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Terrorism terrorizes tourism: Indian tourism effacing myths?

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“If you can’t measure it you can’t manage it”

--A Newzaland Adage

Abstract

India's rich history and its cultural and geographical diversity make its international tourism appeal large and diverse. It presents heritage and cultural tourism along with medical, business, educational and sports tourism. Tourism is a critical source of revenue generation and therefore a major component of economic development, a relationship that rewards states when positive conditions such as a strong global economy exist. *But what happens when negative conditions exist, such as terrorism?* The correlation between tourism and terrorism is undeniable in the modern era due to the strength of the industry. In many developing countries that have successfully focused on tourism, the sector has emerged as a major source of both employment and foreign exchange earnings. Cleanliness and security in and around the tourist sites is a key concern for foreign tourists. Disasters create difficult, often tragic, situations for the afflicted area and its residents. The study has presented how terrorist attacks affect tourism. Various statistics on the Foreign Tourist Arrivals, in the study show the direct relationship of the effect of terrorism on tourism during 2006 to 2012. In spite of terrorist activities the figures are in upward directions. Both the government and other sections of society interested in promoting tourism, both domestic and inbound, must have a forward-looking policy on dealing with terrorism that does not hurt tourism.

Key words: Inbound tourists, terrorism, economic development, security, earning

1. Tourism: A Flourishing Industry in India

Tourism in India is the largest service industry, with a contribution of 6.23% to the national GDP and 8.78% of the total employment in India. In 2010, total Foreign Tourist Arrivals (FTA) in India were 5.78 million and India generated about 200 billion US dollars in 2008 and that is expected to increase to US\$375.5 billion by 2018 at a 9.4% annual growth rate. The majority of foreign tourists come from USA and UK. Kerala, Tamil Nadu, Delhi, Uttar Pradesh and Rajasthan are the top five states to receive inbound tourists. Domestic tourism in the same year was 740 million. Andhra Pradesh, Uttar Pradesh, Tamil Nadu and Maharashtra received the big share of these visitors (*Bureau of Migration, Govt. of India, 1997-2012*).

India has fascinated people from all over the world with her secularism and her culture. There are historical monuments, beaches, places of religious interests, hill, medical, meditation etc. that attract tourists. Every region is identified with its potential varied areas like handicraft, fairs, folk dances, music and its people. Despite the deepening world economic crisis, India's economy remains in decent shape and is still experiencing some of the strongest growth rates in the world, the Deloitte report said. Modern tourists expect something novel and different from the traditional tourism they are accustomed to. Tourists travel not merely to eat, drink and make merry, but also to learn more about the people and cultures of those with whom they come into contact, as well as visiting new and exciting destinations. Such tourism initiatives are now termed as 'Cultural' or 'Knowledge Oriented' Tourism and tourists learn a great deal from these. . It is not only a significant contributor to GDP and foreign exchange reserve of the country, but also it provides widespread of employment. Tourism sector can also be considered the backbone for allied sectors, like hospitality, civil aviation, and transport. Sensing the importance and worth of the sector, Indian Government has invested abundantly for the development in this sector. It has been partially successful with increase in foreign tourist arrivals over the last decade, courtesy "*Incredible India Campaign*". Harish (2010) opines to shift the brand architecture model of "Incredible India" campaign from Monolithic (umbrella branding) to House of brands (state-wise branding) to improve the branding strategy of "Incredible India" campaign but does not focus on existing gaps in the campaign. Various branding strategies, like co-branding, thematic branding, digital branding etc. that can be adopted by Incredible India campaign to rank India as one of the top most nations for tourism (Gawande and Dethe, 2008). It is true that

tourism is an important and flourishing industry in the country. It accounts for one-third of the foreign exchange earnings of India and also gainfully employs the easily the highest number of people compared to other sectors.

