

Copyright is owned by the Author of the thesis. Permission is given for a copy to be downloaded by an individual for the purpose of research and private study only. The thesis may not be reproduced elsewhere without the permission of the Author.

**THE IMPACT OF SECURITY
ON PHILIPPINE TOURISM**

A thesis presented in fulfilment of the

requirements for the degree of

Master of Philosophy in Development Studies at

Massey University

Josephine Andres dela Cruz

2004

ABSTRACT

This study investigates the nexus between security and tourism within the development context within political structures and institutions examining specifically the impacts of security issues on the tourism industry of the Philippines. The latest global security events and the country's volatile security situation caused by political instability issues, terrorism and incidence of crime have together posed serious threats to the government's efforts to promote the country as a premiere tourist destination.

While tourism may be perceived by many social science and development writers as just a western mechanism to propagate capitalism, it has, for most Third World countries like the Philippines, nevertheless contributed significantly to their economies in terms of foreign exchange earnings, taxes and jobs generated.

In examining the impact of security events and issues on Philippine tourism, a quantitative analysis which compared arrivals before and after security events led to the finding that terrorism caused the biggest declines. The fieldwork results which were based on surveys of tourists (both foreign and domestic), hotel management staff, and officials from government and the industry itself also led to a similar proposition that terrorism has affected travel decisions more than political instability and crime. However, fieldwork also revealed that internal conflicts caused by clashes between the government and Muslim and communist rebels have influenced tourists' choice of tourist destinations both in the countries they travel to and among the destinations in the Philippines. While political instability and incidents of crime within the Philippines did not seriously concern tourists on the whole, problems of corruption and a perceived weak government system to solve local security incidents have surfaced indicating the need for strategies to address problems within political institutions and structures. There were also differences in perceptions of fear and security between foreign and domestic tourists, and also among foreign tourists of different nationalities. Considering these observed perception levels in promoting tourism to these different groups may be more effective in attracting tourists to the country.

This study concludes that Philippine tourism can recover from the consequences of both global and local security events provided that the government imposes stricter and more effective security systems, engages in more effective promotional strategies which target particular nationalities, and continues to cooperate with its ASEAN neighbors and international organizations like the WTO and WTTC to resolve security issues at hand. Utilization of risk management plans and crisis management plans implemented by countries that were affected by security problems in the past should provide some valuable means to the Philippines, and any other country with security problems. Overall, a combination of factors such as the active involvement of the Philippines in regional activities, constant dialogues with rebel forces and other insurgent groups, prosecution of perpetrators of terrorist acts and crimes, and a government of good integrity will enable tourism to lead to development.

ACKNOWLEDGEMENTS

Writing my thesis has been one of the biggest challenges in my life, if not the greatest of them all. There have been a number of obstacles and sacrifices as I worked through it but with the mercy of the Lord Almighty and the help of people who readily extended helping hands and words of encouragement, I was finally able to complete it.

I am very grateful to my two remarkable supervisors, Dr. Donovan Storey, and Dr. Regina Scheyvens, for sharing with me their wisdom, time, and thoughts when I was organizing and completing my work. Donovan, as my first supervisor, has been very supportive and understanding in helping me through, especially in conceptualising and arranging the parts into a logical order. On the other hand, Regina has been very patient and intense in reviewing my piece of work before it can be finalized for printing. I deeply appreciate the amount of precious time she has poured into my thesis despite her being a mom to baby Harry then and to two other small girls. I also thank all the staff of the International Students Support Office (ISSO) of Massey University, especially Sue and Sylvia for helping me and my family during the times when we needed help and support the most. Thank you also to my friends at the School of People, Environment and Planning at Massey University, especially the professors, lecturers and fellow students who have shared their views, thoughts, ideas, and time during my two years of stay in the university.

I would also like to thank the people who have participated in my fieldwork as respondents, interviewees, or advisers such as those in government and the tourism industry. For hotel people who helped me generate a list of tourists respondents despite their busy schedule, thank you.

To my wonderful friends and contacts working at different government offices, such as the Department of Tourism, the Board of Investments, and the Ninoy Aquino International Airport, thank you for your unceasing assistance in providing related information to my thesis and for granting me big and small favors in the facilitation of interviews and surveys within the short period of time that I was in Manila.

I also convey my sincere thanks and love to my dearest family, specially my dearest Mom, Dad, and sisters who cared to send cards from the Philippines on special occasions just to remind us of their love and affection despite the distance, and my dearest husband and kids who stayed by my side and provided an all-out support during the duration of my thesis work. My beloved family and friends in the Philippines and New Zealand served as my inspiration to carry on especially in times when I felt that I can never finish my thesis and complete my degree.

My final thanks goes to the New Zealand government, through the New Zealand Agency for International Development, for making this wonderful opportunity to study Development Studies at Massey University possible. It has not been an easy task but it has been a worthwhile exercise and a very enlightening learning experience for me. I hope that I can share and impart the knowledge I have gained from my degree.

TABLE OF CONTENTS

Chapter 1 - Introduction

Rationale	1
Background	1
Tourism Trends and Figures	5
Research Problem	10
Research Objectives	12
Thesis Outline	12
Methodology	13
Research Design	13
Data Collection Procedures	15
Secondary Data Analysis	15
Fieldwork	15
How the Fieldwork Went into Practise	15
Fieldwork Problems	17
Final Results	17
Summary	17

Chapter 2- Tourism and Security within the Development Context

Introduction	19
Global Role of Tourism	19
Tourism – Two Sides of a Coin	20
The ‘Good’ Side	20
The ‘Other’ Side	22
The Nexus Between Tourism and Security	24
Overview	24
Political Instability	25
Terrorism	29
Crime	33
Tourists’ Perception of Security	36
Significant Global Security Events that have Threatened Tourism	40
Effects on International Tourism and Arrival Figures	41
Global Measures and Initiatives to Address Security Concerns	44
Conceptual Framework	46
Summary	47

Chapter 3 - Southeast Asian Context, the Philippines and Tourism

Introduction	50
Tourism in SE Asia	50
Interconnections and Cooperation in Southeast Asia	53
Impact of Travel Advisories on Tourism in Southeast Asia	54
Initiatives to Address Security Issues in Southeast Asia	55

The Philippines	57
Geography, Environment and Climate	57
History and Politics	59
People and Culture	61
The Philippine Tourism Industry	62
History	62
Economic Role of Tourism	70
Performance	71
Profile of Tourists	72
Issues Confronting the Tourism Industry	76
Summary	77
 Chapter 4 - Tourism and Security in the Philippines	
Introduction	79
The State of National Security	79
Existing Security Issues	80
Recent Security Issues (2000-present)	82
Analysis of Tourist Arrivals vs. Security Issues	86
Political Instability	87
Terrorism	88
Incidence of Crime	89
Summary	89
 Chapter 5 - Metro Manila Case Study	92
Introduction	92
Background	95
Tourism in Metro Manila	98
State of Security in Metro Manila	108
Fieldwork Results	102
Foreign Tourists	106
Domestic Tourists	108
Hotels	110
Government/Industry Officials	112
Discussion	112
International versus Domestic Tourists	113
Terrorism as the Greatest Influence in Tourism Demand	114
Summary	114
 Chapter 6 – Summary, Findings, and Recommendations	
Summary	116
Findings	117
Political Instability	117
Terrorism	120
Incidence of Crime	122
Additional Findings	122

Recommendations	123
Conclusion	124
Appendix 1	127
Appendix 2	128
Appendix 3	129
Appendix 4	130
Appendix 5	131
Appendix 6	134
Appendix 7	139
Appendix 8	147
Appendix 9	151
Appendix 10	165
Bibliography	166

LIST OF FIGURES

1.1 Media's presentation of key security events in the 21 st century	3
1.2 Local Headlines after the failed July 27, 2003 mutiny of rebel officers in the Philippines	4
1.3 International Tourist Arrivals and Receipts (1995-2003)	6
1.4 Rizal Park in Manila	8
1.5 Thesis Outline	14
2.1 Political instability, violence and the imagemaking process	25
2.2 Model of International Tourism Decision-Making	34
2.3 Conceptual Framework	48
3.1 A map of Southeast Asia	51
3.2 Map of the Philippines	58
3.3 Eight Tourist Anchor Destinations	68
3.4 International Tourist Arrivals to the Philippines from 1993 to 2002	72
3.5 Philippine Tourist Arrivals vs. World Tourist Arrivals from 2000-2003	73
3.6 Growth Rates of Top Foreign Markets to the Philippines 2000-2003	73
4.1 The Philippine Map showing the 'dangerous' or 'generally unsafe' areas in the Philippines per travel advisories	85
4.2 International tourist arrivals in relation to political instability events	88
4.3 International tourist arrivals in relation to terrorism	88
4.4 International tourist arrivals vs. incidence of crime	90

5.1 A map of Metro Manila	93
5.2 A picture of Rizal Park	96
5.3 A section along the border of Intramuros	97
5.4 Front View of University of Santo Tomas	97
5.5 The Upgraded Manila Bay border	99
5.6 Glorietta Complex 11 days after the July 27 mutiny	100
5.7 Security officer manning the Rizal Park	101
5.8 A PNP patrol car	102

LIST OF TABLES

1.1 International Tourist Arrivals in ASEAN, 1995-2003 (in millions)	7
3.1 Number of DOT-Accredited Tourism-related Establishments	71
3.2 Top Destinations in the Philippines Outside Metro Manila (1998-2002)	75
4.1 Crime Incidence (1993 to 2002)	87
5.1 Population and Land Area of Cities and Municipalities in Metro Manila	94
5.2 Number of DOT-accredited Tourism-related Establishment in Metro Manila	98
5.3 Street Crime Statistics (1 March – 30 September 2003)	99

CHAPTER 1

INTRODUCTION

Rationale

Most people from both First World and Third World countries, from the public school elementary teacher in Manila, to the stock broker in New York, to the farmer in New Zealand, have dreamt of and aspired to travel and see different countries after a hard day's work. This could be one of the reasons why the tourism industry has grown to become the world's largest industry (World Travel and Tourism Council (WTTC), 1992 as cited in Goeldner and Brent Ritchie, 2003; Hall, 1994: 1; Scheyvens, 2002: 4; Sharpley and Telfer, 2002: 1). For the governments of most Third World Countries, it is a vehicle for economic development and employment generation which can drive economic growth to higher levels (Hall, 2003: 1; Glaesser, 2003: xiv). However, recent global security events and internal security conflicts within these countries have posed serious threats to their respective tourism industries. If these security issues are left unattended or are not effectively resolved, the tourism industry in a particular country or location may collapse. For this reason, this study will investigate the impact of security concerns on tourism in the Philippines, based on the understanding that a well-functioning tourism industry can contribute to effective development. It concludes by suggesting measures to address existing security problems.

Background

Tourism has several claimed advantages. Firstly, it does not necessarily require capital-intensive nor intricate and complicated technologies like other heavy industries in which industrialized nations tend to be dominant. Secondly, while it involves the construction of basic infrastructure and utilization of different modes of transportation, it is primarily natural resource-based and relies largely on human support which is relatively abundant (Goeldner and Brent Ritchie, 2003). Finally, it can generate foreign

exchange earnings (Mowforth and Munt, 1998: 1) and employ more people than other industries which are usually automated. The people who will earn a living with the growth of tourism can then provide for the basic daily needs of their respective families like food, shelter, and clothing.

However, recent security events in the 21st century such as the March 11, 2004 bomb explosions in Madrid's commuter trains and the September 11, 2001 terrorist attacks on the World Trade Center and Pentagon have caused alarming damage to lives and property and have posed very serious threats to the tourism industry. Both Spain and the US are among the world's top five destinations in terms of international tourist arrivals: Spain is second with 51.7 million arrivals and the US third with 45.4 million arrivals in 2002 (Varma, 2003). Studies have shown that such security threats typically have negative effects on tourism (Teye, 1986; 1988; Ryan, 1991; Richter, 1992; Pizam and Mansfeld, 1996; Tarlow and Muehsam, 1996; Bloom, 1996; Hall and O'Sullivan, 1996; Wall, 1996; Bar-On, 1996; Wahab, 1996; Mansfeld, 1996; WTO, 1996; Sonmez, 1998). Richter (1992: 36) even referred to 'security' as the fifth 'S' and most critical one in tourism, in addition to the four 'S's' of tourism for Crick (1989: 308): sun, sand, sea and sex. Figure 1.1 presents a picture of how these events have been portrayed by the media.

