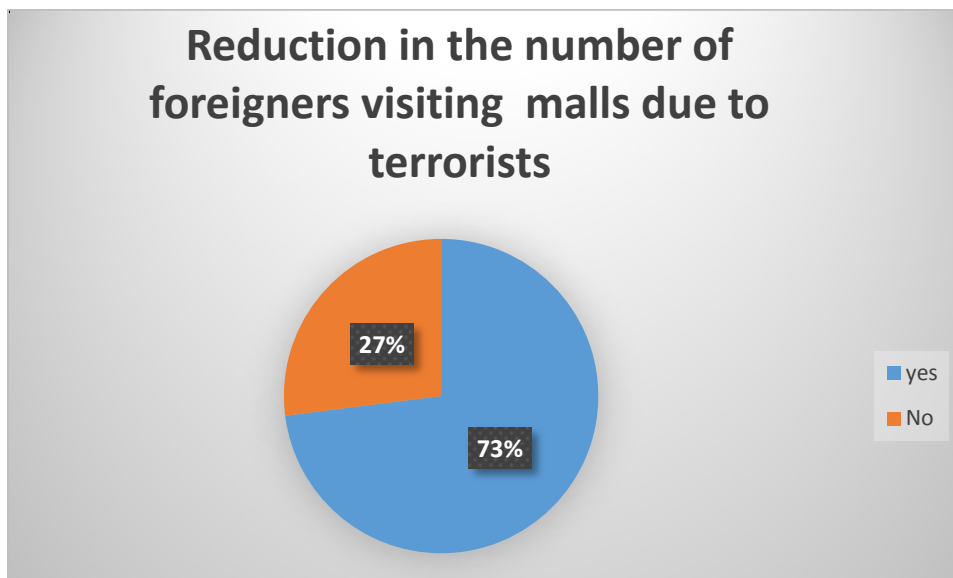
Malls allow unimpeded access to the public and attract a wide cross-section of the nation's population. The business model of malls makes the marginal cost of additional security measures extremely high and leads to most of them being relatively unprotected. Shopping centers differ markedly from facilities like airports, which provide an essential service with few alternatives. For this reason, shopping center customers and tenants may not tolerate the expense and inconvenience of increased security. Here's also the fact that malls often have complex, multi-stakeholder ownership structures which "increases the difficulties of implementing security and other risk-reduction measures. The Nairobi attack was a unique case. The Westgate mall is a potent symbol of Kenya's rising middle class—in stark contrast to neighboring Somalia—and also attracts an international clientele. But it's definitely the first time such a place

has been targeted, and assuming most countries aren't willing to turn malls into fortresses, it's probably not a threat that's going away.

3.3.11 Reduction in the number of foreigners visiting malls due to terrorist

The study sought to find if there has been a reduction in the number of foreigners visiting malls due to terrorist.

Figure 3.9: Shopping mall visitors



The respondents indicated that the reduction was high as shown by 82% while 18% indicated that there was no reduction of number of foreigners visiting malls due to terrorist. The number of tourists dropped 12 percent in the first half to 495,978, compared with a year earlier therefore there are no many foreigners visiting the malls. This has also been affected by the travel advisories since many tourists are no longer visiting the country due to fear.

3.4 Conclusion

The findings of the chapter were summarily the following:

Most of the stakeholders in tourism industry have indicated that terrorism has affected negatively their businesses due to the reduction of number of tourists, as well as the travel advisories issued by a number of countries to their citizens.

Due to the losses incurred because of the reduction of tourists, stakeholders have been forced to reduce the number of their employees and also affected were their suppliers due to the low consumption.

Despite this most of the respondents believe that terrorists do not necessarily target tourists but they also believe that the most dangerous places for tourists are shopping malls and public places.

CHAPTER FOUR: KENYAN GOVERNMENT MITIGATION POLICIES

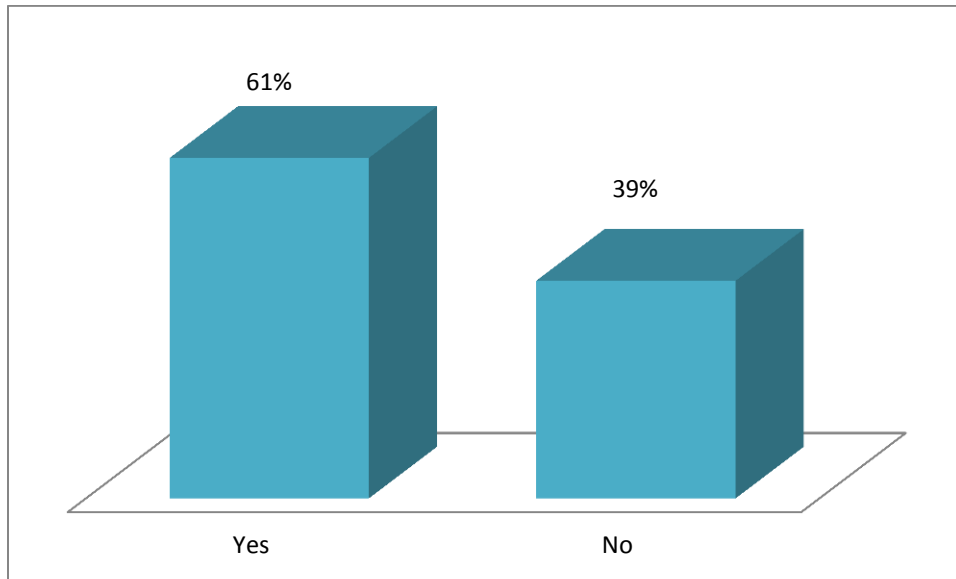
4.1 Introduction

The previous chapter analyzed the effects of terror attacks on tourism and the related businesses that benefit from the industry. This chapter will critically look at the various measures put in place by Kenyan government to mitigate the threat of terrorism in the country. These include new policies announced by the government in the wake of some of the most deadly terrorist attacks in the country. The chapter will also analyze domestic as well as international efforts initiated to deal with the threat of radicalization, violent extremism, terrorism and external aggression. The study will use both secondary and primary data to analyze the findings.

4.2 Kenya's Investment in National Security

The study sought to establish the various security investments undertaken by the Kenyan government to mitigate terror attacks. According to figure 4.1 a majority of respondents (61%) indicated that the government had invested significantly well in the security sector to deal with terrorism compared to 39% who thought that the investments were not enough. The majority of respondents pointed to the creation of Anti-Terrorism Police Unit (ATPU), and National Intelligence Service as clear evidence of government's efforts to invest in security. Respondents also noted that the ministry of Defense and that of Interior and Coordination of National Government which is responsible for the police service continues to receive a huge share of the national cake. Massive police and army recruitment on annual basis was also given as another reason.