1.1 Terrorism : A Threat on Tourism Industry

Despite tourism economic strength, terrorism and political turmoil present major challenges to the industry. Gabriel Weimann and Conrad Winn, in their book, *The Theatre of Terror*, suggest that terrorist activities have a major impact on international tourism of a country and are also the largest economic factor in the equation between terror and foreign tourism. This means terrorism, no doubt, has an effect on the flow of foreign exchange into a country because of its impact on international tourism. Since the 1960s a plethora of studies have been published on the topic of terrorism, however, the number of publications that directly address the root causes has been surprisingly limited. Following the explosion of publications on the subject in the 1970s, terrorism research has produced steady growth in the number of publications, but according to some the quantity has not reflected improvements in quality (Silke, 2003). It is true that various aspects of terrorism have been tackled in recent years, including radical group affiliation, civil violence and suicide terrorism. However, despite the proliferation of academic studies and political discussions calling for a closer look at the root causes, there has been no real improvement in this area. As Andrew Silke points out “[a] review of recent research work found that only about 20 percent of published articles on terrorism are providing substantially new knowledge on the subject” (2003). As such, ongoing research continues to be based on the findings from years past. Tourism is one of the most important economic pillars of the Indian economy. Tourism has its own direct and indirect effect on society which is regarded as an effective instrument of country’s economic development. Tourism, as viewed by Smith (1992), is an activity dependent on three operative elements – discretionary income, leisure time and social sanctions permissive of travels. Tourism industry fosters a country’s economy, stimulates development process, restores cultural heritage, and helps in maintaining international peace and understanding. Terrorism has been most succinctly defined as “the intentional use of, or threat to use violence against civilians or against civilian targets, in order to attain political aims.”(Ganor, 1998).

Enders and Sandler (2002) defines terrorism as “...the premeditated use or threat of use of extranormal violence or brutality by sub national groups to obtain a political, religious or ideological objective through intimidation of a huge audience, usually not directly involved with the policy making that the terrorists seek to influence,” (pp. 145-146). Based on Lutz and Lutz (2008), here is a working definition that is reasonably inclusive and comprises of six elements:-

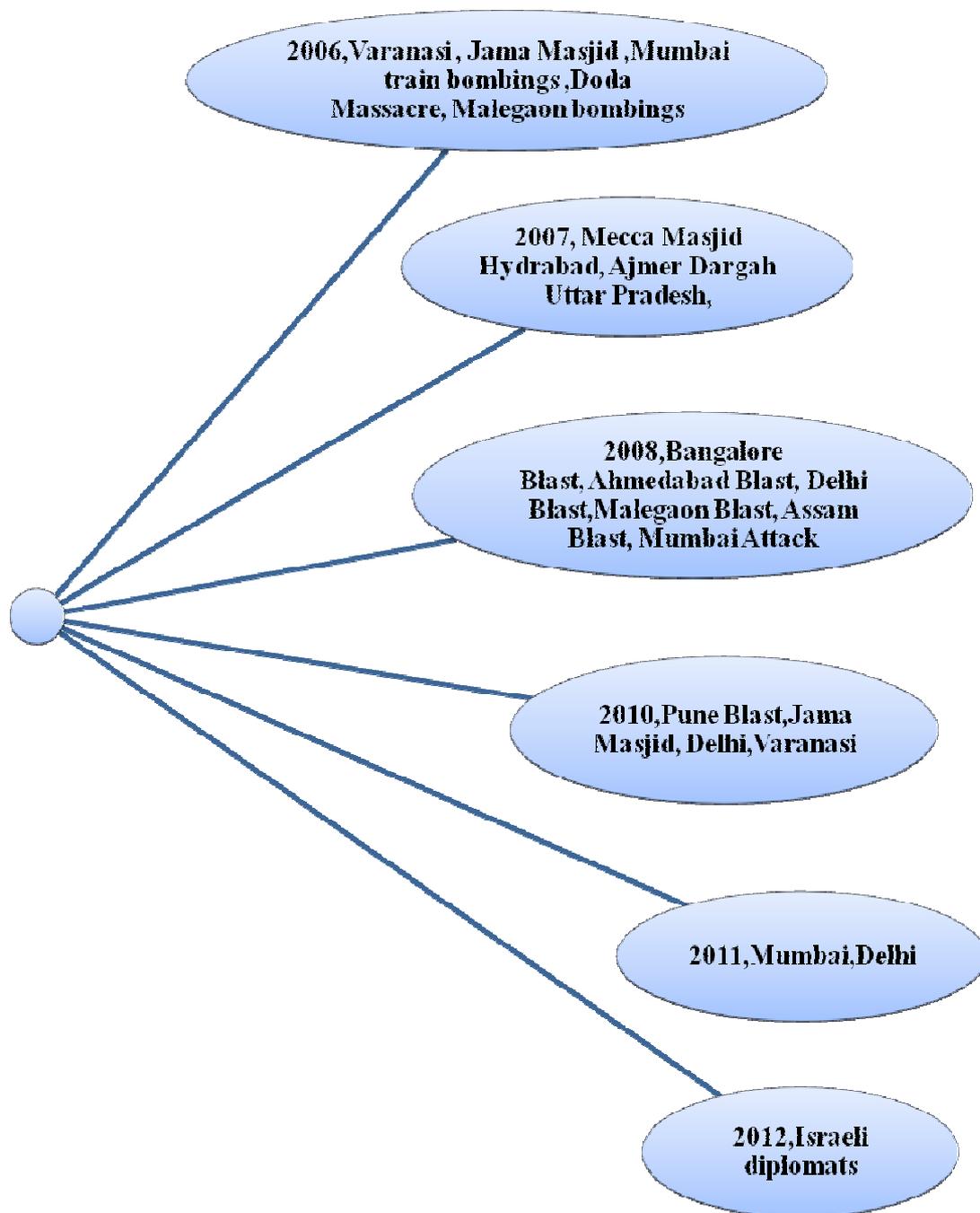
- The violence is undertaken primarily for political reasons (Korstanje & Skoll, 2013).
- Violence or the credible threat of violence is present (Badey, 1998).
- For violence, or political violence, to qualify as terrorism, it must also affect a target audience beyond the immediate victims and influence such audiences as part of the attempt to gain the political objectives of the organization. Some definitions include the specification that the targets of terrorist violence are civilians (Schmid, 2004; Korstanje, 2013).
- For political violence to be terrorism there must be an identifiable organization.
- For the purpose of this dissertation terrorism will be situations in which the perpetrators, the victims, or both are not states or governments.
- The last element is that terrorist actions are used to improve the power situation of the organization that is using this form of political violence