Security issues are of particular concern to developing countries like the Philippines which have identified tourism as a desirable industry that can provide widespread economic benefits, including employment for the less educated. Aside from global security events, the Philippine government has been negotiating and conducting peace talks with communist insurgents led by the Communist Party of the Philippines (CPP)¹ and its political and military wings, the National Democratic

¹ The CPP was founded by Jose Maria Sison in 1969 after separating from the old, pro-Soviet Partido Komunista Pilipinas. It upholds the Maoist doctrine and seeks to remove from power the Philippine government through guerrilla warfare. It has 11,500 strong guerrilla members known as the New People's Army (NPA) who are against the presence of Americans in the country (Gatagiri, 2002).

Figure 1.1. Media's presentation of key security events in the 21st century.



Front (NDF)² and the People's Army (NPA)³, respectively. There are other internal security issues beleaguering the government involving the Moro Islamic Liberation Front (MILF)⁴ and the Abu Sayyaf Group (ASG)⁵, a separatist group operating in the southern Philippines. In 2003, the country had at least three notable threats to national security specifically the March bombing of the Davao Airport, July mutiny of rebel soldiers (see Figure 1.2), and the November

² The NDF was formally organized on April 24, 1973 to unite all revolutionary forces in the country for national freedom and democracy. It began its overseas activities in 1976 under the leadership of Fr. Luis Jalandoni in Utrecht, the Netherlands in order to influence overseas groups to fight for national liberation and democracy and support the group's cause (Buenaventura, 1989).

³ The NPA is the military wing of the CPP which was formed in March 1969. The chairman of the CPP's Central Committee and the NPA's founder, Jose Maria Sison, oversees all CPP and NPA activity from the Netherlands. Though basically a rural-based guerrilla group, the NPA has an active urban network to conduct its operations and draws most of its finances from contributions of supporters in the Philippines, Europe, and revolutionary taxes demanded from local businesses (Federation of American Scientists, 2004).

⁴ The MILF is an active Islamic movement in the Southern Philippines which is based in the Bangsamoro region in Mindanao (composed of Mindanao, the Sulu Archipelago, Palawan, Basilan and the neighbouring islands). Its stated goal is the establishment of an independent Islamic state in the Southern Philippines (International Policy Institute for Counter-Terrorism, 2004).

⁵ The ASG is a militant separatist group based in the southern Philippines which has engaged in terrorism to finance its operations. It resorts to violent activities such as bombings, assassinations, kidnappings and extortion and has masterminded the kidnappings of foreign nationals in April 2001 and May 2002 (Federation of American Scientists, 2004).

Figure 1.2. Local headlines after the failed July 27, 2003 mutiny of rebel officers in the Philippines.



Ninoy Aquino International Airport (NAIA) Control Tower II takeover by the former Air Transportation Office (ATO) chief⁶. The incidence of crime, specially in urban areas like Metro Manila, has also escalated over the past years causing concern for government authorities and the Filipino people.

Thus, this thesis will examine the nexus of tourism, security and development issues in the Philippines to ascertain how these factors interact and impact up on Philippine tourism in terms of tourist arrivals, choice of destinations, and perceptions of the Philippines. The probable causes for conflict that could have affected tourism growth are examined and the existing measures enforced to solve these security concerns on the global, regional, and national levels are reviewed. After measuring the impact of security issues, identifying its causes, and analysing present strategies in place, suggestions and recommendations on how to further enhance the mechanisms that have been set up will be proposed for consideration in the future.

⁶ These and other security concerns facing the Philippines will all be discussed in detail in Chapter 4.

Tourism trends/figures

In the decade from 1990 to 2000, international tourism, as measured in arrivals, grew at an average rate of 4.3% a year despite the Two Gulf Wars, conflict related to the disintegration of Yugoslavia, and the Asian financial crisis (World Tourism Organization (WTO), 2001). There were also some incidents of terrorist attacks on tourists such as the Luxor Attack in Egypt which left 62 people dead, 58 foreign tourists and four Egyptians, in November 1997 (Glaesser, 2003: 48).

The WTO (1998:10) projected international tourist arrivals to reach 1.6 billion in 2020 and an overall average annual rate of growth between 1995 and 2020 of 4.3%. In actual figures, there were 699 million international tourist arrivals in 2000 with a corresponding growth rate of 7.4% (WTO, 2001: 7). There was a decline, however, in 2003 figures because of the combined effects of US-Iraq conflict, Severe Acquired Respiratory Syndrome (SARS), memory of past terrorist attacks, and uncertain global economic conditions (WTO, 2002). Figure 1.3 illustrates international tourist arrivals and receipts from 1995 to 2003, showing a decrease in arrivals in 2001 and 2003, which were the years when the September 11 terrorist attack and US-Iraq War happened.

Among the security events mentioned earlier, the September 11 attacks on the World Trade Center and Pentagon had the most significant impact on the global tourism industry. After this event, tourists returned to their home countries, or made cancellations and postponements of trips, and chose to go to countries which are nearer and more familiar to them (WTO, 2001: 7). Increased concern for safety and security was included among the ten trends that would characterize tourism within the next few years (Varma, 2003). However, the impacts differed in various destinations and with different forms of tourism (WTO, 2001).

Figure 1.3. International Tourists Arrivals and Receipts (1995-2003).



Source: World Tourism Organization (2004).

Global tourism has also been affected by the slowdown in the economies of many western countries in recent years. Varma (2003) presents in Appendix 1 the historical growth of international tourist arrivals by receiving regions from 1950-2002 showing how many arrivals each region has received in comparison to the other regions. In Appendix 2, he gives an illustration of tourist arrivals from 1950 to 2002 and the relationship of economic and security-related events with tourism. The relationship of security with tourism shown in the impact of security related events on international tourist arrivals is evident in this appendix because there are negative growth rates after the events have occurred.

On the Asia Pacific region, Appendix 3 gives us a picture of the behaviour of tourist arrivals by subregion from 1980-2002 showing that in the Asia-Pacific Region, tourism looked positive in 2002 (Varma, 2003). Appendix 4 shows the growth of GDP and international tourist arrivals from 1996 to 2002, as well as the percentage change in international tourist arrivals of each subregion in 2001 and 2002 (Varma, 2003). There were 131 million arrivals to the region which is 18% of the world total and the average growth from 1990 to 2000 was 7.2%. In 2002, China, Hong Kong,

Japan, Macao (China), and Iran posted positive growth while India, Indonesia, and Australia had negative growth rates.

International tourist arrivals to the ASEAN region (comprising Brunei, Indonesia, Cambodia, Laos, Malaysia, Myanmar, the Philippines, Vietnam, Thailand and Singapore) are given in Table 1.1. The table shows that Malaysia, Thailand and Singapore are the top three most-visited destinations in the area.

Table 1.1 International Tourist Arrivals in ASEAN, 1995-2003 (in millions).

Country	1995	1996	1997	1998	1999	2000	2001	2002	2003
Brunei	.498	.837	.643	.964	.967	.984	N.A.	1.116	1.057
Cambodia	.220	.260	.219	.575	.644	N.A.	N.A.	.786	.701
Indonesia	4.324	5.034	5.185	4.606	4.728	5.064	5.15	4.913	4.400
Laos	.346	.403	.463	.5	.614	.737	.674	.735	.465
Malaysia	14.885	14.084	12.591	10.886	7.931	10.221	12.775	13.292	10.576
Myanmar	.194	.490	.491	.478	.435	.418	.478	.217	.205
Philippines	1.760	2.049	2.223	2.149	2.171	1.992	1.797	1.932	1.907
Singapore	7.137	7.293	7.198	6.241	6.958	7.691	7.519	7.567	6.125
Thailand	6.952	7.434	7.530	8.204	9.151	10.096	10.751	10.799	9.703
Vietnam	1.351	1.351	1.716	1.52	1.782	2.150	2.330	2.627	2.428

Source: WTO 2001/2003 Compendium of Tourism Statistics
Annual Statistical Reports
ASEAN Tourism Arrival Statistics, 2004.

The Philippines has about two million international arrivals annually but it also has a great potential to be promoted as a premiere tourist destination having 7,107 islands and many attractive natural and cultural features. Its culture is a mix of both western and indigenous Malay culture having been under the influence of Spaniards, Americans, Indo-Malays and Chinese throughout history (Government of the Philippines, 2004). The government is presently promoting eight anchor tourist destinations namely: Manila, Cebu, Davao, Baguio, Boracay, Palawan, Bohol, and Laoag/Vigan (Government of the Philippines, 2004). These destinations will be discussed further in Chapter 3. In Manila alone, there are several historical landmarks like Rizal Park shown in Figure 1.4 where the country's national hero, Dr. Jose Rizal, was shot by the Spaniards in 1896. However, based on Table 1.1, its ranking in terms of arrivals in ASEAN countries slipped from 5th place in 2000 to 6th place in 2001, lagging behind Vietnam. This indicates that there are prevailing issues

and problems that need to be addressed by the Philippine government to increase arrivals and improve tourism.

Figure 1.4. Rizal Park in Manila where the country's national hero, Dr. Jose Rizal, was shot by the Spaniards in 1896.



Furthermore, security conditions within the country continue to deter the tourism industry from reaching set targets in tourist arrivals and receipts. Political events in Philippine history like People Power I⁷ in 1986 and People Power II⁸ in 2001 appear to have affected the influx of tourists. Coup d'états, like the recent one in July 27, 2003 in the middle of Makati City, labor strikes, and civil protests, could pose a problem for tourism in this democratic country. There are also threats of terrorism within the country, particularly in the South, and from the international arena triggered by the US-Iraq/Middle East conflict. The incidence of crime, especially in urban areas in the Philippines, is thought to continue to scare potential tourists away.

In studying the impact of security on tourism, a Philippine case study is most appropriate because of these political and internal security events that have affected

⁷ Thousands of people marched and stayed along Epifanio delos Santos Avenue (EDSA) in Metro Manila to support a military mutiny led by then Defense Minister Juan Ponce Enrile in February 1986 and this toppled the Marcos dictatorship (Edsa World, 2001).

⁸ EDSA People Power Revolution in January 16, 2001 resulted from the Senator-Judge vote (11-10) during the impeachment trial of then President Joseph Estrada that hindered the opening of the envelope believed to contain important information about the P3.3 billion bank account supposedly owned by Estrada under a fictitious name (Kotte, 2001).

the industry. Furthermore, the Philippines was included in the 31 countries listed in the 'World's Most Dangerous Places' website of Robert Young Pelton (Pelton, 2001) and also in the website of the International Policy Institute for Anti-Terrorism (International Policy Institute for Counter-Terrorism, 2004). In the 'Postcards from the Edge' headline of the July 28, 2001 issue of *The Dominion – Weekend Magazine*, the Philippines was cited among the world's deadliest destinations (which total 23 countries) because of kidnappings in cities and tourist destinations. Tourists were advised to also take extra care in Manila and not to travel after dark in rural areas and regional centres. A quick survey of Lonely Planet's 'Thorn Tree' subscribers on the internet also revealed some unfavourable perceptions of the Philippines as a tourist destination. Out of the 14 people who responded to a question I posed about unsafe destinations in Southeast Asia, three mentioned the Philippines and one singled out Basilan, Sulu and Mindanao. There was also one who advised tourists not to go to Southeast Asia at all citing it is all too dangerous. In the April 28, 2004 issue of a local newspaper *Philippine Daily Inquirer*, the country was also described as being on high terror alert again following reported threats against the country's interests abroad, specifically the Philippine Airlines Office in Bangkok.

The political setting and democratic system in the country appears to be another important factor in tourism development, especially when the corruption of government leaders is featured in media. In the editorial of the *Philippine Star's* March 27, 2004 issue, Transparency's International's Global Corruption Report 2004 has concluded that ex-presidents Ferdinand Marcos and Joseph Estrada are among the top ten of the world's most corrupt leaders. The national elections in May 2004 and travel advisories issued against the country by the US, UK, Australia, Canada and New Zealand were also factors which confirmed that the Philippines was a good case study for this research.

Research Problem

The Philippine tourism industry has undergone several setbacks over the past two decades due to security issues. Political instability which lead to popular action and massive protests against the country's leadership (that eventually led to the ousting of then President Ferdinand Marcos in 1986 and then President Joseph Estrada in 2001) send signals to the international community that the country is unsafe to visit. This has affected tourist arrivals because a good destination image and political stability are 'musts' for most tourists (Buckley and Klemm, 1993). The coups that transpired after the EDSA (Epifanio de los Santos Avenue) Revolution in 1986 and the People Power against Gloria Macapagal Arroyo in 2001 also affected the industry since 'violent protests, social unrest, civil war, terrorist actions, the perceived violation of human rights, or even the mere threat of these activities can all serve to cause tourists to alter their travel behavior' (Hall and O'Sullivan, 1996: 117).