Figure 4.1: Views on Kenya’s Investment in National Security to Mitigate Terrorism



Source Field data (2015)

These observations are consistent with other sources of secondary data that show Kenya’s continued investment in the security sector. In the 2015/2016 national budget, military security was allocated Ksh. 112.5 billion and internal security Ksh. 102 billion.¹³⁰ As noted, the threat of terrorism has negatively affected Kenya’s tourism which is a major source of national income, foreign exchange and jobs. It’s in this regard that the Kenyan government increased revenue allocation to security in the 2015 budget. The Kenyan president Mr. Uhuru Kenyatta announced in May 2015 that the government would provide the security forces with all necessary support including procuring modern equipment to combat terrorism at a swearing in ceremony of General Samson Mwachethe as incoming Chief of Kenya Defense Forces.¹³¹

¹³⁰ Kenya Today, Budget Analysis: Some 34 Items included in 2015/2016 budget that affects you, <http://www.kenya-today.com/business/budget-analysis-34-items-included-201516-budget-affects> Accessed September 22, 2015

¹³¹ Mygovernment.go.ke , <http://www.mygov.go.ke/?p=2204> Accessed August 14, 2015

To underscore the importance of security, the 2013/2014 actual spending on security was 5% more than what the budget had allocated in the same period.¹³² Indeed, 64% of the total budget in 2013/2014 and 2014/2015 went to education, security and infrastructure & energy.¹³³ Kenya's spending on security according to "The Future of the Kenyan Defence Industry - Market Attractiveness, Competitive Landscape and Forecasts to 2018" report, is set to increase annually reaching \$5.5 billion in 2018.¹³⁴ The report documents that approximately 2.4% of Kenya's GDP would be allocated to security to procure equipment such as armored vehicles, border surveillance equipment, helicopters and unmanned aerial vehicles.¹³⁵ Border fortification on Kenya-Somalia border has been a key priority in the fight against terrorism as terrorists and arms are believed to move unhindered in the porous border from Somalia to Kenya.

During the 2015/2016 budget speech, the Treasury Secretary Mr. Henry Rotich indicated that security would get a 12% increase in funds to total Ksh. 223.9 billion shillings of which Ksh. 112.5 billion would be allocated to the Army and gathering intelligence and Ksh. 122.4 billion would go to the ministry of interior which manages the police.¹³⁶ The country's 2015/2016 budget was the biggest yet and 10% of the \$21.5 billion budget would go to procuring and hiring of equipment and personnel to boost Kenya's capability in dealing with security challenges including terrorism, human trafficking and warring neighbors.¹³⁷

¹³² Lakin, Jason & Kinuthia, John The Right Priorities? What Kenya's National Government Spends Money On (2015), <http://internationalbudget.org/wp-content/uploads/What-Does-the-Kenyan-Government-Spend-Money-On1.pdf>

¹³³ *ibid*

¹³⁴ Land Forces East Africa 2016, Rising Kenyan Defence Spending to hit \$5.5 billion by 2018 <http://www.landforces-eastafrica.com/Pages/Detail/9384> Accessed September 02, 2015

¹³⁵ *ibid*

¹³⁶ Malingha David Doya, Bloomberg, Kenya is increasing spending on security to encourage tourism <http://skift.com/2015/06/14/kenya-is-increasing-spending-on-security-to-encourage-tourism/> Accessed September 16, 2015

¹³⁷ Matina Stevis, The Wall Street Journal, Kenya's Budget Tries to Bolster Security Against Terrorism, <http://www.wsj.com/articles/kenyas-budget-tries-to-bolster-security-after-recent-terrorism-1434044633> Accessed October 15, 2015

After 1998 terror attacks the National Intelligence service was formed in 1998 by the National Security Intelligence Service Act.¹³⁸ The service is mandated to carry collect intelligence and information regarding threats to national security. The body is headed by a director general usually one drawn from the military possessing competence in military intelligence.¹³⁹ The Kenya police takes the lead role in policing Kenya's borders. While the government has tried to spend significantly in security, there has been criticism about misplaced priorities in spending. On average a member of parliament in Kenya could earn around \$54,000 in 3 months while only \$2,205 was allotted to Kenya Anti-Terrorism Police Unit in the first quarter of 2014.¹⁴⁰

The threat of terrorism has been felt in the regionally leading to increased spending in security in the east African region. In the last financial year, Uganda increased its budgetary allocation to security from \$380 million to \$396 million while Rwanda's military allocation grew to \$94 million up from \$80 million in 2014.¹⁴¹ Kenya dwarfed the other countries in the region in terms of military spending last year by increasing its security budget to \$1.7 billion up from \$1.3 billion the previous year, a 24% increase.¹⁴²

4.3 Role of Local Community and Community Leadership in Counterterrorism

The study set out to establish the level of local community engagement and community leadership by the government in the fight against terrorism. According to figure 4.2, the majority of respondents (42%) rated the government poorly while 36% & 22% rated the government's

¹³⁸ National Security Intelligence Act, No. 11 of 1998, Laws of Kenya

¹³⁹ Strategic Intelligence Service, NIS Kenya (Kenya National Intelligence Service Command Structure <http://www.intelligencebriefs.com/nis-kenya-kenya-national-intelligence-service-command-structure/> Accessed September 15, 2015

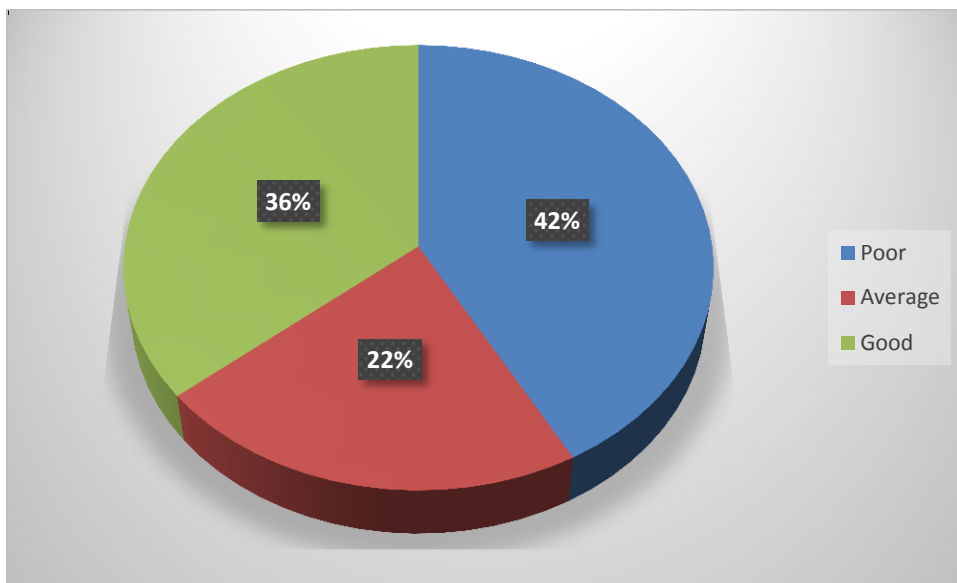
¹⁴⁰ This is Africa, Nairobi Police's Anti-terror unit running on \$735 budget <http://thisisafrika.me/nairobis-anti-terror-unit-running-735-budget-month/> Accessed August 01, 2015

¹⁴¹ The East African, Regional countries up security spending over terror and wars, <http://www.theeastafrican.co.ke/news/Regional-countries-up-security-spending-over-terror-and-wars/-/2558/2348440/-/view/printVersion/-/mefrbhz/-/index.html> Accessed August 29, 2015

¹⁴² *ibid*

efforts as good and average respectively. Respondents gave various initiatives undertaken by the government to involve local communities in the fight against terror. These included Nyumba Kumi Initiative, Jua Jirani, Community Policing, Amnesty and deradicalization measures.