2.1. Terror on Tour

International terrorism and tourism are paradoxically connected via their mutual characteristics such as both crossing national borders, both involve citizens of different countries, and they both utilize travel and communications technologies, (Schlagheck, 1998; cited in Sonmez, 1998). The correlation between tourism and terrorism is undeniable in the modern era due to the strength of the industry and the fact that tourist's sites are an ideal target place for terrorist attacks in order to cause large amounts of social and economic disruption. India has the potential to become the number one tourist destination in the world with the demand growing at 10.1 per cent per annum as predicted by the World Travel and Tourism Council (WTTC). There are a number of supporting studies where these terrorist attacks gave impact to tourist activity in India.

Figure 1.

<u>Major terrorist attacks in India since 2006</u>



So

urce: http://en.wikipedia.org/wiki/List_of_terrorist_incidents_in_India

The threat from terrorism to India is real. The beginnings of this religious insurgency can be traced back to the rise of the Jammu Kashmir Liberation Front in Indian controlled Kashmir (Ganguly 1997). Over the years this group was marginalized in favour of more radical groups

like Lashkar-e-Taiba and Harkatul Mujahideen, which became violently active and adopted terrorist tactics with the involvement of Pakistan to perpetuate a low intensity conflict with India. A series of blasts occurred across the Hindu holy city of Varanasi on 7 March 2006. Fifteen people are reported to have been killed and as many as 101 others were injured. No one has accepted responsibility for the attacks, but it is speculated that the bombings were carried out in retaliation of the arrest of a Lashkar-e-Toiba agent in Varanasi earlier in February 2006. On 7 December 2010, another blast occurred in Varanasi that killed immediately a toddler, and set off a stampede in which 20 people, including four foreigners, were injured. The responsibility for the attack was claimed by the Islamist militant group Indian Mujahideen.

Mumbai has been the most preferred target for most terrorist organizations, primarily the separatist forces from Pakistan. The Mumbai investigations are unlikely to deter them from their goal of striking the heart of India. Over the past few years there have been a series of attacks, including explosions in local trains in July 2006, and the most recent and unprecedented attacks of 26 November 2008, when two of the prime hotels, a landmark train station, and a Jewish Chabad house, in South Mumbai, were attacked and besieged. In the past couple of years though, the terrorists have shifted their target from local people to touring foreign nationals in India. It is a global phenomenon, but there have been two high profile attacks on tourists in India that have grabbed the attention of the world. Pune attack: On 13th February 2010, a bomb ripped through German Bakery in Pune killing seventeen people including four foreign nationals. Most of these foreign tourists stayed in the nearby Osho Ashram and often frequented the Bakery.