Terrorist attacks also deter tourists from going to the Philippines. The recovery in 1999 of the industry from the negative effects of the 1997 Asian economic crisis was followed by a decline in arrivals due to the Sipadan⁹ (an island in Malaysia) and Palawan¹⁰ (an island in Western Philippines) kidnapping incidents in April 2000 and May 2001, respectively. There were also bombing incidents and insurgent activity in the Mindanao area, blamed on the Communist and rebel groups. North American and European markets, both said to be sensitive to peace and order concerns, have registered severe drops in arrivals due to the combined effects of global terrorist activity and the continuing security situation in the Philippines (National Ecotourism Strategy, 2002). Reports are highlighted in major international means of communications like the internet and international news agencies so that news of security concerns reaches the international community very quickly. Recent security

⁹In April 2000, the Abu Sayyaf Group (ASG) abducted 24 mostly foreigners from two Malaysian resorts in the Sipadan Island near Borneo and brought them to Jolo, the capital of Sulu province. Many hostages were allegedly ransomed off by their respective governments while the others were rescued (Philippine Daily Inquirer, May 27, 2001). This incident was covered by wide media coverage and affected arrivals from countries with citizens who were victims in said kidnapping.

¹⁰In May 2001, the same group attacked Dos Palmas resort off the western island of Palawan taking three Americans and 17 Filipinos. Some hostages were killed. The dead included two Americans (Public Announcement, US Department of State dated 16 January 2004).

issues such as the Madrid bombings, continuing US-Iraq conflict, and September 11 terrorist attacks have complicated matters for the Philippine tourism industry.

In major urban areas like Manila, the incidence of crime has also been rampant. Headlines in major national newspapers typically include reports on bank robberies, kidnappings, and theft causing injury and sometimes death to unfortunate victims.

All of these security issues, political instability, terrorism, and crime, trigger public announcements and travel advisories from countries like the US, for example, where citizens travelling or residing in the Philippines were advised to exercise great caution and maintain heightened security awareness (US Department of State, 2004). Americans were also urged to defer non-emergency travel to Mindanao, avoid all travel to the islands of Basilan, Tawi-Tawi, and Jolo, and avoid beach resorts in areas where the Abu Sayyaf Group remains active (US Department of State, 2004). Similar advisories were also issued by the Foreign and Commonwealth Office of the UK and the Department of Foreign Affairs and Trade of Australia in March 2004 and February 2004 respectively.

Factoring out SARS which is not directly a security issue, Asia Pacific Projects, Inc., consultants to the tourism industry, predicted that the outlook for the Philippine tourism industry depends on factors which are either political or economic in nature (Asia Pacific Projects, 2004). These include the following:

security advisories on the Philippines in particular, and in Southeast Asia in general; the resolution of the Iraqi question; economic recovery in Japan, the US, and Europe; the extent to which the Philippines is able to open key markets such as China; and the extent to which it is able to offset the impact of the negative advisories in the long-haul and Japanese markets (Asia Pacific Projects, 2004).

With the foregoing concerns considered, there is a need to study and analyze the relationship between tourism, development, and security in the Philippines.

Research Objectives

This research examines a range of security issues that continue to impact on the Philippine tourism industry with a focus on terrorism, political stability and incidence of crime from global, regional and national tourist viewpoints. It then looks at the ways in which countries, such as the Philippines, can still develop tourism industries in periods of global and local instability and insecurity. The focus is on the following key questions:

- How do security issues at the global, regional, and national levels affect the tourism industries of Third World countries like the Philippines?
- In the Philippines, particularly in Metro Manila, what are the perceptions/realities of tourists regarding security related events and issues?
- What type of security-related events at global and national scales have the greatest impact on tourist arrivals in the Philippines?
- Does this affect their decision-making and nature of tourism that they undertake? If so, how?
- Are domestic and international tourists' decisions affected in the same ways by security issues?
- What can be done to alleviate the effects of security-related issues on Philippine tourism?

Consideration of these issues could help the tourism industry to survive and adapt to changes caused by lingering security conflicts in the global and national spheres.

Thesis Outline

The thesis outline is divided into five parts. Part 1 presents background information on the research topic and the factors that were considered in evaluating the relevance of the research to development studies. The research problem, objectives, and methodology are also included here. Part 2 provides an extensive literature review on the thesis subject focussing on tourism and security in the global setting, positive and negative sides of tourism that could have triggered some security incidents, and studies

conducted to determine the relationship between tourism and security issues, particularly concerns related to political stability, terrorism, and the incidence of crime. Part 3 introduces the Southeast Asian context, the Philippines, and the Philippine tourism industry to the reader, before Part 4 discusses the Metro Manila Case Study supported by the fieldwork conducted in Manila. Finally, Part 5 present a summary of the thesis, key findings and suggestions/recommendations on the research topic. The thesis outline is given in Figure 1.5.

Methodology

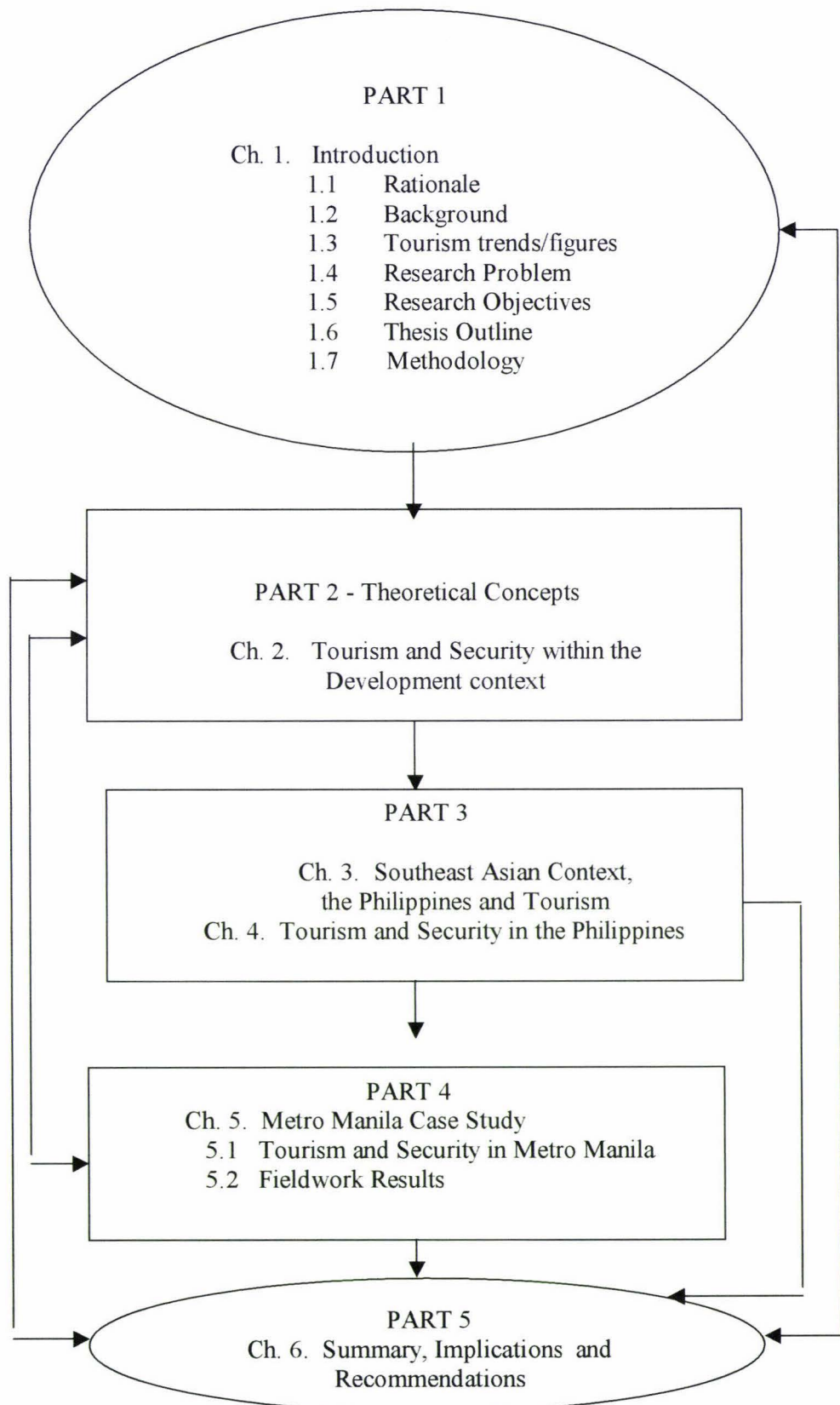
This section will cover the research process that was undertaken to provide the answers to the research objectives cited above. Included in this section are the research design, data collection procedure, and fieldwork.

Research Design

There are two methods of analysis to be undertaken for this research study. The first is a quantitative one which uses secondary data whereby the historical arrivals of tourists to the Philippines from 2000-2003 are examined vis-à-vis the different security issues this study focusses on, namely political stability, terrorism and the incidence of crime. Most of these incidents both on the international and local fronts have happened during this four-year period.

The second method is qualitative field research, utilising both interviews and surveys. In this qualitative data, I was seeking observations that were not easily reduced to numbers (Babbie, 1998). The decision to combine quantitative methods with qualitative techniques was made because the former 'is strong at describing the "what" but weak in explaining the "why" ' (Overton and van Diermen, 2003: 54).

Figure 1.5. Thesis Outline



Data Collection Procedure

Secondary Data Analysis

Tourist arrival figures were sourced from the Department of Tourism and information on security issues retrieved from secondary sources like the internet, local newspapers, tourism journals, books, magazines, and other print materials.

The questions on the questionnaire focused on perceptions of security in the Philippines, how security issues affect travel plans of tourists, which among the five security issues given (i.e., People Power II (explained in footnote number 7), September 11, US-Iraq conflict, Mindanao bombings and kidnappings (to be discussed in Chapter 4), and incidence of crime) tourists are most concerned about, ranking of factors that affect travel decisions, and suggestions to improve tourism and attract more tourists to the country. The sample questionnaires are provided in Appendix 9.

Fieldwork

This section will describe how the fieldwork in Manila, Philippines proceeded, the problems that were encountered and the final results gathered.

How the Fieldwork Went in Practice

Observations were already made while I was in the airports and airplanes on my travel from Palmerston North to Auckland, to Sydney, to Manila. This continued as the first day of my stay in Manila was spent in a mid-range hotel in Makati City for observation purposes and to consult the management on the plan to survey guests or the hotel management itself for thesis purposes. However, only two foreign guests were seen in the hotel and they mainly stayed in their rooms. There were also no (foreign) tourists in the lobby nor in the café/restaurant where I ate. Front office staff were also not amiable nor particularly friendly to guests, especially locals, so the plan to survey tourists and the hotel management was aborted.

The succeeding days were spent preparing and sending letters to 20 hotels whose guests were targeted as tourist respondents, and another 20 letters to hotels whose management was targeted as hotel respondents. Some hotels were even personally visited and enjoined to participate in the research study. In all cases, clearance from management for all surveys was necessary before any survey could be conducted. I followed up with the hotels every other day and this took time as hotels were always very busy with inquiries, guests and functions leaving no time to assist researchers like me. Yet, in some cases, the management agreed to survey a few guests and gave me back some answered questionnaires. The Department of Tourism (DOT) was also visited, which provided me with valuable information on tourist arrivals and profile, as well as an industry report. Other government offices, however, were not as professional and efficient as the DOT and the people who could have helped with my research were always in meetings or absent whenever I called or dropped by their offices.

The services of a research assistant became necessary to get more tourist respondents as the fieldwork period drew to its end. The person I employed also helped me with my survey of domestic tourists which proceeded in a 'snowball' manner (Overton and van Diermen, 2003) where the survey started with those we already knew and grew until 30 domestic tourists were interviewed. The final and most efficient method made in gathering more tourist respondents was made days before my flight back to New Zealand and this was made in the Ninoy Aquino International Airport itself with the help of a good friend who was a manager in the airport. My friend helped me get an official pass or identification card (I.D.) to be granted permission to enter the airport. Inside the airport, my friend led me to the lobby and waiting areas for departing passengers where I proceeded to interview foreign tourists who obliged to participate in my research study. A third of the tourist respondents was derived from this survey at the airport.