Figure 4.2: Government’s Community Engagement in Fight against Terrorism



Source: Field Data (2015)

4.3.1. Nyumba Kumi Initiative and Community Policing

In October 2013, the Kenyan government launched the ‘Nyumba Kumi’ an initiative meant to encourage Kenyans to know their neighbors up to the 10th house.¹⁴³ The rationale behind the initiative was that by being aware who their neighbors were, Kenyans would easily spot people likely to engage in terrorism and other crimes making villages safer. Upon recognition of such individuals, police and other intelligence organs could be notified to investigate them. The initiative sought to cluster the country into 10 household units under the leadership of a village elder.

¹⁴³ Mukubwa Joseph, Nyumba Kumi Initiative faced with collapse, <http://awcfs.org/kw/article/nyumba-kumi-initiative-faced-with-collapse/> Accessed September 12, 2015

The initiative has since faced numerous challenges including threat of collapse, villagers expect to be provided allowances for attending meetings as some have to walk long distances to attend them.¹⁴⁴ The government on its part indicated that the initiative was on voluntary basis and as such these villagers would not be remunerated. Another challenge is that Nyumba Kumi is best suited for rural villages where people have lived as neighbors for long, it can't work in urban areas where people move often and are mostly mind their own business as opposed to finding out who their neighbors are.¹⁴⁵ The initiative also seems to have been a mechanism to cover institutional failure of the police, the police has failed to either gather terror intelligence or act on it to prevent terrorist attacks.

Community policing initiatives have been tried in the past in Kenya before with minimal success. The main reason is that Kenyans have a little faith in the police service owing to its massive implication in corruption not to mention the police's hostile attitude towards community policing. Nyumba Kumi and community policing complement each other, the two can succeed, long term planning and commitment among all stake holders however is needed.¹⁴⁶ To be sure, community policing has been found to be quite effective in countering radicalization and violent extremism and can become a potent tool in countering terrorism if properly utilized.¹⁴⁷ For community policing to produce desired results, then it must be backed by increased training on

¹⁴⁴ Mukubwa Joseph, Nyumba Kumi Initiative faced with collapse, <http://awcfs.org/kw/article/nyumba-kumi-initiative-faced-with-collapse/> Accessed September 12, 2015

¹⁴⁵ Muthoga Kioni, We need to make 'Nyumba Kumi Digital', http://www.ipsos.co.ke/NEWBASE_EXPORTS/Essar/131109_Counties_26_61bd0.pdf Accessed September 09, 2015

¹⁴⁶ Nyaura Jasper Edward and Ngugi Margaret Njeri The Benefits and Challenges Emanating from Community Policing in Kenya: A Criminological Perspective International Journal of Innovation and Scientific Research Vol. 12 No. 1 Nov. 2014, pp. 13-21

¹⁴⁷ U.S Department of State, Country Reports on Terrorism, www.state.gov/j/ct/rls/crt/2014/239404.htm+&cd=4&hl=en&ct=clnk Accessed September 28, 2015

human rights and protocols, rule of law and must be sensitive to cultural and religious values of communities, it should also give gender due considerations.¹⁴⁸

4.3.2 Amnesty and De-radicalization Measures

In a bid to involve local communities more, the government has in the recent past adopted incentive measures to reintegrate youths who've been radicalized into mainstream society. In April 2015, interior and coordination of national government cabinet secretary, Joseph Nkaissery issued amnesty to anyone recruited by Al Shabaab on condition that such would report to government offices.¹⁴⁹ The government would also provide necessary reintegration support to these individuals while those who refused amnesty would meet with the 'full force of the law'.¹⁵⁰ The government has indicated that some individuals have taken up the amnesty.

There has however been concern from communities especially in coastal and northern Kenya of enforced disappearances which have been blamed on the government. Since the government kicked off anti-terror crackdown in 2014, in excess of 200 youths with links to Al Shabaab have gone missing, the local community blames this on police raids and other security agents.¹⁵¹ The Kenyan government has also undertaken de-radicalization measures to deal a blow to terrorist networks. De-radicalization programs and measures are basically aimed at changing individual's attitudes and beliefs vis-à-vis ideologies that justify terror.¹⁵²

¹⁴⁸ The Global Center on Cooperative Security, Countering Violent Extremism and Promoting Community Resilience in the Greater Horn of Africa, An Action Agenda http://www.globalcenter.org/wp-content/uploads/2015/05/HOA_CVE_Action_Agenda_lo.pdf Accessed August 14, 2015

¹⁴⁹ The Standard Digital, Kenya announces amnesty and reintegration to youth who denounce Al Shabaab <http://www.standardmedia.co.ke/article/2000158358/kenya-announces-amnesty-and-reintegration-to-youth-who-denounce-al-shabaab> Accessed October 10, 2015

¹⁵⁰ *ibid*

¹⁵¹ News 24 Kenya, Kenya govt extends amnesty to radical youth <http://m.news24.com/Kenya/National/News/Kenyas-govt-extends-amnesty-to-radical-youth-20150831> Accessed September 24, 2015

¹⁵² Institute for the Study of Asymmetric Conflict, Aspects of De-radicalization, <http://www.asymmetricconflict.org/articles/aspects-of-deradicalization/>. Accessed September 20, 2015

Previously, the measures in Kenya were spearheaded by the civil society, NGOs and local communities, the government was only concerned with making arrests and lacked a clear strategy of dealing with radicalization.¹⁵³ The government has in the recent past stepped up efforts through use of mass media and engagement of religious leaders. Respondents who indicated that the government was not fully engaging the community gave Kenya's Deputy President remarks after Garrissa University attacks to close Dadaab refugee camp. The call by Mr. William Ruto was criticized by many who saw it as a move to victimize already suffering Somali refugee and Kenya's derogation of its international obligations. In response, The US Secretary of State John Kerry indicated that the solution to increasing terror attacks lay in stabilizing Somalia and not closing the refugee camp which over 400,000 Somalis call home.¹⁵⁴

The Kenyan government has also been accused of carrying out extrajudicial killings of terror suspects in the name of fighting terror and forced disappearances. The government also carried out what was widely condemned as violent raids targeting areas with high Somali communities like Eastleigh.¹⁵⁵ Allegations of gross human rights abuses have also been levelled against the government.¹⁵⁶

4.4 Kenya's Anti-Terror Strategies

This study set out to determine the level of satisfaction among respondents on Kenya's anti-terror strategies. According to findings, 58% of respondents were not satisfied and 42% were

¹⁵³ Kimathi Leah, *Radicalization And De-Radicalization In Eastern Africa: Implications For Regional Peace And Security* (2011)

¹⁵⁴ The Washington Post, Kenya's heavy-handed war on terror https://www.washingtonpost.com/opinions/nudging-kenya-on-the-war-against-terrorists/2015/05/07/bc5aa45e-f406-11e4-84a6-6d7c67c50db0_story.html Accessed September 9, 2015