2.2. Perceived Risk in Travel

Risk perception in tourism is associated with the issue of safety in travel, and results in an impact on tourist's travel decision and destination choice, (Sonmez and Graefe, 1998). When potential tourists plan a holiday that is risky, this generates a fear of negative consequences. Consequently, those perceived risks and perceptions of safety may cause potential Travelers to cancel their travel plans; change their destination; modify their travel behavior; or obtain more information. A tourist's decision-making process is influenced by the individual's external and internal factors. Several internal factors related to terrorism may influence every key stage of the decision-making process. Previous travel experience may affect the potential tourist's confidence

regarding future travel (Sonmez and Graefe, 1998). The risk perception of terrorism may cause travel anxiety towards a destination. Different levels of risk perception together with other internal factors may determine a tourist's motivation to travel, their awareness of destination alternatives, the level of concern given to safety and terrorism threat, the extent of their information search, evaluation of alternatives, and therefore their destination choice. Attitude is one of the main determinants of tourist buying behaviors. An individual with negative attitudes toward a destination due to a terrorist incident there may exhibit high levels of concern for safety, and this is likely to result in a negative outcome for the travel decision. External factors related to terrorism, such as the media reports about the terrorist incident, tourism authorized advisories, the recovery campaign and so on, have an influence on tourists' perceptions of the affected destinations, their attitude towards travel and their image of the destinations. Special offers made available after the terrorist incident may stimulate people to travel, a good deal of tourists consider this factor an important stimulus for visiting a destination and is a main determinant in destination choice, (Swarbrooke and Horner, 1999; Schmoll, 1977). The above dimensions address the various factors associated with terrorism and terrorist incidents which influences the decision making process towards a specific destination choice.

2.3. The Effect of Terrorism on Tourist Behavior

Firstly, the risk of terrorism affects the decision making process, (Cook, 1990; Sonmez & Graefe, 1998). Cook (1990) concluded that business travellers' propensity for international destinations is predicted by their reluctance to change their plans in response to media coverage of terrorism. Tourists' level of previous international experience also influences their reactions to terrorism, (Cook & Mcleary, 1983; D'Amore & Anuza, 1986; Steiner, 2007; Ertuna & Ertuna, 2009). On the other hand, Sonmez & Graefe (1998) found past international experience to have only an indirect impact on future behavior but did find that individuals that had previously visited a destination tended to report that they would not avoid that destination in the future. On the other hand, Matzursky (1989) suggests that future travel behavior may be influenced not just by the extent of past travel experience but by the nature of previous travel as well.

Secondly, the risk of terrorism causes tourists to modify their behavior during travel to 'risky' destinations, (Hartz, 1989). This included keeping a low profile, dressing down,

eliminating conspicuous consumption etc. However, the study was of high level business executives who are required to travel to certain destinations for their jobs and so not chosen their destinations themselves from their own desire. This renders this study inadequate for the study of tourist's destination choices in the light of terrorism.

Thirdly, the risk of terrorism causes tourists to substitute risky destination choices with safer choices. Tourists are rational consumers and move through the decision-making process by weighing benefits against costs. Risks from terrorism at a destination increase the level of tourists' perceived risks and so increase the cost of the experience, which then results in the substitution of that destination with one perceived as safe, (Gu & Martin, 1992; Enders & Sandler, 1991; Enders, Sandler & Parise, 1992; Mansfield, 1996). Mansfield (1996) discovered the movement of tourism within the Middle East from the less stable 'inner ring' of Egypt, Israel, Jordan, Lebanon, and Syria, to the more stable 'outer ring' of Cyprus, Greece and Turkey, due to the Arab-Israeli conflicts. Mansfield (1996) also claims that a country's visitor numbers correlate with its level of involvement in security situations.