Fieldwork Problems

The basic problems I had during fieldwork revolved around the very restricted time I had to spend in Manila, the traffic and transport situation there, the number of tourist respondents targeted, and the limited number of tourists in the place (since most would be in the more scenic, island destinations). I also had some health concerns that complicated matters for me since fieldwork required much legwork. At the same time, hotels had protocols and rules concerning their guests, particularly against the invasion of their privacy which affected the survey of tourists, as alluded to earlier. Some government officers to whom the initial emails were addressed were also very busy and therefore, they were unable to participate in this research study. My finances also affected my mobility since every step I took necessitated money like transport, accommodation and other personal expenditures.

Final Results

Despite the problems in data collection, access to tourists and health problems, I did succeed in conducting nine interviews with tourism industry and government officials, as well as in making a survey of 50 foreign tourists, 30 domestic tourists, and 7 hotel respondents. This was made possible through the help of dependable friends who were contacts from government agencies, colleagues in school, and my research assistant who undertook the legwork herself when I was unwell. Fieldwork was really all about patience, determination, innovativeness, resourcefulness, faith, focus, and pure hard work. From my experience, unexpected circumstances may have disrupted my planned schedule of activities but on a positive note, it has made me stronger to carry on despite these difficulties.

Summary

Recent security events in the new millennium have posed a new set of challenges for global tourism and this has apparently discouraged people from engaging in travel and tourism, based on the latest decline in world international arrival figures in 2003. For the Philippines and other Third World Countries which rely on the tourism industry for

a significant portion of their foreign exchange earnings, employment generation, and government revenue, this is of serious concern. In addition, the Philippines also has a gamut of internal security problems that are continuously being addressed. Tourist arrivals to this developing country have decreased and behaved irregularly because of the global conflict instigated by the September 11 terrorist attacks and the persistence of political stability issues, terrorist threats, and incidence of crime, especially in urban areas such as Metro Manila. Thus, this thesis aims to examine the relationship between tourism, security, and development to analyse how security issues have influenced tourism in the Philippines, and to reconcile actual strategies and measures being undertaken to address the situation in the Philippines with suggestions from the international literature.

The next chapter will present literature which explores the linkages between tourism and security, including the present scenario of global tourism and major studies that have attempted to explain this complex relationship between tourism and security.

CHAPTER 2

TOURISM AND SECURITY WITHIN THE DEVELOPMENT CONTEXT

Introduction

This chapter has the objective of exploring and analysing the relationship between tourism and security within the development context. While tourism has been recognized and widely regarded as a development tool that can bring economic advantages to a country and its people (Jenkins, 1991; Sharpley, 2002; Sharpley and Telfer, 2002; Goldstone, 2001; Goeldner and Brent Ritchie, 2003), various writers argue that it can likewise be damaging and unfavourable to some destinations and their people, especially in the case of Third World countries. Some argue that tourism is a form of imperialism and colonialism or neo-colonialism (Britton, 1981; Crick, 1989; Nash, 1989; Gonsalves, 1993; Thomas, 1994; Chung, 1994; Allen and Hamnett, 1995).

After determining that tourism can be a worthwhile development strategy, links between tourism and security are explored. In particular, the relationship between tourism and three forms of security concerns, namely political stability, terrorism and incidence of crime, will be discussed using existing literature. Some studies have presented measures and strategies to resolve security problems and minimize the harmful effects on tourism. The perception of tourists of safety will also be examined. Finally, initiatives from the industry, governments, and the international community to alleviate security concerns affecting the tourism industry will be discussed.

Global Role of Tourism

Sharpley (2002: 11) has referred to tourism as 'one of the major social and economic phenomena of modern times' because of its significant economic contribution. Its role as a potentially efficient vehicle for development is acknowledged by both practitioners

and academics (Sharpley, 2002: 2). Many industrialized and less developed countries of the world agree that tourism has become 'an important and integral element of their development strategies' (Jenkins, 1991: 61).

Goldstone (2001: 45) contends that tourism today is the world's biggest business in terms of revenues generated and number of workers. According to the World Travel and Tourism Council (WTTC), the global travel and tourism industry was assumed to have generated \$3.5 trillion of economic activity and 207 million jobs (direct and indirect) in 2001 and was expected to grow to \$7.0 trillion of economic activity and 260 million jobs by 2011 (Goeldner and Brent Ritchie, 2003: 25). The direct travel and tourism industry accounted for 4.2 percent of worldwide gross domestic product (GDP) in 2001 while the wider travel and tourism market, including industry demand, was presumed to have contributed 10.7 percent to GDP in 2001 and 11.0 percent in 2011 (Goeldner and Brent Ritchie, 2003: 25). Moreover, travel and tourism is a generous source of government funds but benefits from it at the same time (Goeldner and Brent Ritchie, 2003: 26). Globally in 1998, travel and tourism was predicted to have generated \$802 billion of taxes (10.6 percent of total taxes generated) while channeling \$253 billion to government expenditures (6.8 percent of total) (Goeldner and Brent Ritchie, 2003: 26).

Tourism – Two Sides of a Coin

The 'Good' Side

The benefits of tourism to most Third World countries has been acknowledged in a wide range of literature. The United Nations Council on Trade and Development also refers to tourism as the 'only large sector of international trade in services where poor countries have consistently posted a surplus' (Goldstone, 2001: 46). The hard currency receipts generated from tourism could then be used to pay off foreign loans in a relatively shorter period and employees also gain service skills from tourism jobs (Goldstone, 2001: 47).

Much of the literature on tourism's contribution to the economies of most countries can be found in tourism textbooks, government brochures, and reports from tourism industry organizations, especially the World Tourism Organization (WTO) and World Travel and Tourism Council (WTTC). Goeldner and Brent Ritchie (2003: 33) identified the positive aspects of tourism as follows:

- Provides employment opportunities, both skilled and unskilled, because it is a labor-intensive industry
- Generates a supply of needed foreign exchange
- Increases incomes
- Creates increased gross national product
- Can be built on existing infrastructure
- Develops an infrastructure that will also help stimulate local commerce and industry
- Can be developed with local products and resources
- Helps to diversify the economy
- Tends to be one of the most compatible economic development activities available to an area, complementing other economic activities
- Spreads development
- Has a high multiplier impact
- Increases government revenues
- Broadens educational and cultural horizons and improves feelings of self-worth
- Improves the quality of life related to a higher level of income and improved standards of living
- Reinforces preservation of heritage and tradition
- Justifies environmental protection and improvement
- Provides employment for artists, musicians, and other performing artists because of visitor interest in local culture, thereby enhancing cultural heritage
- Provides tourist and recreational facilities that may be used by a local population
- Breaks down language barriers, sociocultural barriers, class barriers, racial barriers, political barriers, and religious barriers
- Creates a favorable worldwide image for a destination
- Promotes a global community
- Promotes international understanding and peace

Sharpley and Telfer (2002: 17) emphasize that tourism is a 'growth industry' because it has shown incredible and consistent growth since 1950. At the same time, tourism brings other positive ramifications such as the channelling of wealth from richer countries to poorer areas when tourists from the former visit destinations in the latter; utilises natural (the sea, beaches, climate, mountains) and 'free' infrastructure; and benefits 'backward linkage' industries such as food and beverages, local transport, souvenirs, and entertainment (Sharpley and Telfer, 2002: 18-19).

The economic inputs of tourism range from income derived from tourism receipts, contribution to GDP (gross domestic product) and GNP (gross national product), employment levels (Sharpley and Telfer, 2002: 20), earnings for government (in terms of tax and duties), improvement in social services (like public health, sanitation and housing), to an increase in leisure and entertainment facilities (Lea, 1988: 39). Tourism development has also been considered as a sign of westernization, progress and modernization (Roche, 1992: 566).

There can also be positive socio-cultural impacts of tourism development to various members of societies in the destinations. Sharpley and Telfer (2002) also referred to the 'protection and enhancement' of traditions, cultural exchange which develops mutual understanding between peoples, societal stability and the empowerment of communities and women as other positive changes that tourism development bring.

While tourism may have potential positive aspects as illustrated above, it has also negative characteristics which will be discussed below.

The 'Other' Side

Leheny (1995) postulates that tourism is an 'expression of metropolitan hegemony that subordinates peripheral states to a position of dependence on foreign capital and tourists'. Britton (1980, 1982) also expresses similar sentiments commenting that Third World destinations are taken advantage of by metropolitan capitalist enterprises which organize and direct the character and extent of tourism development in the former. His enclave model of Third World tourism shows that tourism aggravates both social and economic inequalities between the core and periphery, as well as within destinations themselves (Sharpley and Telfer, 2002: Wyllie (2000: 118) points out that the espousal of tourism by Third World Governments often presents ideological problems since tourism is linked with neocolonialism, with lavishness and extravagance and servility (towards tourists). Tourism has been associated with global domination by First World Countries, and more specifically with colonialism and imperialism by writers on tourism (Mowforth and Munt, 1998: 46). Both the First

World ownership of much Third World tourism infrastructure and the origin of tourists from the First World have for many become a glaring illustration of colonial and imperial domination. Nash argues that 'it is this power over touristic and related developments abroad that makes a metropolitan center imperialistic and tourism a form of imperialism' (1989: 35). Gonsalves (1993: 11) observes that it is the very presence of tourists that leads to the 'view that modern tourism is an extension of colonialism (with all the attributes of a master-servant relationship) and a form of neo-colonialism' (Wahab, 1996: 176). Thomas (1994: 1) also argues that although colonialism is a thing of the past, 'the persistence of neo-colonial domination in international and inter-ethnic relations is undeniable'. Mowforth and Munt agree that neo-colonialism has, through tourism, enabled the retention of former colonies in a state of continuous subordination to the First World, despite formal political independence (Mowforth and Munt, 1998: 50). Nash described tourism as a form of imperialism: 'the expansion of a state's interests abroad, imposed on or adopted by an alien society and evolving inter-societal transactions marked by the ebb and flow of power' (1977:34). In Nash's view, tourism is generated by advanced capitalist societies (metropolitan states) where the level of incomes and material possessions permit patterns of behavior that include the 'consumption' of leisure.

Strisang, a former Executive of the Ecumenical Coalition on Third World Tourism (ECTWT), the world's largest tourism NGO, suggests that tourism:

exploits the people, pollutes the environment, destroys the ecosystems, bastardises the culture, robs people of their traditional values and ways of life and subjugates women and children in the abject slavery of prostitution' (cited in Mowforth and Munt, 1998: 47).

According to this viewpoint, the tourism industry is characterized by the supremacy of foreign ownership which dictates on peripheral destinations a development approach that emphasizes the features of structural dependency on, and vulnerability to, developed countries (Britton 1984: 12-13). Jafari (1990: 34) argues that tourism at its worst only helps wealth creation by tourism firms and big corporations, creates mostly 'seasonal and unskilled jobs', causes environmental devastation, sells people and their cultures, and generates disorder within the host society. Britton asserts that these big

companies usually own national transport companies, arrange package tours, invests in overseas tourism activities, and influences tourist preferences and prospects.

The statements above declare that tourism, in a way, 'corrupts' and 'destroys' people, the environment, and cultures. It was also expressed as a form of domination by the First World countries of Third World countries since the former often owns tourism establishments. Citizens from First World countries are also normally the patronizers of tourism. These viewpoints may be true, in some ways, but tourism can still be a good vehicle for development if all stakeholders join hands in working for a common goal. The section on the 'good side' of tourism has presented the benefits that tourism can bring to a community and from this alone, it can be discerned that tourism can truly serve as an engine for growth.

Clearly, tourism can both be good or bad for development. This thesis acknowledges problems associated with the global tourism industry but asserts that the net benefits of tourism (including jobs and economic growth) are very important for Third World countries like the Philippines. In this context, it is important to explore how security-related concerns which impact on tourists' decisions can be minimised so as to promote 'tourism for development' (Scheyvens, 2002) in the Philippines.

The Nexus Between Tourism and Security

Overview

Tourism is vulnerable to insecurity (Bloom, 1996: 91) and therefore, the relationship between safety, tranquillity, peace and successful tourism must be studied carefully (Pizam and Mansfeld, 1996). Escalating levels of crime, violence, political instability and general lawlessness could cause cataclysmic effects to the image of a given area as a tourist destination (Bloom, 1996: 91). This paints a dismal picture for tourism since news on drastic incidents which has caused severe damage to life and property are often captured, highlighted and spread almost instantly through most parts of the world via the internet (Bar-On, 1996: 159). The relationship between tourism and three

forms of security concerns namely, political instability, terrorism and incidence of crime, will be examined below.