¹⁵⁵ Standard Digital, Muslim Leaders condemn security operation in Eastleigh, <http://www.standardmedia.co.ke/article/2000108677/muslim-leaders-condemn-security-operation-in-eastleigh> Accessed September 08, 2015

¹⁵⁶ Human Rights Watch, Kenya: Halt Crackdown on Somalis <https://www.hrw.org/news/2014/04/11/kenya-halt-crackdown-somalis> Accessed September 12, 2015

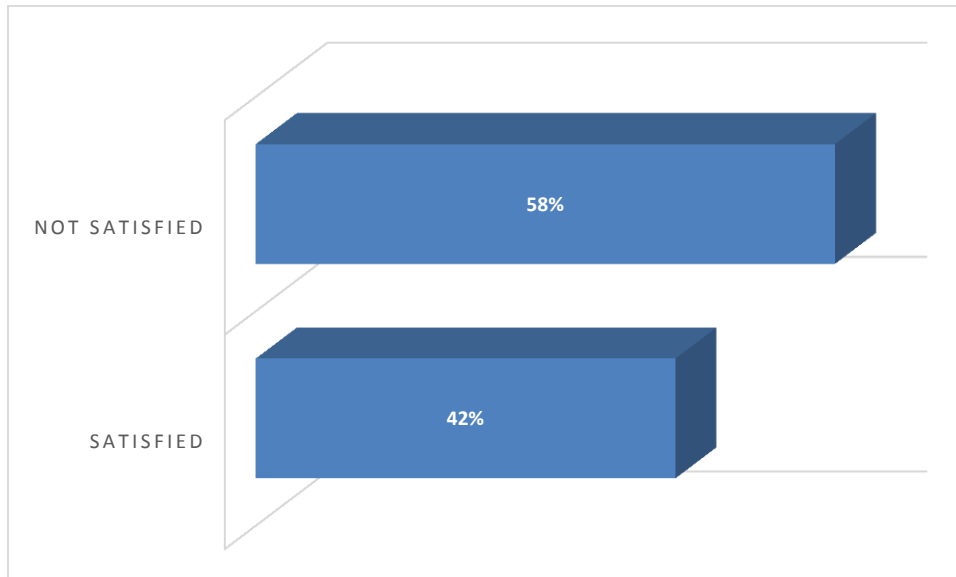
satisfied. The government has undertaken various measures aimed at combating terror, such have included cracking down on terrorist financing, tighter border controls and Kenya's incursion into Somalia.

Respondents indicated that Kenya's incursion into Somalia was the most significant step taken by the Kenyan government to weaken terror groups and neutralize their threat. Other measures mentioned were legislation, NGOs deregistration and tighter border controls. Kenyan armed forces invaded Somalia on October 16th 2011 to decimate the Al Qaida linked Somalia based terrorist group called Al Shabaab in an operation 'Linda Nchi'.¹⁵⁷ Kenya joined other forces in Somalia including Ethiopia and Somalia's military to fight Al Shabaab which had earlier in the year crossed into Kenya and carried out kidnappings of foreign tourists and nationals. In the months of September and October, Al shabaab had killed a British tourist and kidnapped his wife in Lamu, kidnapped a French woman and other two Spaniard women from Dadaab refugee camp.¹⁵⁸

¹⁵⁷ International Crisis Group, *"The Kenyan Military Intervention in Somalia"* (2012)

¹⁵⁸ The New York Times, Kenyan Motives in Somalia Predate Recent Abductions, <http://www.nytimes.com/2011/10/27/world/africa/kenya-planned-somalia-incursion-far-in-advance.html? r=0> Accessed July 17, 2015

Figure 4.3: Satisfaction with Kenya’s Anti-Terror Strategies



Source: Field Data (2015)

Kenya was not about to let the terror group scare away international visitors into her country because of the key role tourism plays in the economy. The Kenya Defense Forces thus went into Somalia with the blessings of the US to dislodge the group which held power in Mogadishu.

To deal with the threat of terrorism decisively, the Kenyan parliament has since passed several legislations including the Prevention of Organized Crime Act of 2010, Prevention of Terrorism Act of 2012 and the Crime and Anti-Money Laundering Act of 2011.¹⁵⁹ Further Kenya’s president Uhuru signed the Security Laws Act of 2014 which inter alia criminalizes training of terrorist and allows wider use of recorded testimony and electronic evidence.¹⁶⁰

Kenya’s new constitution shares counterterrorism functions to the National Police Service, National Intelligence Service and Directorate of Criminal Investigation. These form the

¹⁵⁹ US Department of State, Country Reports on Terrorism 2014, <http://www.state.gov/j/ct/rls/crt/2014/239404.htm> Accessed September 12, 2015

¹⁶⁰ Daily Nation, Uhuru Kenyatta signs terror laws, Raila Odinga vows to fight them <http://www.nation.co.ke/news/politics/-/1064/2563268/-/107w458/-/index.html> Accessed September 11, 2015

legal basis of confronting terrorism in Kenya, yet not without major challenges. Despite the legal framework, Kenya's security remains fragile due to massive corruption, inadequate training, poor command and control and limited funds.¹⁶¹

In a bid to crack down on terror network funding, the Kenyan government has in the last year applied strict regulations for NGOs. This came after indications that some unscrupulous organization operated under NGOs and were funding terror networks like Al Shabaab. In December 2014, the government deregistered over 500 NGOs, froze bank accounts and revoked numerous foreign work permits.¹⁶² Deregistered organizations had failed to submit their financial records according to Ochindo Henry, deputy head of NGO Co-ordination Board, of these 15 were alleged to be involved in money laundering and funding terror groups such as that involved in the 1998 US embassy bombings.¹⁶³ The crackdown came after parliament approved laws that gave the government more power to fight terrorism and were seen by some as a ploy to silence civil society.

Kenya and Somalia have an unmanned border of 682 kilometers making movement between the two countries seamless. Panya (Rat) routes on the long border are paths used to smuggle goods and people into Kenya from Somalia, they're often far away from official border crossings.¹⁶⁴ This has made jihadi recruitment, flow of cash and weapons to and from Somalia and Kenya effortless increasing the threat of terror attacks. Following increased deadly Al Shabaab attacks, Kenya has sought to tighten border controls and intends to build a wall along

¹⁶¹ US Department of State, Country Reports on Terrorism 2014, <http://www.state.gov/j/ct/rls/crt/2014/239404.htm> Accessed September 12, 2015

¹⁶² The Washington Post, Kenya's heavy-handed war on terror https://www.washingtonpost.com/opinions/nudging-kenya-on-the-war-against-terrorists/2015/05/07/bc5aa45e-f406-11e4-84a6-6d7c67c50db0_story.html Accessed September 9, 2015

¹⁶³ BBC News, Kenya 'deregisters' NGOs in anti-terror clampdown, <http://www.bbc.com/news/world-africa-30494259> Accessed August 10, 2015

¹⁶⁴ CNN, The 'back door' to Kenya: Security threat from porous Somalia border <http://edition.cnn.com/2015/07/24/africa/kenya-back-door-porous-border-security-threat/> accessed October 02, 2015

the border to check smuggling.¹⁶⁵ It has however come under criticism due to the cost implication and the nomadic pastoralist way of life of the Somalis who live across the border and often migrate between the two countries. Lie

4.5 Kenya's Cooperation Internationally to Combat Terrorism

Terrorism being an international threat, Kenya has partnered with other countries to address the problem. This study thus sought to establish how productive such cooperation was. Findings of the study showed that 73% of respondents indicated that such cooperation was productive while 27% thought that such partnership was not necessarily productive.