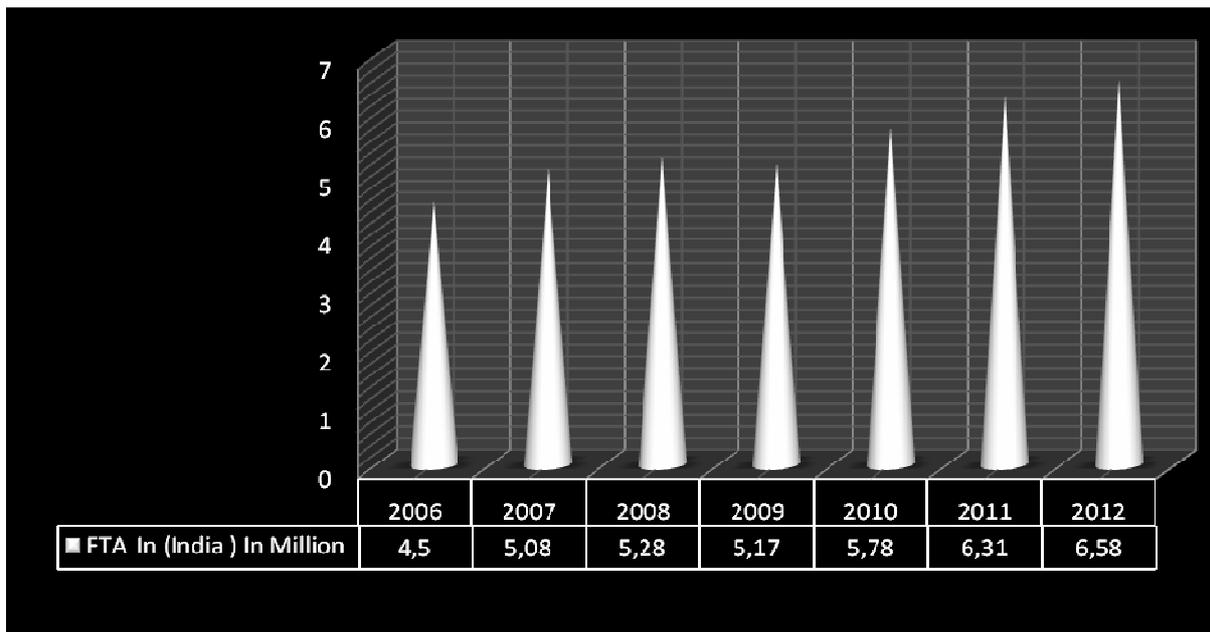
4. Tourist arrivals up despite Terrorism

Although India has had relatively little direct experience with terrorism, facts and figure shows *a upwards turns for Indian tourism industry in recession mode*. It seems that, in addition to the collective negative impact, many individuals displayed significant positive changes in various strengths in the interpersonal area (i.e., kindness, leadership, love, and teamwork), and in aspects concerning the philosophy of life (spirituality). Attractions are the major factors, which ensure the flow of international tourists to a specific place. According to the latest tourism ministry figures, an estimated 5.28 million tourists came to India as compared to 5.08 million in 2007. In spite of global financial meltdown and terrorist activities, the number of foreign tourist arrivals (FTAs) has increased in 2008 as compared to 2007 (figure 2). In fact, the ministry said the impact of the Mumbai terror attack Nov 26 year 2008 that left killed 173 people, including police officials and foreign nationals, was not felt as it was feared, as the number of tourist arrivals in December 2008 went up slightly as compared to November. "The number of foreign tourist arrivals in December 2008 has risen to 522,000 as compared to 521,000 in November 2008," the statement added. The ministry compiled the figures on the basis of data received from major

airports. The officials said the United Nations World Tourism Organization (UNWTO) has predicted a growth rate of two to three percent for international tourist arrivals in world during 2008. They, however, said that India has seen a growth rate of 5.6 percent, which is much better than the world scenario.