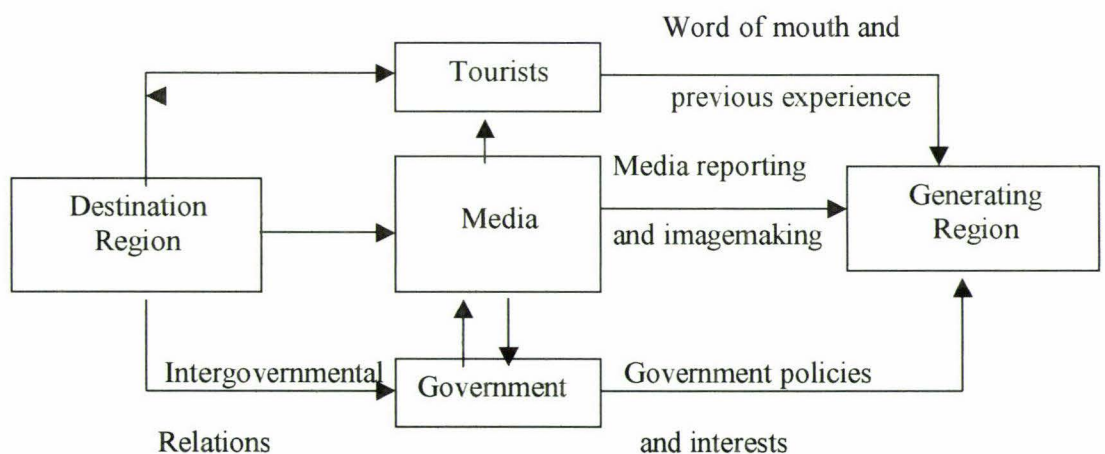
Political Instability

Political stability is undoubtedly a primary condition for tourism to flourish (Hall, 1994: 93). As Richter and Waugh (1986: 231) have commented:

Tourism may decline precipitously when political conditions appear unsettled. Tourists simply choose alternative destinations. Unfortunately, many national leaders and planners either do not understand or will not accept the fact that political serenity, not scenic or cultural attractions, constitutes the first and central requirement of tourism.

Matters concerning political stability and political relations within and between states can shape the image of destinations in tourist-generating regions (Hall, 1996: 105). Wyllie (2000: 121) asserts that while there are different degrees and kinds of instability, political instability may lead to consequences of regional or global magnitude, when international laws and regulations are ignored and when violence escalates during war. Figure 2.1 provides a model of the factors leading to the creation of images of political stability of a destination region in tourist-generating regions (Hall, 1996: 106).

Figure 2.1 Political instability, violence and the imagemaking process.



Source: Hall and O'Sullivan (1996: 107).

In Figure 2.1, three factors influence the formation of destination images: returning tourists, the media and the government of the tourist-generating region (Hall and O'Sullivan, 1996: 106). Hall and O'Sullivan (1996: 106) emphasize the influence of governments, through their 'foreign-policy setting', on generalizations, and viewpoints made of potential destinations.

Political instability pertains to a situation in which conditions and mechanisms of governance and rule are challenged as to their political legitimacy by elements operating from outside of the normal operations of the political system (Hall and O'Sullivan, 1996). When challenge occurs from within a political system and the system is able to adapt and change to meet demands on it, it can be said to be stable. When forces for change are unable to be satisfied from within a political system and then they use such activities as protest, violence, or even civil war to seek change, then a political system can be described as being unstable. For example, there are independence movements where groups seeking independence or political autonomy resort to violent actions to advance their intentions, though others espouse more peaceful means and use of propaganda (Wyllie, 2002: 123).

Political instability can be of different types and include 'international wars, civil wars, coups, terrorism, riots and political and social unrest, and strikes' (Lea and Small, 1988). However, in this study, terrorism will form a separate topic because of its recent re-emergence in the 21st century which brought and continues to bring devastation and extreme costs to property and lives. Terrorism is also different from other cases of political instability as it is designed to create fear disproportionate to the threat. It is 'random' and aims to maximize casualties among people involved with ordinary tasks.

Warfare, whether it be international or civil, is obviously catastrophic for tourism since it endangers human lives and to a lesser extent, damages tourist infrastructure (Hall and O'Sullivan, 1996: 108; Wyllie, 2000: 122). Likewise, a civil war and military coups may also affect tourist arrivals but to a lesser degree unless seen as violent and causing widespread political instability (Hall and O'Sullivan, 1996: 108). Warfare, coups and political strikes or protest may make tourism growth or the enticement of visitors difficult, but they do not usually pose direct risks to tourists (Hall and O'Sullivan,

1996: 110). Hence, in studying the link between political stability and tourism, it is crucial to distinguish between tourists and tourism being the direct or indirect victim of political instability to figure out the exact nature of risk and threat (Hall and O'Sullivan, 1996: 110).

Hall and O'Sullivan (1996: 118) reported that the tourism industries of a number of countries like China, the Philippines, Fiji, India, Vanuatu, Egypt, South Africa, and Sri Lanka have all been harmed to different degrees by political violence in recent years. In some countries such as China, South Africa and Zimbabwe, governments made transformations in political conditions and favourable media coverage was utilized to enhance the image of their destinations (Hall and O'Sullivan, 1996: 118). Where political instability and political violence remain for a long time, increasing arrivals to numbers in the pre-political instability period may be difficult to achieve (Hall and O'Sullivan, 1996: 118). There are cases, however, of tourists being attracted to places beleaguered by political instability (Hall, 1996: 118; Scheyvens, 2002: 115).

In relation to this, Third World countries normally reinvent their tourist destination areas using more interesting phrases such as 'adventure travel' or 'cultural tourism' aimed at attracting the emerging boomer market (WTO Yearbook of Tourism Statistics, 1995). Foley and Lennon (2000) have also introduced the concept of 'dark tourism', which is associated with modern films and photography which commemorate horrific past events and such horror are transformed into accessible commodities (Reader, 2004). The latest inclusion to dark tourism sites is the ruins of the World Trade Center in New York after the terrorist attacks on September 2001 (Pilot Guides.com, 2004).

Political instability issues also affected the tourism industries of neighbouring countries within a region, like in Africa. Teye (1986) studied the effects of Zimbabwe's Unilateral Declaration of Independence (UDI) on neighbouring Zambia's tourism industry. These included the sudden decline of Zambia's tourist arrivals after ground operators of tourism services cancelled services, tourists being kidnapped and fired upon, and imposition of other restrictions such as curfews, blackouts, bans on photography and a US travel advisory (on Zimbabwe). Teye (1988) also examined political instability in post-colonial Africa by observing the effects of coups d'états on

African tourism development in general but focussing on the Ghana case. He identified the problems that arose from these military interventions in government, specifically perceived ineffectuality of national tourism bodies after new rulers disputed their mandates, restriction in flow of tourists due to border closures, damage to the country's image due to negative publicity, obstruction in development of tourist attractions and suspension in delivery and implementation of development plans.

Another important case study on the effect of political instability on tourism is the Fiji case which underwent two military coups in 1987 within two month and another one in 2000. Scott (1988) investigated this case while Pacific Asia Travel Association (PATA), thru its Intelligence Centre Analyst, Kathleen Cassedy (1991), discussed the crisis management plan which the Crisis Management Team of the Fijian government enforced after the crisis. Another case involving political instability was the violent encounter between troops and protesting students in Beijing's Tiananmen Square which resulted to the death and injury of more than 2,000 students on June 4, 1989 (Keung, 2004). This was watched by the world on prime-time television causing decreases in tourist arrivals and a travel advisory from the US (Hall and O'Sullivan, 1996; Gartner and Shen, 1992). This event also affected arrivals to Hong Kong. Cassedy (1991) also explored and analysed this crisis situation and looked into the crisis management plan developed by the Crisis Management Team for this situation in Hong Kong. The Fiji and Hong Kong crisis management plans are given in Appendix 5. They highlighted the creation of crisis management teams which implemented measures immediately after the crisis such as diplomatic missions abroad, modern communications systems, attractive tourism packages, and more familiarization trips to travel agents and wholesalers, among others.

Tourism is extremely subject to perceptions of political instability, particularly when such instability involves to military activities, whether it be a coup, civil war, or other type of political unrest. However, political stability in and of itself is not a complete assurance that tourism will prosper in a destination without favorable economic conditions (Lewis, 1975: 59). From this proposition, a combination of different factors which are political, social and economic in nature may be needed for the promotion and development of a tourist destination.

Terrorism

Terrorism is defined by Ezzedin (1987: 39-40) as follows:

a systematic and persistent strategy practised by a state or political group against another state, political, or social group through a campaign of acts of violence, such as assassinations, hijacking, use of explosives, sabotage, murder and the like, with the intent of creating a state of terror and public intimidation to achieve political, social or religious ends.

Another definition provided by the US Department of State is ‘...pre-meditated, politically motivated violence perpetrated against civilians and unarmed military personnel by subnational groups...usually intended to influence an audience’ (1996: 4). Terrorism can also be considered as an indication of a political crisis (Wieviorka, 1994) or an aspect of political instability (Hall and O’Sullivan, 1996). It may be aimed toward the state or its institutions with consequences on tourism that vary depending on the degree of the damage done to tourists and tourist facilities. Terrorism is sometimes clearly directed against tourism itself because it is considered as a ‘movement of “alien” visitors representing a form of neo-colonialism or a threat to well-established societal norms, traditions, value systems and religious convictions’ (Pizam and Mansfeld, 1996).

In retrospect, terrorism has been regarded as a political instrument which started in early history but modern-day terrorism became apparent only in the latter part of the 20th century (Sonmez, Apostolopoulos, and Tarlow, 1999: 14). International terrorism became active during the late 1960s and early 1970s and after a short pause in operation, the 1980s was consumed with terrorist violence (Sonmez, Apostolopoulos, and Tarlow, 1999: 14). By the mid-1990s, the frequency of acts of terrorism had subsided but increased again in Israel, the Middle East and Africa in the late 1990s and the beginning of the 21st century (Pizam and Fleischer, 2002). The September 11, 2001 terrorist attacks on the US has triggered more serious ramifications and resulted in a more intense discord between the US and its allies and the Arab world, particularly Al-Qaeda network and other Islam Fundamentalists. The number of terrorist activities has grown because of the widespread reach of the media and high level of political and economic interdependence (Hall, 1994: 103). Appendix 6 gives us a list of terrorist incidents involving tourists from 1972 to 2002.

Terrorists attack tourists or tourist facilities in order to accomplish a variety of 'tactical, strategic and ideological' objectives where they can get the exposure they need for their cause (Hall, 1994: 104). Another motive was to penalize nationals of a country which supports the government which are against their own activities, as the case in the mid-1970s when the Moro National Liberation Front, a Muslim secessionist group in the southern Philippines, kidnapped a number of Japanese nationals, both to gain media exposure for their cause and to take punitive action on the Japanese government's support for the Marcos regime (Richter, 1980). Similarly, Richter and Waugh (1986) suggested that attacks on American tourists may be considered as a form of retribution of the United States government for its 'foreign policy decisions and military actions' (Hall, 1994: 104). According to Richter and Waugh (1986: 238), 'uncompromising positions taken by authoritarian leaders in their own states or self-righteous world leaders, often backfire when they can not enforce their policies and when terrorists view the policies as challenges to be overcome.

Tourists and tourist establishments can also be subjected to terrorist attacks so that the terrorists' ideological objectives may be attained and their political authority recognized by making the present government look weak (Hall, 1994). Richter and Waugh (1986: 238) have pointed out that 'the relationship between terrorism and tourism is important not because the problem is new but because the political and economic ramifications are immense and likely to grow larger'. Tourism can be the very message as well as the means to communicate the message that terrorists make use to publicize their demands and ideology (Sonmez, Apostolopoulos, and Tarlow, 1999: 15). Tourism can encourage terrorist violence by stimulating 'political, religious, socioeconomic, or cultural resentment' which can then be used to convey a 'broader message of ideological/political opposition' because the symbolism of tourist as targets would definitely create for the terrorists news of high profile coverage (Sonmez, Apostolopoulos, and Tarlow, 1999: 15).

Pizam and Fleischer (2002) conducted a study on the impact of acts of terrorism on tourism demand in Israel during the period of May 1991 to May 2001 which confirmed the hypothesis that the frequency of acts of terrorism had caused a larger decline in international tourist arrivals than the severity of these acts. The results and findings of

this study indicate that tourist destinations can recover from even severe acts of terrorism, as long as the terrorist acts do not recur. However, when terrorist acts which are either light or very harsh, happen repeatedly at regular intervals, tourism demand will drop continuously, and eventually lead to the downfall of the destination's tourism industry (Pizam and Fleischer, 2002).