Kenya has been involved in strategic alliance with other countries in the fight against terror. The country maintains strategic alliance with countries such as United Kingdom and Israel to counter the threat of Al Qaida linked jihadists who are bent on attacking Israeli interests globally. According to research by Al Jazeera, the UK and Israel provide Kenyan security officers with intelligence and training for use in killing terror suspects due to an effective judicial system.¹⁶⁶

In 2002, Al Qaida attempted to hit an Israeli commercial plane using surface to air missiles and bombed a Jewish owned hotel in Kikambala. Kenya assisted Israel during the Entebbe hostage rescue and as result suffered a terror attack on the Israeli owned Norfolk hotel in 1980.¹⁶⁷ Following the Garissa massacre, the Israeli Prime Minister promised president Uhuru

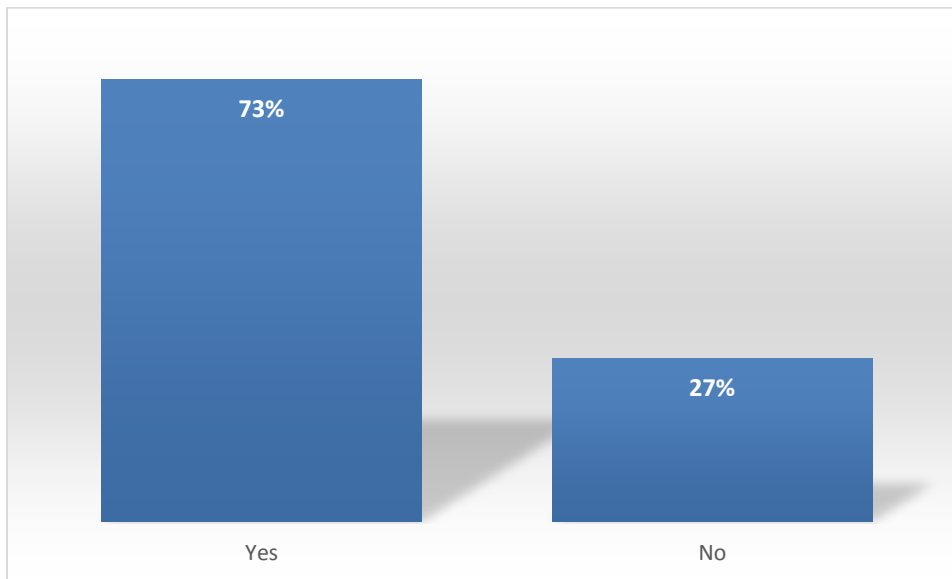
¹⁶⁵ Africa is a country, Why the wall Kenya is building on its border with Somalia is a terrible idea <http://africasacountry.com/2015/04/why-the-wall-kenya-is-building-on-its-border-with-somalia-is-a-terrible-idea/> Accessed September 12, 2015

¹⁶⁶ Al Jazeera, Exclusive: Kenyan counterterrorism police admit to extrajudicial killings, <http://america.aljazeera.com/articles/2014/12/8/kenyan-counter-terrorismpoliceconfesstoextrajudicialkillings.html> accessed September 03, 2015

¹⁶⁷ Mogire, E., & Agade, K. M. Counter-terrorism in Kenya. *Journal of Contemporary African Studies*, (2011) 29(4), 473-491

unwavering support in the fight against terrorism.¹⁶⁸ Though Kenya had been a victim of terrorism in 1998, it was not until in the aftermath of 9/11 that the country became a key partner in America's led Global War on Terror.¹⁶⁹

Figure 4.4: Productivity of Kenya's International Cooperation



Source: Field Data (2015)

Kenya is in the ATA program and has benefited from training of its officers, some 500 of its officers have received training in the US and in other training installations within the east African region from the year 2002.¹⁷⁰ It has training program with other countries aimed at empowering its personnel better address the problem of international terrorism. Moreover, Kenya has supported the US in its global war on terror campaigns, as a result the country has

¹⁶⁸ Strategic Intelligence Service, Israel Vows to Help Kenya Counter Terrorism

<http://www.intelligencebriefs.com/israel-vows-to-help-kenya-counter-terrorism/> Accessed September 12, 2015

¹⁶⁹ Aronson Samuel L. Kenya and the Global War on Terror: Neglecting History and Geopolitics in Approaches to Counterterrorism *African Journal of Criminology and Justice Studies: AJCJS*, Vol.7, (2013)

¹⁷⁰ Ploch, L. Countering Terrorism in East Africa: The US Response. Congressional Research Service, Library of Congress (2010).

representation in the US led Counterterrorism Combined Joint Task Force for the Horn of Africa based in Djibouti.¹⁷¹

In 2013, the UK government funded the refurbishment of the National Counter-Terrorism Center. Larger buildings with bigger cells were constructed and modern technology supplied to enhance explosive detection and communication.¹⁷² On October 29, the Kenyan president called for global partnership to face threat posed by terror groups in the India-Africa Forum Summit (IFAS) event in New Delhi, India where all African states were represented.¹⁷³ In July 2015, the first American sitting head of state visited Kenya and underscored the importance of American commitment to fight al shabaab through increased funding and better training of Kenya's security personnel.¹⁷⁴

4.6 Kenya's efforts in reviving tourism industry amid attacks

4.6.1 Engaging tourism stakeholders

As we suggested in the previous chapter, tourism is a key sector in Kenya's economy since it's the second largest foreign exchange earner and creates employment for thousands of Kenyans and is one of the key pillars of achieving vision 2030, hence the government has always been concerned by the recent poor performance by the industry due to terror effects. This has forced the government to engage directly with the key stakeholders in the industry to work together on how to revive the ailing industry and therefore the government has made significant steps in assuring them a safe industry through several meetings with the stakeholders.

¹⁷¹ Adan Hared H. *Combating Transnational Terrorism In Kenya* (2005)

¹⁷² Global Public Policy Watch, Kenya's battle against terrorism
<http://globalpublicpolicywatch.org/2014/05/14/kenyas-battle-against-terrorism/> Accessed October 01, 2015

¹⁷³ Yahoo News, <https://in.news.yahoo.com/kenya-seeks-global-cooperation-fight-terror-162804558.html> Accessed October 29, 2015

¹⁷⁴ Eilperin Juliet and Sieff Kevin, The Washington Post https://www.washingtonpost.com/politics/us-to-expand-support-in-kenya-somalia-for-counterterrorism-operations/2015/07/25/b6f386f0-3210-11e5-97ae-30a30cca95d7_story.html Accessed August 19, 2015

On the other hand, the government has played a role internationally to save the industry through multilateral and bilateral agreements with regional and international actors through the ministry of East African Affairs, Commerce and Tourism.