Foreign Tourist Arrivals Since 2006

Figure 2

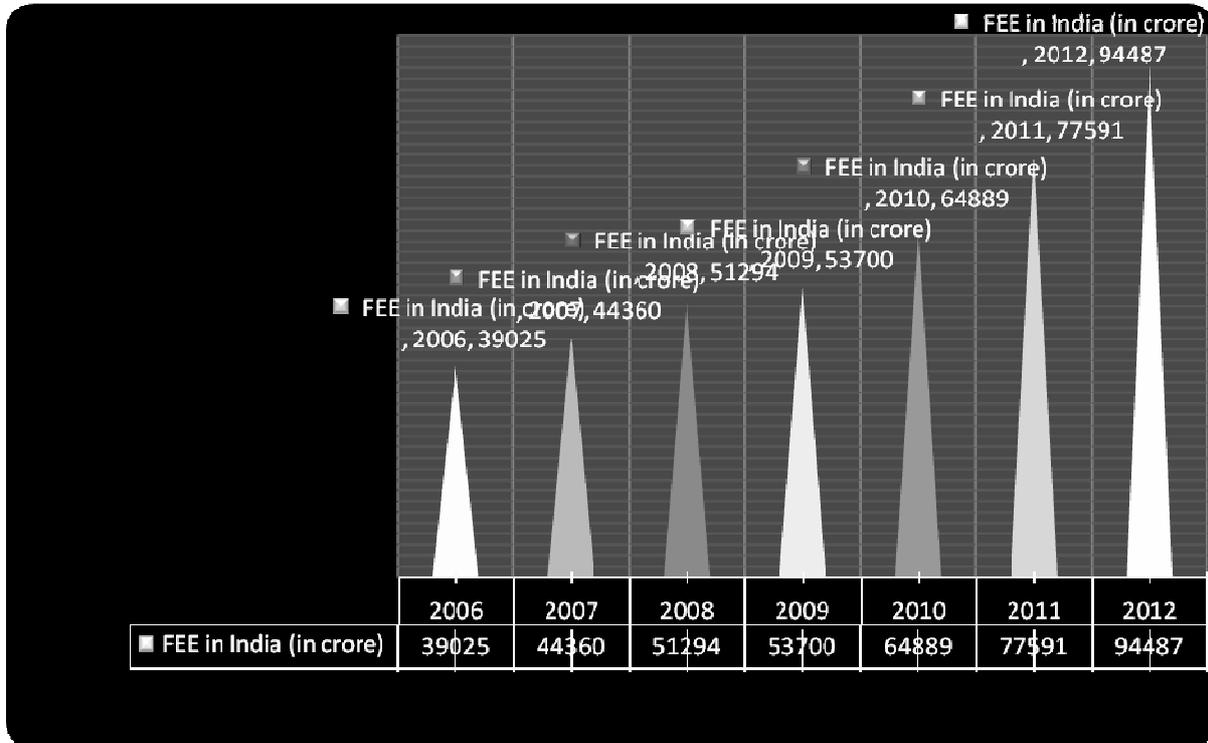


[Source: Bureau of Migration, Govt. of India,1997-2012]

UNWTO is a specialized agency of the United Nations and is the leading international organization in the field of tourism. It serves as a global forum for tourism policy issues and practical source of tourism know how. FTA in 2011 were Rs.6.31 million as compared to 5.78 million in 2008. In 2012, the foreign arrivals were Rs.6.58 million.” (Figure 2). FTAs during the Month of January 2012 was 6.81 lakh as compared to FTAs of 6.24 lakh during the 2011 and 5.69 lakh in 2010. The trend of positive growth in FTAs observed during the year 2011 continued in 2012 too with a growth rate of 9.2 %. The growth rate of 9.2% in January 2012 over January 2011 was higher than 5.2% growth rate observed in December 2011 over December 2010.