The relationship between terrorism characteristics and tourism demand was also investigated by Pizam and Smith (2000: 132) and the following statistically significant relationships between these two were identified:

1. Acts of terrorism motivated by 'social injustice' had a stronger negative effect on tourism demand than those motivated by 'independence'.
2. Acts of terrorism that victimized both tourists and residents had a stronger impact on tourism demand than those that victimized residents only.
3. Acts of terrorism that resulted in bodily harm had a longer negative effect on tourism demand than acts that resulted in property loss.
4. Acts of terrorism committed with guns had a more negative and longer lasting effect on tourism demand than those committed with bombs.
5. No statistically significant differences were found between the location of the terrorist act and the effect on tourism demand.

Pizam and Smith (2000) also found out that the ability of destinations to recover from the destructive effects of terrorism demonstrates that the tourism industry seems to be relatively resilient, as what the World Tourism Organization (WTO) observed. In most cases, destinations showed the capacity to rise up again from the overwhelming effects of terrorism and were able to go back to their pre-terrorism figures in a short period of time.

That the frequency of attacks can affect tourism more than the severity of act itself as what the study of Pizam and Fleischer (2002) discovered was also confirmed in this study of Pizam and Smith (2000). People would keep on travelling to places attacked by terrorists if appropriate marketing had been done and crisis management was in place, or if just there were no further incidents in a substantial amount of time (Pizam and Smith, 2000).

However, in a study made by Krakover (2000) on the impact of terrorism on the Israeli tourism industry, it turned out that the larger declines in tourism demand came from more severe terrorist events. This was done by regressing the monthly number of arrivals against a severity index of the terror events. This implied that both the frequency and severity of terrorist attacks did affect tourism demand significantly.

The tourist's country of origin also surfaced as an essential, decisive factor in understanding the effect of terrorist actions on tourism demand in affected destinations (Pizam and Smith, 2000). As an example, North Americans tend to perceive themselves as more highly selected for terrorist acts than other nationalities and as a consequence, they feel their personal safety is exposed to danger by what Wall (1994: 143) calls the 'legacy of terrorism'. Hence, Sonmez (1994: 143) recommended that real and perceived risk of tourists should be considered in examining 'travel risk'.

Sonmez and Graefe (1998) also conducted a study which sought to establish the influence of terrorism risk on foreign tourism decisions. They explored the relationships between selected factors namely international travel experience, risk perception level, international travel attitude, age, gender, education, income and presence of children in the household against the general decision to travel internationally versus domestically, the extent of information search and concern for safety in evaluating destination alternatives. The study, which used a base sample of 500 respondents living in the US, Puerto Rico and the US Virgin Islands, had the following study results:

- There were no high levels of perceived risk associated with international tourism in general but the respondents expressed concern regarding terrorism and political turmoil.
- Social sources of information like personal experiences, travel professionals, other people's experiences (like family, friends, and business associates) were preferred to more formal sources during information search. Less popular sources of information included embassies and consulates of foreign countries.
- Over 40% of respondents said government issued travel advisories were seldom consulted.
- Safety emerged as an important consideration since about 77% of respondents said they would only travel to countries they believe to be safe.

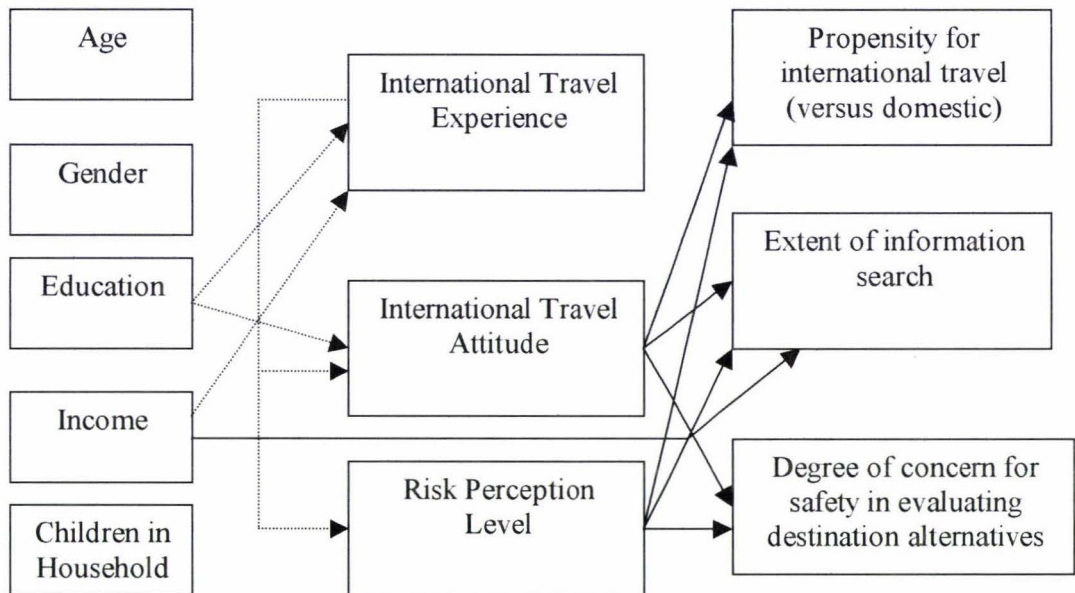
- 88% agreed that politically unstable countries should be avoided by tourists and the five riskiest countries were perceived to be Iraq, Somalia, Libya, Lebanon and Syria.
- Only attitude and risk perception level emerged as significant predictors in decisions to travel internationally vs. domestically.
- Propensity for international tourism was found to be determined by more positive attitudes and lower levels of perceived risk.
- In order of strength, attitude, income level, and risk perception level were among the most significant predictors of information search. Respondents' extent of information collection increased as their attitudes improved and their perceived risk and income levels increased.
- Risk perception level followed by attitude were the strongest predictors of safety concerns. These imply that concern for safety increases with risk perception levels but decreases with more positive attitudes.
- Higher education indicated more positive touristic attitudes.
- Overall, results indicate that potential travelers' risk perception, attitudes, and income levels are significant predictors of key decision-making stages.

The results of this study by Sonmez and Graefe confirmed earlier studies in which attitudes and information gathering were discovered to be crucial in making tourism related decisions, including propensity for international tourism (Goodrich, 1978; Um and Crompton, 1992). Furthermore, that information search was a common risk reduction strategy (Roehl and Fesenmaier, 1992) was also confirmed in this study. Figure 2.2 recapitulates the major direct and indirect relationships between the variables in the study of Sonmez and Graefe (1998) showing that a potential traveler's risk perception, travel attitude, and income appear to influence propensity for international travel than domestic, extent of information search, and the degree of concern for safety in evaluating alternatives.

Crime

My third security factor, the incidence of crime against tourists, has been given worldwide attention and has also (like terrorism) compelled the travel industry to allocate part of its resources to persuade tourists that it is safe to travel (Tarlow and

Figure 2.2. Model of International Tourism Decision-Making



Source: Sonmez and Graefe (1998: 135).

Note: Solid lines indicate direct relationships while broken lines indicate indirect relationships.

Muehsam, 1996: 11). Crime is defined as an ‘act committed or omitted in violation of a law forbidding or commanding it’ (Black, 1979). However, Pizam (1982: 7-10) has noted that ‘only a small number of empirical studies explored the relationship between tourism and crime’. Crime is present in all types of societies and despite efforts in history for its elimination, it has grown with civilization itself. Jones (1986) thus, remarked that crime is unquestionably just a reflection of a normal, collective life.

A Marxist study of crime in tourism is that tourism, being an evident form of the consumer society’s ‘ephemerality’, persistently infuriates the working class and eventually leads to a reaction which upper classes describe as crime (Tarlow and Muehsam, 1996: 14). While conflict theory may be logical to some because it is sensitive to the predicament of the lower class, it possesses ‘tautological problems’ wherein the victims who are the tourists themselves are held responsible for their own victimization (Tarlow and Muehsam, 1996: 14). The question on whether the travel and leisure industry is a component of modern capitalism or a real situation where

some toil so hard for the greater majority to take pleasure in arises (Tarlow and Muehsam, 1996: 15).

In assessing the connection between tourists and crime, Tarlow and Muehsam (1996: 20) came up with the following propositions:

- Tourists often let down their guard making them easy prey for criminals;
- Tourists will often de-differentiate neighborhoods, thus entering into areas in which locals might dare not go;
- Tourists may often confuse good luck with caution or proper planning.

They also contested that the industry has been enticed itself by the creators of postmodernism citing that the industry by successfully promoting itself implicitly invites criminals to take advantage of what the criminal may perceive to be fertile field of opportunities.

They suggested the following based on their assessment of criminal elements which drew upon 'classical and postmodern theories'(21-21):

- Vis-à-vis tourism, criminals experience reality loss. With the blurring of distinctions it is safe to posit that, at least some perpetrators of violence may no longer distinguish clear moral lines. In a world where moral lines are no longer stringent, some elements in society will view murder as a form of fun. Tourists having predictable travel patterns become easy targets for crime.
- Violence is seen as the counter-reaction (antithesis) of the search for security.
- Tourism produces anger or jealousy among those in the economic underclasses. Tourism as a non-essential use of income has come to symbolize wealth, carefreeness and the eternal search for fun. Pertaining to economic crimes, criminals may view hotels, transportation hubs, or amusement centers as places that attract people with high incomes. Criminals may even justify their actions by rationalizing that the tourist's loss can easily be recovered or that they need the money more than the victimized tourist.

A number of studies which focused on the effect of crime on tourism had also been undertaken in the past five years. One of these was made by Abraham Pizam (1999) and looked at effects of all acts of crime and violence at tourists destinations and suggested methods of prevention and recovery. In particular, it aimed to sort the characteristics of these acts, examine the differential effects that such characteristics have on tourism demand, evaluate the efficiency of preventive and recovery means used for such actions, and discover the groups that can help in prevention and recovery. Using a base of 300 criminal/violent incidents that occurred in major tourist

destinations around the world which occurred in a period of 10 years, Pizam (1999) concluded the following:

- political motives more than economic and social motives for crime have the most intense, widespread, and lengthy effects on tourism demand and can eventually lead to the demise of the tourist destination;
- acts committed against tourists more than local residents, political figures, famous personalities, and businesspersons have a stronger effect on tourism demand;
- acts occurring more frequently will have a more intense, widespread, and lengthy effects on tourism demand than those occurring less frequently;
- war and mass terrorism had the strongest and most devastating effects on tourism demand;
- riots and political or civil unrest had a stronger effect on tourism demand than crimes.

The study also disclosed that in preventing acts of crime, there should be a combination of efforts from the local law enforcement agencies, tourism enterprises, the community at large, and the tourists themselves for measures to be successful. On terrorism which was covered in the previous section, the study concluded that only governments and the international community seemed to succeed in prevention. The recovery methods for frequent acts of mass terrorism included political resolutions while in all other cases, there was no single method of recovery. The best approaches in addressing crimes were tourist education and employee training. Marketing and public relations, despite their reputation, seem to be the least helpful strategy.

Tourists' Perception of Security

Tourists usually alter their activities as a precautionary means when travelling in relation to perceived security threats (Hartz, 1989). For example, they may consider terrorism risk to nearby countries not directly affected (Enders, Sandler and Parise, 1992) and replace dangerous destinations with safer preferences (Gu and Martin, 1992; Mansfeld, 1996). Terrorist activities at one destination increase tourists' perceived risks (and the cost of the experience) which then lead to a switch to destinations identified as safe (Enders and Sandler, 1991; Enders, Sandler and Parise, 1992; Gu and Martin, 1992). This concept is supported by Gu and Martin's (1992) study which identifies destination substitution as a valid solution for international tourists who

perceive risk. Thus, as Wahab (1996: 176) has found, 'when a chain of events deters tourists from visiting certain destinations, other destinations, whether proximate or faraway, will benefit'.

Mansfeld (1996: 275) also stress that 'a country that does not take an active part in conflict is not regarded by potential tourists as a threat' and that a country's visitor figures 'correlate with its level of involvement in security situations'. This will explain why some countries which do not take sides in conflict situations enjoy more tourist arrivals. A related factor which affect tourism demand is the 'generalization effect' wherein some tourists who perceive some risk in one country tend to assume that the whole region is dangerous (Enders, Sandler and Parise, 1992). The result is that tourists are discouraged to visit perfectly safe countries or safe areas within a country when nearby places are unsafe. For example, the Bali bombings in October 2002 also affected tourism demand to other parts of Indonesia and to Southeast Asian countries which were included in travel advisories issued from the First World countries in response to the Bali bombings. Studies of risk perception across cultures have shown differences both in ranking risks and in the extent and basis of risk in perceived situations (Goszezynska, Tyszka and Slovic, 1988).