This study sought to determine the level of satisfaction among respondents on Kenya's efforts on reviving the tourism industry in the wake of the crisis that is caused by terror threats. According to findings, 56% of respondents were satisfied and 44 % were not satisfied. Those who showed lack of satisfaction cited poor cooperation with the stakeholders and lack of commitment in improving security as the reasons. While those who were satisfied have said the government is doing its best to rescue the industry.

Table 4.1: Satisfaction with governments measures on reviving tourism industry

Measurement	Category	Frequency	Percentage
Are you satisfied with the government's efforts in reviving tourism?	Yes	51	35.1%
	No	59	64.9%
	Total	110	100%

Source: field data (2015)

In July 2014, a taskforce was formed¹⁷⁵ to advise the Government on how to rejuvenate the tourism sector, in the wake of terror attacks, mainly in the coastal counties of Mombasa, Lamu and Kilifi, which are some of Kenya's most popular tourist destinations. The taskforce was formed by the Cabinet Secretary for East African Affairs, Commerce and Tourism, Phyllis Kandie. In a Gazette Notice No. 4611, Kandie named Lucy Karume as chairperson of the

¹⁷⁵ [THE STANDARD](#) on July 20, 2014

seventeen member team. Ibrahim Mohammed, Principle Secretary in the Department of Commerce and Tourism, was the vice-chairperson.

The committee comprised of private sector tourism players such as Chris Modigell, J.S Vohra of Serena Hotels and Kenya Tourism Board MD Muriithi Ndegwa. The committee's duties included identification of challenges affecting the tourism sector and coming up with an immediate strategy to overcome those challenges. The team was also expected to develop a strategy to position Kenya as a preferred beach, commercial, sports, educational, health and business conferencing destination. Other functions include working to re-position tourism as a major contributor to the gross domestic product, and coming up with an action plan to mitigate future challenges. As it comes up with solutions, the taskforce was expected to consult participants from the sector. The team's report was expected to be finalized in three months. The taskforce met several stakeholders in different parts of the country and invited the members of the public including the social media users to contribute.

In March 2015, the task Force on Tourism Recovery handed its report which made radical recommendations to revive the ailing sector. Key among the recommendations included a six month-security operation at the Coast and other key tourist destinations in the country. The task force also proposed intensifying of ground and air surveillance. The task force wanted 300 specialized forces deployed on the Kenyan Coast and also advocated for recruitment of a 'reputation manager' whose job would be to help counter negative news about Kenya.

And to ease the movement of tourists to Coast, the team recommended dedication of a "priority lane" at the Likoni Ferry and expansion of the Ukunda and Malindi airstrips to facilitate landing of large aircraft. Equally, the task force called for merging of the wildlife conservation

and tourism docket to form a ministry with its own spokesman “separate from the Head of the Presidential Strategic Communication Unit.”

Currently, the two departments are managed by different ministries with tourism grouped with the docket on East African Cooperation, while wildlife services are under the Environment Conservation ministry. It added that Kenya is now perceived by foreign tourists to be unsafe and the Government must combat real and perceived threats including terrorism to change that perception. According to the report, ATPU officers should be trained in foreign languages and the unit should have a Rapid Response Unit embedded within it. The report also recommends a quarterly county engagement forum to foster tourism development as well as maintaining Kenya Tourism Board- the country’s tourism marketer – as a stand-alone corporation.

After the taskforce has made its recommendations, stakeholders were expecting the government to take the necessary measures immediately. And in response, in the budget of 2015/2016 year, the government increased its allocation to tourism industry. The players in the country have welcomed the Sh5.2 billion budget allocation to the sector which has in the last three years been on a slump. National Treasury Cabinet Secretary Henry Rotich proposed a Sh5.2 billion in the 2015/16 budget, a shot in the arm meant to be channeled towards recovery efforts on East Africa’s largest tourism market.

“This is the highest allocation the industry has ever received and it says a lot towards the commitment the Government has towards reviving the industry,” said Kenya Association of Hotelkeepers and Caterers, (KAHC), Chief Executive Mike Macharia.

But still stakeholders are pushing for an allocation of about 10% of what the sector generates annually to be used in marketing Kenya as a tourist destination abroad. The Kenya Association

of Hotelkeepers and Caterers (KAHC) have said that the tourism industry has been hugely underfunded, despite the critical role it plays in earning the country foreign exchange.

4.6.2 Commercialization and promotion of tourism industry

On the same, the government has invested hugely in marketing the tourism industry internationally by launching various local, regional and international campaigns to revive the industry. In April 2015, Kenya signed an MOU with the UN World Tourism Organization (UN WTO) which promised to support Kenya's long-term initiatives to resuscitate the tourism sector that is reeling from negative impacts of insecurity and global financial crises. UN WTO Secretary General Taleb Rifai said the international community will assist Kenya to salvage a sector that is the second largest source of foreign exchange earnings. After meeting Kenya's president in Nairobi, Rifai said his organization is taking positive action in promoting Kenya as one of the best tourist destination by signing a Memorandum of Understanding (MOU) with the Government to ensure the sector is sustainable.

The MOU is to provide the government of Kenya with a crisis management tool kit and manual to help the country respond to tourism related crisis especially in the international stage. Kenyatta said Kenya will not succumb to threats and that it will continue encouraging coexistence amongst its citizens. The president urged Western nations to always consult deeply before issuing travel advisories so as to understand the kind of negative impact that can be caused by those actions.¹⁷⁶

In his meeting with Kenyatta, Rifai said Kenya is a good destination for tourists and the international community should give the country unconditional support. Rifai said Kenya is a shining example in the tourism sector and that the entire UN system supports the country to

¹⁷⁶ http://news.xinhuanet.com/english/2015-04/25/c_134184313.htm

achieve its goals. He called on the international community to give Kenya an absolute and unconditional support adding that the travel advisories issued by certain nations do not agree well for the tourism industry and general development. UN WTO has urged foreign governments to suspend travel advisories warning their citizens against visiting Kenya. Rifai noted that terrorism is a global problem that requires collective efforts to root out.

And in May 2015, in a meeting in South Africa, African tourism ministers resolved to help Kenya resuscitate tourism sector that is reeling from negative impacts of insecurity. A statement from Kenya Tourism Board (KTB) said the ministers who attended the 2nd Ministerial Forum Indaba resolved to assist Kenya to salvage a sector that is the second largest source of foreign exchange earnings. "This is the time to rise up and support each other as a continent. We need to speak one voice," South Africa Tourism Minister Derek Hanekom said. INDABA, South Africa's biggest tourism exhibition in the continent was held from May 8-11. The UN World Tourism Organization (UN WTO) Africa Regional Director Elcia Grandcourt challenged Africa to do more, sighting the potential of the getting far more arrivals than the about 56 million received in Africa at the close of 2014. She called on the African countries to work together for more gains.¹⁷⁷

The forum attended by up to 8 ministers from different Africa countries and key captains of industry availed a forum for Africa to share challenges affecting tourism in the continent as well as map ways of working together in collaboration towards a stronger African tourism brand. KTB said the success of the joint East African Visa was applauded at the forum as a big success in easing movement across the continent and other regions were encouraged to emulate the same. The forum resolved that each country needed to differentiate its products in order to attract more tourists as opposed to competing, each country should leverage on its strength. Kenya's

¹⁷⁷ http://news.xinhuanet.com/english/2015-05/12/c_134232998.htm

participation in the South African exhibition comes at a time when a new campaign 'Choose Kenya' was launched two weeks ago.

