

How Terrorism Tag Impacts Nigeria's Tourism



The listing of Nigeria among terrorist groups by the United States of America may have drawn the ire of the government and other policy formulators. These policy formulators are only looking at the listing from a narrow angle of Nigerians going through strenuous security checks and the bad tag it confers on the country, they seem not to be looking at the great economic danger the situation is capable of having on tourism, travel and the hospitality business.

The tourism industry generates substantial economic benefits to both host countries and tourists' home countries. It is, especially, an important industry to developing countries. The main benefits of tourism to a country are foreign exchange earnings, tax revenues, business opportunities for budding entrepreneurs, and employment for workers in the industry.

For these reasons, the tourism industry provides tremendous opportunity for relatively small businesses to thrive and is a leading generator of jobs. The WTO estimates that tourism represents 8 per cent of jobs world-wide.

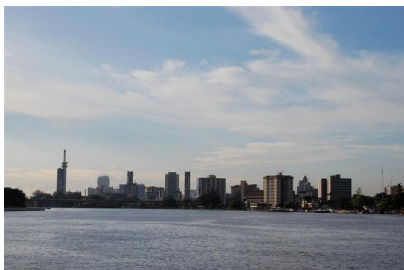


Though it is too early to assess the extent of the action of young Mutallab to blow up an American airliner on December 25, 2009 there are some indications of what lies ahead. It is impossible to predict what the long-term implications will be, but one thing is for sure – during such trying times the travel and hospitality industry is especially vulnerable.

Travel experts, who spoke to the author, are in agreement that the recent terrorist attempt by Umar Farouk Abdulmutallab will have at least a short-term negative impact on the travel industry. This short-term impact may be exacerbated by psychological factors (lingering shock effects, fear of flying, uncertainty, etc.), how the "war on terrorism" proceeds and how the economy performs over the next several quarters. The travel industry may recover or sink in a long-term down cycle.

Here are some of the effects of terrorist attacks on travel and hospitality, which travel suppliers and

hoteliers should take into consideration when assessing the situation: Nigeria like many economies of the world is in deep recession. The global economy was showing signs of slowing down. Economists believed that the unusually resilient consumer confidence was one of the factors that kept the Nigerian economy going even in the face of uncertainty, confusion and unpredictability. This may be changing fast, consumer confidence most probably, will be severely damaged by the recent events.



In hospitality, before now, Nigeria's hotel occupancy hovered between 65 per cent and 70 per cent for the big hotels, with Eko Hotel and Transcorps Hilton Hotel Abuja recording the highest occupancy rates, and between 40 per cent and 50 per cent for the smaller hotels.

There are apprehensions that not many people would be willing to visit Nigeria, especially at a time the country is unsettled and has security issues to be solved. Security remains one of the most serious problems affecting tourism in the country.

In spite of the enormous financial help provided by the Nigerian Tourism Development Corporation to launder the image of the country and to assure foreigners that Nigeria is indeed a safe country, not much seems to have been achieved by the authority.

The issue of security came to the fore at the latest World Travel Market (WTM) held in London, in November last year. Many speakers expressed their fear of visiting Nigeria after reading negative reports about the appalling security situation in the country. The Director-General of NTDC, Otunba Olusegun Runsewe, worked hard and succeeded in convincing his audience that the country was indeed very safe, with huge growth in tourism. Runsewe, however, dismissed the insinuation that Nigeria was not safe.

In general, people tend to stay away from troubled areas. In this case, the countries believed to harbour alleged perpetrators are the areas most threatened by drop in tourist numbers. Security concerns will top the list among the standard travel considerations, such as price, distance, convenience, duration, etc. On similar occasions in the past people avoided for some time troubled countries, air travel, cruise ships, major sports events and theme parks, that they perceived as likely terrorist targets.



The fear of flying is another of the most immediate effects of terrorist acts. A number of people may avoid air travel for some time until they overcome the psychological shock of what has happened. Others may avoid flying on American carriers or staying in brand hotels, perceived as more likely targets of terrorist attacks.

The introduction of air marshals and more stringent security measures at airports will alleviate some of the security concerns. Airlines and airports can help further by promoting the new security measures that are in place.

On a positive note, Americans shocked by lapses in their security system, a development, which almost made the Nigerian to succeed in his suicide plot thrive on disasters. It is a nation of positive thinkers and forward-lookers. The unique mentality and "can do" attitude have helped the U.S. overcome its adversities of many natural, political and economic disasters. The nation has demonstrated extraordinary resilience and determination in the aftermath of similar tragic incidents in the past, which have had a mobilizing and unifying effect on the population.

While the government have criticised the hasty manner the U.S. blacklisted Nigeria over the terror issue, there are a whole lot of issues to be done rather than threatening, issuing of ultimatum to the U.S. to remove Nigeria's name from the infamous list.

Nigeria should as a matter of urgency begin to solve its myriad of security, infrastructure and social problems for the U.S. to reconsider its decision about Nigeria.

(text shortened)

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