However, not all tourists react the same way in response to security threats. They exhibit a delayed reaction to terrorism (Enders and Sandler, 1991; Enders, Sander and Parise, 1992) and demonstrate cultural differences in their reaction to threats to their safety (Hurley 1988; Tremblay 1989; Wall 1996). Similarly, international tourists' country of origin also determine their reaction to terrorist threat (Hurley, 1988; Tremblay, 1989) as also pointed out in the preceding section on terrorism.

Another study on the effects of terrorism on the tourist receipts of 18 European countries established that terrorism did not significantly affect receipts from European tourists (Tremblay, 1989). This may be because they were better informed about political events in Europe and were able to manage and organize their activities according to regions with high or low incidence of terrorist acts. In the same line as Tremblay's argument that tourists who are better informed about political events reacted less severely, Wall (1996) suggested that visitors to Northern Ireland who were

quite aware of terrorist activity there did not feel very threatened by it because they understood its fundamental causes. At the same time, however, intense emotions such as fear and the need for safety were hard to quantify and thus, qualitative methods would be more effective in understanding why people act the way they do (Sonmez, 1998).

Demos (1992) conducted a study of visitors to Washington, DC which was facilitated due to the issue of the city's crime reputation which appeared to be restricting tourists. In this study, almost a quarter of those interviewed saw safety as an issue that might prevent them coming back to Washington in the future, but most believed that the crime situation would not stop them from making another visit. In contrast, Bloom (1996) cited South African Tourist Board figures showing a steady decrease (with the proportion of tourists citing safety levels as 'good' falling from 70% in 1989 to 23% in 1993) in tourists' perception of safety, which indicated that crime did influence visitors' decisions. Maybe this was because South Africa had more of a reputation for violent crime.

Media undoubtedly played a pivotal role in forming tourists' perceptions of safety, as indicated in Figure 2.2. Brayshaw (1996) has expressed that media's description of the levels and effects of crime or terrorism often generated false impressions. However, Mawby (2000: 110) affirmed that there was a similar assumption that fear was a natural reaction, given proof of high crime rates in tourist areas and a natural tendency of tourists to be victimized by crime.

A study made by Fujii and Mak (1980) investigated the relationship between tourism and crime in Hawaii over the period 1961-75 covering 25 districts of Oahu, the main tourist island. Results from a time series analysis implied that the level of tourism was associated with offences such as larceny, burglary, robbery, rape, assault, and homicide but unrelated to auto theft. This was confirmed by research by Chesney-Lind and Lind (1986) in Hawaii, in which the authors discovered that tourists are more vulnerable to crime than local people. The rate of property crime against tourists in Honolulu is higher than the overall crime rate in all but one US city with a population of 500,000-1,000,000 – the exception, being Orlando, itself a tourism hub. The procedural

problems with these studies, however, was their dependence purely on secondary data, that was official statistics, commonly police records (Mawby, 2000: 111). Official statistics were usually employed to calculate the extent of crime and changes in the crime rate, as well as to give good reasons for political changes and used by criminologists to describe the social distribution of crime and the 'typical' offender (Mawby, 2000: 111). It was however widely universally accepted that official statistics showed us just a little more than the 'tip of the iceberg' and that most crime goes unrecorded (Coleman and Moynihan, 1996).

Mawby (2000) initiated an exploratory research to find answers to questions concerning victimization and fear among tourists, focusing on respondents' experience of crime and perceptions of safety. Among the findings of Mawby (2000: 115) were the following:

- in considering crime, terrorism, or threatening or drunken behavior in choosing their holiday, 9% said it had been a very important consideration; 10% said they had thought about it a lot; and 45% said they had never thought about it, suggesting at this point that crime is not a major concern.
- Nevertheless, 42% said they had ruled out at least one country or area because of crime-related problems, the most common countries being Egypt (20%), Spain (15%), and the USA (14%).
- While many respondents said they had excluded certain areas because of the danger, fewer (36%) said they had chosen a particular area because they 'thought crime, terrorism, or threatening or drunken behavior would not be a problem'.
- When asked the reasons why they had chosen their holiday destination, 'feeling safe' was rated as less important than environment, weather, scenery, relaxing location, and activities. 53% said they were influenced by the concept of a safe location, but only 15% saw it as one of the 3 most important considerations.

This was a very clear indication that holidaymakers saw neither crime nor incivilities as major concerns when on holiday. While many ruled out some countries or areas as holiday destinations because of crime or related problems, fewer preferred a country because of its reputation as a safe destination. Contrary to the impression gathered from the tourist industry, and indeed akin to findings from existing criminology literature, fear of crime was not common among UK holidaymakers.

In the study of Mawby (2000), there were 92 crime incidents cited by 50 respondents out of the total 514 respondents which was equivalent to an estimated incidence rate of 10% with burglary as the most common crime. An interesting finding was that being the victim of a crime more than doubles the percentage confirming a high regard for fear. While rather more victims than non-victims alluded to safety as among the more important things that matter about their holiday, the difference was not very considerable and the rank ordering hardly affected. Likewise, victims were as likely as non-victims to say they would return and visit the area again. Regardless of the significant relationship between fear and experience as a victim, victimization did increase fear levels but not obviously affect people's thoughts about their holiday since they still expressed the willingness to go back to the destination.

Mawby (2000) promoted the integration of approaches for fear and harm reduction, and advocated the need to make the tourists conscious of the risks that they may encounter in a tourist destination. Only if tourists participated in community safety strategies and are informed about both risk and precautionary strategies would crime levels in tourist destinations and crime against tourists be curtailed in the long term for better safety and security conditions at tourist destinations (Mawby, 2000).

Significant Global Security Events that have Threatened Tourism

The 21st century was affected by a series of violent incidents and terrorist attacks worldwide and this had affected the tourism industry tremendously. The most major security incident affecting tourism in recent years in terms of number of deaths was the September 11, 2001 where 19 suicide hijackers took control of four United States commercial airplanes and crashed them, respectively, into the Twin Towers of the World Trade Center (WTC) in New York City, the Pentagon in Washington, DC, and in a field in Somerset County, west of Pittsburgh, Pennsylvania, leaving an estimated 5000-6000 people dead (Goodrich, 2002). The cost of the tragedy, in terms of reconstruction, was approximated to be at about \$105 billion (CNN Television News Report, October 5, 2001). The damage to the tourism industry of America alone included immediate declines in airline passenger loads of 50% and more, and similar declines in hotel occupancy (Goodrich, 2002). The proliferation of images of the

tragic events of September 11 and the repetition and exaggeration of diplomatic and military action to the events due to lack of accurate information contributed to a notable decrease in international tourist flows (WTO, 2002: 9).

In Europe, the Madrid train bombings in March 11, 2004 created massive protests within Spain itself and emergency meetings in the European Union (EU). Just after the bombings, Germany has called for an emergency EU summit to discuss the implications of the bombings as British ministers asked the public to be more watchful and cautious to prevent terrorist attacks (The Weekly Telegraph Issue No. 660).

Aside from these attacks on Spain and the United States, there was also the 11 April 2002 attack on foreign tourists visiting ancient El Ghriba synagogue on the Tunisian island of Djerba, the oldest synagogue in Africa which left 21 people dead, mostly tourists from Germany and France (The Guardian, 4 September 2002). Then came the Bali tragedy on 12 October 2002 when 185 people perished, including tourists from some twenty countries, mostly Australians, British and Indonesians (WTO, 2002). The impact has perhaps been accentuated by the fact that the attack occurred in a destination that has been frequented by people from all backgrounds and with different religions (WTO, 2002).

Effect on International Tourism and Arrival Figures

These latest series of terrorist attacks around the world contributed to a drop in international tourism arrivals of 1.2 percent to 694 million in 2003, some 8.5 million less than in 2002, according to World Tourism Organization (WTO) Chief of Market Intelligence Mr. Augusto Huescar (WTO, 2004). The drop in arrivals in 2003 which was the biggest annual decrease ever in tourism history was due to three negative factors which came together namely: the Iraq conflict, Severe Acquired Respiratory Syndrome (SARS), and a persistent weak economy. Many destinations, especially in the Asia Pacific region, had less than half of their usual number of arrivals in April and May 2003 (WTO, 2004). The positive figures generated during the second half of 2003 when conditions improved was not adequate to make a positive overall growth rate.

However, the WTO emphasized that 'tourism did not collapse'. It is likely that the resilience of tourism even when situations are alarming may be attributed to the love for travel and leisure of people in post-industrial societies (WTO, 2004). Because of positive signs of recovery in the economies of the US, Japan, and Western Europe and the moderation in conflicts, there are prospects for positive growth in 2004. WTO Secretary-General Mr Frangialli suggested that we can trust in the industry's capacity to move forward as long as the 'necessary security measures that governments have the duty to implement, especially in air transport, remain reasonable and balanced'. He pointed out that the difficult period the world had undergone led to one positive outcome where the industry's development was taken more seriously having recognized its extreme importance to development in terms of 'growth, foreign exchange income and employment' (WTO, 2004). The industry is now putting huge pressure on governments to implement security measures so that tourism can survive amidst the security threats that continue to exist.

Increased security measures such as heightened security and baggage searches started in the late 1990s and have become 'routines of travel' Wall (1996). In a study made by Sonmez (1994: 37), 83% of travelers reported they had changed to more 'secure' behavior to keep themselves safe (for example, 'keeping low profile, dressing down, eliminating conspicuous consumption, not identifying oneself with a large corporation'), and 'nearly all experienced restricted freedoms, increased inconvenience, and heightened anxiety'.

After the September 11 attacks and the other international attacks mentioned, people did not stop traveling on the whole but preferred destinations that were closer to home, more familiar and accessible using safer means of transport, that is, individual rather than mass transport (WTO, 2002). There were changes in customer attitude and tourist behavior such as the 'wait and watch' attitude, sensitivity to price, business travel cost cutting, and preferences for individual or independent travel, travel by car/coach/train instead of plane, accommodation other than hotels, and purpose of travel more on visiting family and friends (Varma, 2003). As there was general uncertainty after the September 11 attacks and the war on terrorism was creating a stir in business circles, there was an economic downturn affecting all major economies at

the same time (Varma, 2003). Specifically, business and consumer confidence was impaired by uncertainty thereby obstructing economic recovery (Varma, 2003).

Among the general observations listed in a WTO report dated November 2001 regarding the impact of recent events on markets were the following:

- Countries involved or perceived to be involved in conflict or close to it will be avoided.
- Destinations perceived to be safe will be actively sought out by consumers.
- Countries, cities or regions which are overdependent on the North American market will suffer disproportionately.
- Countries which can be reached by land transport will have an advantage over those for which air travel is necessary.
- Short-haul intra-regional travel will grow faster at the expense of long-haul.
- Independent holidays will fare better than packages.
- Visiting friends and relatives (VFR) and domestic tourism will become more important (WTO, 2001).

Immediately after the September 11 attacks, economic mechanisms which included 'tax breaks aimed particularly at damaged segments, direct subsidies to consumers to encourage domestic trips, reduction or abolition of tourism taxes (e.g. airport tax, bed tax), interest free loans, loan guarantees, grants and flexibility in employment terms' were proposed and adopted worldwide (WTO, 2001: 26). Emphasis was on new products that would appeal to the different market segments and there was an increased understanding of customer needs (WTO, 2001: 27). Financial assistance was also provided by some governments to improve products and create products for new market segments (WTO, 2001: 28). There was more focus on domestic tourists and previous customers, more visibility in international tourism fairs, concentration on image building, and a rush to offer attractive rates (WTO, 2001: 28). Governments provided financial assistance for marketing and overseas promotions and improvement of products to appeal to new market segments (WTO, 2001: 53).

The International Labour Organization (ILO) which predicted that around 9 million jobs in the tourism industry would be lost after the September 11 tragedy (Wilks and Page, 2003: 3) also facilitated the creation of measures for the consideration and implementation of the governments, the ILO, and the social partners in response to the crisis. Basically, it suggested that governments should execute policies and measures

that can alleviate the plight of tourism workers and establishments affected by the September 11 incident and promote more intense cooperation and consultation between social partners (i.e. employers' and workers' organizations) at the national and local level. Employers' and workers' organizations were primarily encouraged to control and limit employment losses and prioritize the reintegration of workers facing short-term job loss resulting from the crisis. On the other hand, ILO was tasked to coordinate the flow of necessary resources from relevant International Financing Institutions, such as the World Bank (WB) and the International Monetary Fund (IMF), to governments which may not have the budgets to take practical action. In addition, the ILO was also given the responsibility of convening future informal review meetings and social dialogue, as well as organize education programmes for workers and employers directed at mainly the hotel and tourism sector.