And in June 2015, Kenya Tourism Board (KTB) and Kenya Airways launched a three-month long marketing campaign dubbed 'Choose Kenya' to woo tourists from the Gulf Corporation Council (GCC) countries. The campaign, which was launched on June 1st, by Kenya's ambassador to the United Arab Emirates (UAE), General Kariuki Mugwe, and targets travel agents and tour operators who are selling Kenya in the region. The campaign is targeted to the trade with the six highest sellers of destination Kenya being awarded luxury tours to the country ahead of the high season that was set to begin in July. The annual Wildebeest Migration in Masai Mara also coincides with the high season and attracts thousands of tourists. The three month campaign which was to run on all social media platforms and select trade magazines and targeted databases in the GCC countries – Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and UAE. Ndegwa pointed that the campaign will also enhance the online training program for travel agents unveiled in December 2014 targeting operators in Qatar, Saudi Arabia, Kuwait and Bahrain markets.

The ambassador says Kenya remains a first choice tourism destination for many and encouraged the travel trade to continue marketing the destination as a preferred tourism destination. In April 2015, More than Sh140 million¹⁷⁸ was budgeted for local and international campaigns to help revive the ailing tourism industry. Kenya Tourism Board managing director Muriithi Ndegwa said American television channel, Cable News Network (CNN), had been contracted to carry out global advertising campaigns to woo back holidaymakers from the US, Europe, Asia and Africa. He said the commercials would run on CNN for one year beginning

¹⁷⁸ <http://www.nation.co.ke/counties/mombasa/Huge-Sh140m-tourism-revival-drive-launched/-/1954178/2679694/-/format/xhtml/-/hts2hpz/-/index.html>

this month highlighting Kenya's diverse tourism offerings. "The global advertising campaigns will help us reach traditional and emerging markets to increase the flow of tourists," he said. To be showcased are the popular coastal beaches, wildlife in the national parks and game reserves and diverse cultures. Mr Ndegwa said the tourism board had also embarked on an aggressive drive to win back European chartered airlines and leading tour firms. He said this targeted the source markets of Germany, France, Italy, Czech Republic and Scandinavian countries. The campaigns include media and trade familiarisation trips, travel agent meetings and shows in the targeted source markets.

Locally, Mr. Ndegwa said the board was working to encourage more Kenyans to go on holiday. He added a vibrant domestic market would cushion the hotels during the low tourist season. "We will capitalise on school holidays by encouraging Kenyans to go for holidays across the country," he said. He said this would be done through the "Tembea Kenya" campaign, adding that hotels and lodges had agreed to offer special holiday packages for domestic holidaymakers. Other campaigns include creating avenues for county governments to hold tourism events to showcase their attractions. "Domestic tourism remains a key driver to the revival of the industry," he said.

4.7 Conclusion

In conclusion, the research generally found that most of the respondents were not fully happy with the government's policies towards mitigating the effects of terror on terrorism. While they also commended the governments' efforts they showed a lot of concern and urged the government to invest more on security and engage with local stakeholders in tourism industry to rescue the sector.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATION

5.1 Introduction

This chapter gives a summary of the findings, conclusion and recommendations on the impact of terrorism on tourism in Africa: a case study of Kenya based on the findings from the previous chapters.

5.2 Summary of Findings

The study had three objectives:

First objective was to establish the impact of terrorism on global tourism

Second objective was to evaluate the knock on effects of terrorism on local stakeholders in the tourism industry.

And third was to determine and analyze the mitigation strategies adopted by the government to deal with terror in the tourism industry.

On the first objective, the study found out that terrorism has had a negative impact on tourism globally. This was highlighted through different regions globally. It was found out that terrorism has not only affected the tourism industry in developing world, but it has also affected the developed nations such as United States of America, Australia and Turkey. Other countries such as Indonesia and Pakistan were seriously affected in their tourism industries after attacks that targeted tourists. The study established the relationship between tourism and security and concluded that tourists consider security as an important factor when selecting their target destinations, and since terrorism is a major security concern most tourists prefer to avoid areas associated with terror threats.

On the second objective, the study sought to find out how terror activities in Kenya have affected tourism related businesses. The findings were that 71% of the respondents said their businesses were affected by terrorist threats because the number of tourists has reduced while 29% said they were not really affected. On whether travel advisories have affected the tourism industry 77% said it has affected tourism. 55% of the respondents also said that reduction of tourists forced them to reduce their employees as well as reducing their consumption which has also affected their suppliers who directly or indirectly depended on tourism industry.

The study also found that majority (68%) of the respondents felt that terrorists do not necessarily target tourists due to the fact that they have been targeting anyone who is opposed to their ideology whether a foreigner or a local. However, 61% of the respondents were of the view that tourists risk being attacked more by terrorists when open places such as shopping malls and open markets while 31% said they are likely to be attacked at tourist sites. Only 8% thought they risk being attacked in their hotels and residential places.

On the third objective, the general findings were that; the mitigation strategies adapted by the Kenyan government to curb terrorism were not very convincing. However, 61% of the respondents said the government invested well in security as opposed to 39% who went against that. On the country's counter strategies, 58% of the respondents said they were not satisfied with the government while 42% said they were satisfied. The study also found out that most of the respondents (42%) rated the government's engagement with the local communities in combating terrorism to be *poor*, while 22% rated it *averagely* and 36% said the government has done well. The government's corporation with other countries has however been satisfying to many respondents, as 73% said they were satisfied with the government's policies towards that while 27% said that such efforts have not been productive.

On the government's efforts to revive the tourism industry amid the crisis due to terror effects, 65% feel that the governments has not done enough yet to rescue the industry while 35% feel the government has done well.

5.2 Conclusions

Tourism has been one of the leading industries in Kenya as well as a major contributor towards the Kenyan economy. Kenya has relied heavily on international tourists in the past. Following acts of terrorism, such as the bombing of the United States embassy in Nairobi, the capital city of Kenya; the bombing of Paradise beach hotel in Mombasa, a major city; and a near fatal rocket launched grenade attack on an aircraft. Consequently, the tourism industry suffered a great blow. While the government has taken several preventive measures, it is still necessary for the Kenya Tourism Board (KTB) to develop a crisis management strategy in order to reduce the aftermath of such horrendous acts in the future.

Even its demonstrated economic success does not shield international tourism from the sinister power of terrorism. While numerous natural and human-caused disasters can significantly impact the flow of tourism, the threat of danger that accompanies terrorism or political turmoil tends to intimidate potential tourists more severely. Fear of random terrorist violence is not new, but the attention it has commanded from scholars can be traced back only a decade.

Terrorism in Kenya displays a pattern of repeated attacks. A requisite to managing terrorism and regional political problems is to accept the permanence of the former and the latter. This implies that the Kenya Tourism Board should expect the worst and should develop a tailored crisis management strategy in case they are not able to counter future terrorist plans. Unless terrorism is viewed as a crisis by the tourism industry in Kenya, not enough energy and

resources will be channeled to its management. The declaration of terrorism as a crisis is a vital step that the Kenyan government should take.

