

How Kenya's tourism industry has felt the impact of terrorist attacks

By <u>Steven Buigut</u> 28 Jan 2019

The impact of Kenya's recent <u>terrorist attack</u> will be felt greatly by its tourism industry. Terrorism, and insecurity generally, <u>is largely</u> responsible for the sector's poor performance over the last decade.



Kenya's tourism industry is heavily focused on its beaches and wildlife. Shutterstock

Between 2011 and 2017, there were <u>on average</u> 60 attacks each year carried out by different groups, each varying in magnitude. Over half of them are suspected to have been perpetrated by al-Shabaab. These include high-profile attacks in 2002 on <u>Paradise hotel</u> in Mombasa, the <u>Westgate shopping mall</u> in 2013 and <u>Garissa University</u> in 2015.

This had a huge impact on tourism numbers. Kenya's vision 2030 – a development plan which aims to transform Kenya into a middle-income country – <u>sought to</u> increase tourism arrivals from 1.7 million in 2012 to three million visitors by 2017. But in 2017 the actual arrivals were only 1.45 million. 2014 was a particularly challenging year for the sector, as this was when terrorist attacks peaked at <u>close to</u> 100 incidences. The recent attack raises concerns that those dependent on tourism face the prospect of prolonged stagnation in the sector and job losses yet again.

Tourism is very important to the Kenyan economy. It provides huge employment and foreign exchange earnings. In 2017 the <u>total contribution</u> of travel and tourism to the Kenyan economy was about 9.7% of the country's GDP. Travel and tourism accounted for about 9% of total employment in the same year.

Through my research I examine the impact of terrorism and travel advisories on tourism.

Each terror attack has a different impact on tourism and this is influenced by variables such as the scale of the attack in terms of lives affected (casualty and fatality levels), the damage to and type of property or facilities targeted, and the length of the siege. These all dictate the level of international media exposure, and the level of perceived risk among business and leisure travellers.

Measuring impact

My research analyses the combined data of attacks over several years and tourism arrivals to find an average effect. The number of fatalities and casualties are used as a measure of the scale of the attack.

On average, I found that there was a reduction of about 2,508 visitors per year for every one fatality. This translates roughly to a loss of about Ksh157.1 million (about USD\$1.5million) in tourism revenue per year for each fatality. These losses don't capture the longer-term effects such as lost growth opportunities, or the social costs of lost lives and job losses.

The losses are felt by a range of people: hotel operators, taxi drivers, food vendors, tour guides and more. In some areas communities <u>depend on</u> tourists as clients for their curios or because they lease their land to hotel operators. On the coast, the fortunes of tourism-based towns like <u>Malindi</u> have declined.

In the longer term, the country's competitiveness as a destination is compromised. Fewer tourists are willing to come and players in the tourism sector suffer as operational costs increase.

Tourism

The government realises the significance of the sector and it is one of the six priority sectors in its development blueprint.

Kenya's tourism industry is heavily focused on its beaches and wildlife – as is Tanzania's. That means tourists have alternatives within the region and can easily switch to competing destinations if Kenya's security continues to deteriorate.

Kenya's advantage over the competition elsewhere in Eastern Africa has been in its high level of international <u>air</u> <u>connectivity</u>, better local infrastructure and tourist facilities. The <u>main sources</u> of tourists are Europe (particularly the UK, Germany and Italy) and the US, though there's also been an uptick in the numbers <u>from Asia</u> (especially China) and <u>other African</u> countries.

The government has <u>already tried</u> to make improvements to the industry. <u>For example</u> it implemented a program that gave incentives to charter flights and launched an aggressive marketing campaign, under <u>Magical Kenya</u> – the tourism board's platform.

The aim, in addition to keeping visitors coming, was to attract tourists from non-traditional countries – like those in Asia, the Middle East and other African countries.

Fixing the problem

The government has also invested in security. In 2016 <u>it adopted</u> a national strategy to counter violent extremism, <u>implemented through</u> the national counter-terrorism centre.

The effort shows. The <u>prevailing sentiment</u> is that the response to the recent attack was more efficient than during the Westgate attack. But more can be done.

There needs to be better security and monitoring along the Somali border. This should be done using a mix of technology – like surveillance and bomb detection systems. This is crucial because of the limitations of ground based security forces and physical barriers. International and regional cooperation in intelligence and information sharing will help to improve effectiveness and lower costs.

Terrorists do not live in isolation; they live within communities. Support for initiatives like <u>Nyumba Kumi</u>, which promotes community unity and policing, can complement other security measures.

Ultimately, though, a comprehensive strategy must be developed to deal with the political and ideological sources of conflict that have fractured Somalia. Countries in the region must support Somalia so that it is stable enough to eliminate the threat of terrorism by the al-Shabaab group.

It's imperative that Kenya continues to keep making these strides. If it doesn't, tourists will steer clear and opt for alternative destinations.

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