Foreign Exchange Earning Since 2006

Figure 3



Source: Bureau of Migration, Govt. of India, 1997-2012

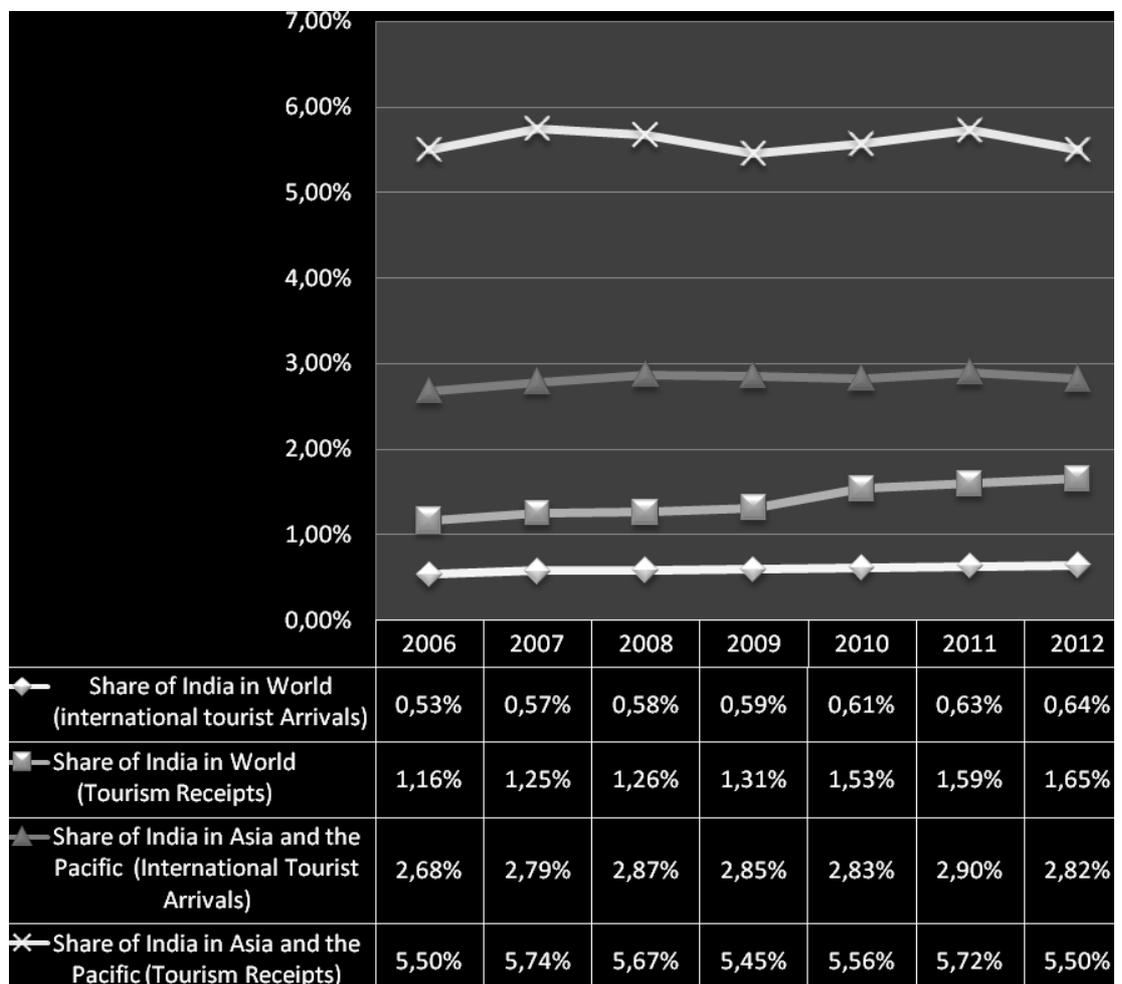
Ministry of Tourism, India

As estimates shows in figure no. 3, foreign exchange earning of India in 2006 gained Rs. 39025 Crore arrivals. Next, foreign exchange earnings, in 12 months of year 2007 reached Rs.44360 Crore. Until to 2012 when during this period the major tourist attacks occurred, tourism industry still maintained the rapid developing rate with Rs. 94487 Crore, 21.0% higher than 2011. However due to the result of the terrorism, the developing rate was slow down very dramatically (figure 3). During this time, the Tourism industry still developed continuously in India. The foreign exchange earnings increased very quickly although the growth rate was a bit slowdown. Directly, the terrorist attacks in lately 2012 did not have much effect on the tourism industry of India.

In Asia, mass travel has blossomed in recent years. Tourism has become one of the most important sectors in the economy in Asia Pacific countries, and the region is now regarded as a new center of tourism.

Share of India In International Tourist Arrival and Tourism Receipts in World and Asia Pacific

Figure 4



The rapid growth of the tourism industry has been attributed to a number of factors, among which are strong economic growth, increase in disposable income and leisure time, easing of travel restrictions, successful tourist promotion, and recognition by the governments. International tourist's arrival share of India in world and Asia which was, presented by Ministry

of Tourism India, in tabulated data showing growing share of India in 2012 as compared to 2006 (figure 4). In spite of the global meltdown and terrorist activities on famous Indian tourist spot like *Delhi, Varanasi, Mumbai, Pune* etc there were growth in share of India International Tourist Receipt. According to the latest tourism ministry figures 4, an estimated share of International Tourist Receipt in world 1.65% in 2012 as compared to 1.14 in 2006.

5. Conclusion and Recommendations

It is undeniable that the effects of terrorism in tourist areas have an adverse effect on the economy. Recently, in spite of being influenced by negative above factors, tourism industry in India still develops gradually. Although having a relatively short history, the Travel and Tourism industry has shown a vigorous ability to grow, and it has been playing an important role in the economy of countries all around the world. This is because in the modern era people need to fly to reach different destinations. 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.

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