Tourism requires security and insecurity always harms tourism. Terrorism attacks have changed over the course of history from violent activities to threats and kidnappings. Terrorism attacks are not only global or regional but it has also its effects locally. Terrorism respects no boundaries and the perpetrators of terrorist attacks are wide spread from one part of the country to the other. Media plays a huge role in influencing the tourism industry, especially by giving inaccurate or biased information by exaggerating the violent activity and in the worst case highlighting false impression of the country. Kenya attracts international media coverage and its liberal media regulations have left the country exposed to biased coverage. The negative coverage from the media has contributed to huge losses of jobs in tourism and hospitality industry and also huge cancellation of tourist's hotel bookings especially in the coastal region. It is undeniable that the effects of terrorism in tourist areas have an adverse effect on the economy of that country as seen with Kenya. However, after an initial drop in tourist number things eventually return to normal. This can be seen with Kenya and in a global sense with people's attitudes towards flying especially after the 9/11 attacks. This may be due to efforts to reinforce security in attacked areas or maybe because the possible threats of terrorism cannot cancel out the thrills of visiting foreign areas and being an international tourist.

Terrorists are improving their sophistication and abilities in virtually all aspects of their operations and support. The aggressive use of modern technology for information management, communication and intelligence has increased the efficiency of these activities. Weapons technology has become more increasingly available, and the purchasing power of terrorist organizations is on the rise. The ready availability of both technology and trained personnel to

operate it for any client with sufficient cash allows the well-funded terrorist to equal or exceed the sophistication of governmental counter-measures.

As such a provider of employment and economic prosperity in many countries including Kenya, the tourist industry must be able to remain resilient in the face of adversity. Although tourists act as an easy target for terrorists if the industry remains flexible in its ability to diversify when tourism numbers take a downturn it will help ensure economic prosperity is maintained and defeat the primary objectives of the terrorist groups.

5.3 Recommendations

The study arrived at the following recommendations which according to the researcher, if implemented effectively; will ensure a drastic improvement in security to attract both low and high-end tourists in Kenya.

1. The study recommends that the government should have APTU forces deployed at every county in the country.
2. The study recommends that both domestic and foreign tourists' policies should be reformed in order to discourage accommodating terrorist in their premises.
3. The study recommends that should invest more in security and security arms involved in fighting terrorism should be equipped with modern weapons and surveillance systems for counter-terrorism efforts. The military should be equipped with efficient, effective transportation and communications systems along with providing significant training resources to carry out this mission in addition to patrolling Kenya's borders and coastline.
4. The study recommends that there is need for policy shifts to address emerging terrorism trends to enable the security arms to pay greater attention to security matters. Extra diligence

should be exercised at entry points and close monitoring of suspicious characters in the country.

5. The study recommends that there is a need to improve business strategies and also to lobby the Government to re-focus on the security issue to make the country more competitive and marketable.
6. The study also recommends that the citizens, the business operators/stakeholders and the police need to work more closely to forestall any future terrorist attacks.
7. The study also recommends that the government should invest in fighting radicalization and extremism by raising awareness among the youth on the negative consequences of extremism. The government should embark on an aggressive information campaign to educate the populace on terrorism. The campaign should be aimed at sensitizing the public about the fact that terrorist attacks do not only affect the targeted victim but everyone, either directly or indirectly, not just as potential victims, but also as taxpayers because most of the government resources that would have been invested in development are being diverted to fight terrorism. This information campaign should focus on areas where terrorists have penetrated the community. For the campaign to be effective, the government should enlist the support of prominent Islamic scholars and Islamic organizations, such as the Council of Imams and Preachers of Kenya, the Supreme Council of Kenya Muslims, the Kenya Assembly of Ulamaa, and the National Union of Kenya Muslims, with a view to incorporating the clerics as a platform to launch antiterrorism appeals and to build a consensus on an antiterrorism bill. The Muslim clerics are in a better position to educate their followers on the issue of terrorism.

8. The study also recommends that the government through its tourism agencies should invest in marketing the country's tourism and should also engage in diplomacy with countries that send a big number of tourists annually to Kenya and ensure them that their citizens will be safe in Kenya.
9. Finally, the government should train stakeholders in tourism industry on dealing with imminent attacks targeting them and tourists to avoid being caught unaware.
10. Kenya needs to be prepared for crisis management with a guideline that will serve as a guide for managing the aftermath of terrorism. This guideline will save time by providing a roadmap to follow in a time of confusion resulting from a terrorism attack and will facilitate the recovery of tourism from the negative occurrences, thus rebuilding Kenya's image.

5.4 Areas for Further Research

This study was mainly concerned with the effect of terrorism on tourism in Africa by using a case study of Kenya. There is need of a macro view of the entire economy and how it has been affected by terrorism. This study therefore recommends that subsequent studies adopt a broader view of a comparative examination on the influence of terrorist activities on tourism and other business in Kenya.

There is also a need to examine the impact of terrorism on the flow of foreign direct investment to the terror hit countries.

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APPENDIX 1: QUESTIONNAIRE

Dear participant,

I am carrying out an academic study to assess the effects of the recent terrorist attack on tourism related businesses. The purpose of this questionnaire is to find out the effect of terrorism on tourism industry. As a person who deals directly with tourists your views and ideas are considered very important for the success of this academic study and it would be very much appreciated if you could spend a little time to answer this questionnaire.

Please tick inside the bracket [√] or give a brief explanation where appropriate as per the instructions given

Section one: personal information

1. Name: Mr./Mrs./Ms/Dr./Prof.....
2. Age: 20-30 yrs () 30-40yrs () 40-50yrs () 50-60yrs ()
70yrs and above ()
3. Sex Male() female()
4. Religion: Christian () Islam() hindu() other()
5. County
6. Profession/ trade

Section two: Questions

Part one: investigating effects of terrorism on tourism and its related businesses.

7. (a) Has terrorism affected your business? Yes () No ()
(b) If yes how much?%
8. (a) Have the travel advisories affected your business?
(b) If yes how much?%
9. (a) Has the reduction of tourists forced you to reduce the number of employees?
Yes () No ()
(b) If yes by how much?%
10. (a) Has the reduction of tourists affected your suppliers? Yes () No ()
(b) If yes how much.....%
11. (a) Do you think terrorists target terrorists? Yes () No ()
(b) If Yes why?
A. Because they are mostly from western world
B. Because of their religion
C. To gain international media attention
12. What are the riskiest places for tourists to be attacked?
(a) Shopping malls
(b) Hotels
(c) Tourist sites
(d) Other.....

(b) Has there been a reduction in the number of foreigners visiting your mall or markets due to terrorist attacks? Yes () No ()

Part two: investigating governments' mitigation policies.

13. Are you satisfied with the government's investment in security?

Yes () No ()

14. How do you rate government's collaboration with locals communities in mitigating the effects of terrorism?

- Good
- Average
- Poor

15. (a) Are you satisfied with the government's anti terror strategies?

Yes () No ()

(b) If No, why.....
.....

16. Are you satisfied with the government's collaboration with international allies in fighting terrorism? Yes () No ()

17. Are you satisfied with the government's efforts to revive tourism?

Yes () No ()

Thank you for your time and assistance