The WTO suggests that one positive thing that has come out of the latest string of terrorist attacks is the instant co-operation across sector groups and across boundaries where new tourism alliances, action groups and lobby groups from different sectors in industry and government have been formed (WTO, 2001: 29). Examples of these are the banding together of individual US States to promote the US as a single entity under a SeeAmerica banner and the New Zealand's new Tourism Action Group's proposal to explore the potential for New Zealand, Australia and Fiji to work together on regional marketing (WTO, 2001: 29). At the same time, existing regional organizations in Asia like ASEAN (Association of South-East Asian Nations) and APEC (Asia Pacific Economic Cooperation) have strengthened their linkages and areas of cooperation, especially in addressing security issues like terrorism (Albert, 2004).

Global Measures and Initiatives to Address Security Issues

There were increased investments in security measures after September 11 and a strong emphasis on improved international intelligence gathering and sharing (WTO, 2001: 27). The World Tourism Organization has created an international service, called the Network, Safety and Security in Tourism which looks after 'the protection of life, health, and the physical, psychological and economic integrity of travelers, tourism staff and people constituting host communities', and 'includes the consideration of

security interests of tourist sending and receiving States and their tourism entrepreneurs and establishment operators' (WTO, 2001: 80). In the network, there will be active interaction and communication between organizations and authorities concerned with safety and security measures to serve all interested stakeholders in tourism development (WTO, 2002: 80). National sheets have started circulating with basic facts on safety and security in tourism in countries, territories and specific tourist destinations (WTO, 2002: 81). In most national sheets, the person who has been designated by the National Tourism Administration (NTA Focal Point) is listed. This person responds to queries or otherwise guides inquirers and network users on issues relating to safety and security in tourism in their country, territory or destination (WTO, 2002: 81). The WTO also established an internal 'Emergencies Task Force' linked to the Recovery Committee created after the September 11 attacks, which reports directly to the Secretary General (WTO, 2002: 66).

Governments play a key role in addressing security issues. In particular, they embark on massive increased investment in security measures, including improved international intelligence gathering (WTO, 2001: 52). A detailed description of remedial actions on specific tourism activities that governments can implement is given in Appendix 7. It includes guidelines that recommends specific actions to take: before a crisis, during the actual problems, and immediately after a crisis (WTO, 2004). Before a crisis, the WTO (2004) suggests that national security systems must be reviewed. The creation of a Safety and Security working group composed of police agencies, emergency services, departments of interior, health, consumer affairs, judiciary, foreign affairs, and civil defence is encouraged. Tourism authorities should be kept informed of all security measures being enforced that affect the industry. As discussed earlier, a National Tourist Safety and Security Focal Point person to act as a liaison with other government bodies should be appointed. The WTO (2004) also suggests that local personnel such as local tourism workers, together with public security and private security companies should undergo workshops on safety issues. Tourism police and emergency call centres must also be established to handle emergencies involving tourists and the information on how to contact these emergency services needs to be conveyed to tourists on arrival. During a crisis, governments need to set up a hotline and monitor what is being worked upon to end the crisis and improve

safety. Coordination with security services for media access and internal communication are both necessary. After the crisis, security procedures have to be assessed and quality of services and facilities made more effective.

Mansfeld (1999: 30) and Sonmez, Apostolopoulos, and Tarlow (1999) also suggest that carefully planned and implemented crisis management policies and crisis management strategies (as in Appendix 7) can deal with the unpredictability, and must be the foundation of sustainable development master planning for tourism destinations. In particular, Mansfeld states that crisis management covers the following areas:

- Monitoring of past and current trends as a travel destination;
- Cooperation and integration of all operations;
- Representations of all parties involved;
- Access to comprehensive information exchange at the level of security and safety; and
- Proper budgeting

It is also important that the nature of security events and the real intentions of rebel groups are examined closely to understand why and how attacks on tourists and facilities occur. Both the industry and policy makers can then proceed to work on measures that can lessen the vulnerability for tourists and the travel sector to these attacks though this may be a very complicated process. At the same time, the relationship between terrorism and tourism needs to be evaluated not only as it impacts on security and marketing, but also in terms of 'planning, site development, employment policies, political risk analysis and emergency management' (Richter and Waugh, 1986). These factors interact and impact on various aspects of tourism development.

Conceptual Framework

As discussed in this chapter, despite concerns about the nature of tourism development, tourism does contribute to the development of most Third World Countries. However, security events and issues that have caused losses to life and property affect tourism because they alter and influence tourist perceptions and travel preferences. Without tourists, tourism can not flourish and the economy may deteriorate leading to or

deepening underdevelopment. Figure 2.3 presents a conceptual framework which attempts to show the relationship between these issues.

The conceptual framework illustrates that tourism can lead to development. However, security issues such as political instability, terrorism, and the incidence of crime can disrupt this process because these issues can affect negatively travel preferences, tourist arrivals, and the image of a tourist destination. Other factors such as media and travel advisories can aggravate the situation. Hence, strategies to alleviate security concerns should be undertaken by stakeholders from the international community, country of destination and host community so that tourism may successfully flow and contribute to development. The absence of strategies would cause the tourism industry to deteriorate and may eventually lead to underdevelopment.

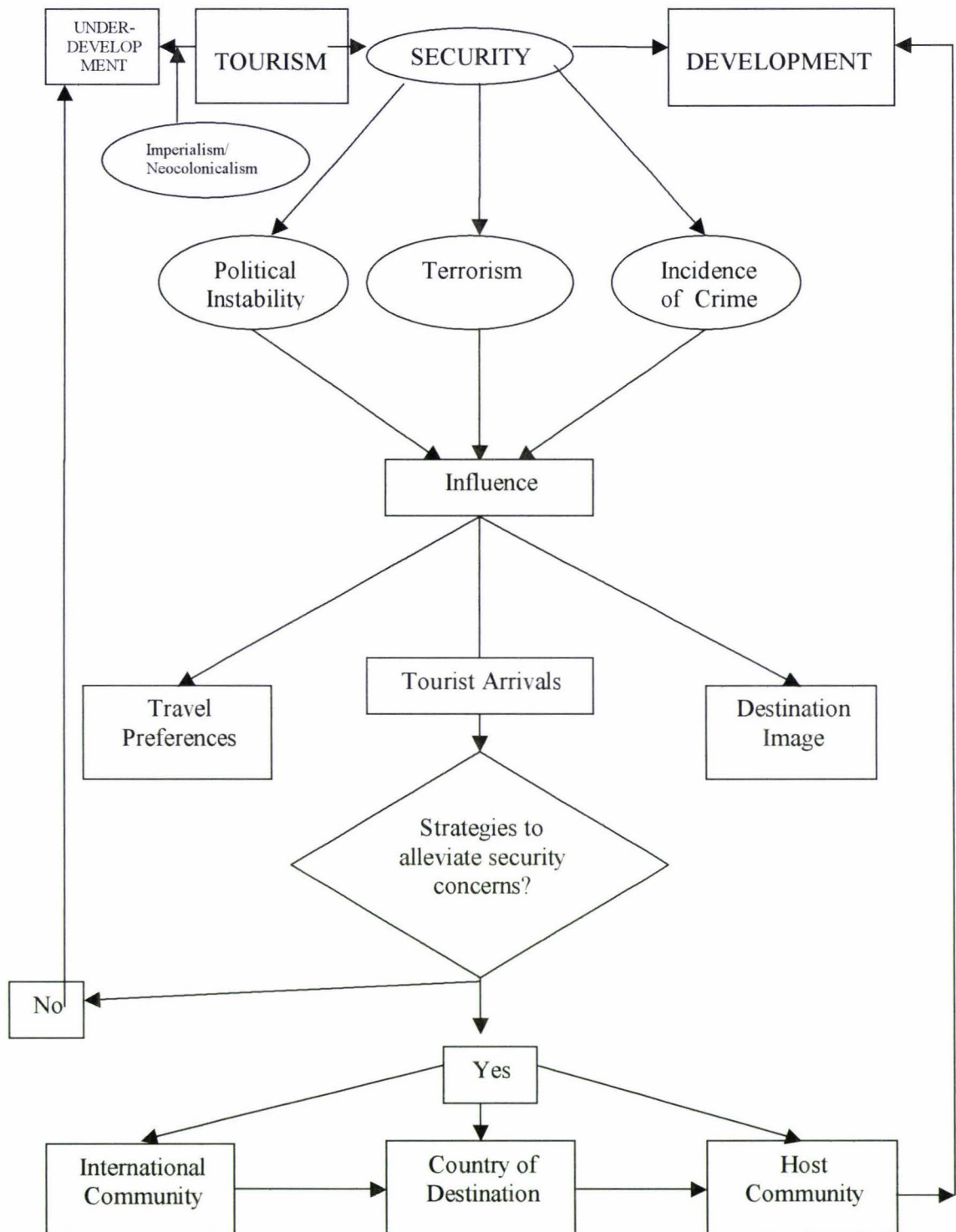
Tourism can contribute to development and underdevelopment, but to facilitate tourism working for development, security issues need to be addressed. Then there will be a safer country and destination for citizens and tourists.

Summary

The importance of tourism and security to most countries, especially Third World countries, can not be refuted. However, security issues such as terrorism, political instability and the incidence of crime pose threats to global, regional and national security. Security threats place the tourism industry in a very precarious situation.

But the predicament of tourism is much more complicated since it is often equated with imperialism, colonialism, neo-colonialism, modernization and neo-liberalism. Part of this could have triggered the assaults on different countries, especially Bali, Indonesia and the US, and therefore, a deeper understanding and approach to resolve the issues at

Figure 2.3. Conceptual Framework



hand may be necessary. Cultural and religious differences are often complex in nature and very difficult to reconcile, thus, collaborative efforts from all sides must be made.

In the next chapter, the geographical, social, political, and cultural description of the location of the case study, the Philippines, will be presented, with reference to the broader region of which it is part, Southeast Asia. Specifically, the relationship between tourism and security in Southeast Asia and the Philippines will be described and examined to provide a backdrop to the impact of security on Philippine Tourism in Chapter 4 and the Metro Manila Case Study in Chapter 5.

CHAPTER 3

SOUTHEAST ASIAN CONTEXT, THE PHILIPPINES AND TOURISM

Introduction

This chapter aims to describe the setting of the fieldwork and case study and will be divided into two parts. The first part will give a description of tourism in the Southeast Asian region where the Philippines is situated and how the Association of Southeast Nations (ASEAN) has influenced the country's tourism industry. Included in this part, are the interconnections and cooperation in Southeast Asia, the impact of travel advisories on tourism, and initiatives to address security issues in the region. The second part will be a discussion about the Philippines itself, including its geographical, political, social, and demographic background. After this, an overview of the Philippine tourism industry including its history, present programs, economic contribution, performance, tourism trends, profile of tourists, and issues confronting the industry will be presented. Present government initiatives and strategies to develop tourism in the face of past and current security issues will also be cited.

Tourism in Southeast Asia

The World Tourism Organization (WTO) describes the Southeast Asian region as having the most remarkable growth in tourist arrivals in the 1980s and 1990s (Teo, Chang and Ho, 2001: 2). Most countries in the region promulgate unified state measures to promote development (Hall and Page, 2000: 17-23) and tourism is being used as a practical mechanism to attain development goals more quickly (Teo, Chang and Ho, 2001: 2). Southeast Asia (Brunei, Indonesia, Cambodia, Laos, Malaysia, Myanmar, the Philippines, Vietnam, Thailand and Singapore) (see Fig. 3.1) recorded a growth rate of 15.7 percent compared to the world's average of 9.3 percent (WTO,

Figure 3.1. A map of Southeast Asia , showing the Philippines, among others.



Source: My Travel Guide (2004)

1997: 6) between 1980 and 1995. Visitors increased to 33.9 million in 1999 from 29.1 million in 1995 (Pacific Asia Travel Association (PATA), 1999). According to the WTO (2001), the Asia and the Pacific region received 118 million international tourist arrivals in 2000 of which three quarters were intraregional. Most visited destinations are China, Hong Kong, Malaysia, Thailand, Macao, Republic of Korea, Indonesia, Australia, Japan, Taiwan, Vietnam, India, New Zealand and Iran. The main generating markets in the zone are Japan, China, Hong Kong, Australia, Taiwan, Singapore and the Republic of Korea (WTO, 2001). Another interesting development was the rise in intra-regional travel because of the increased wealth of the people in the region (WTO, 2000). Tourism has been an essential source of economic development, foreign exchange, and employment generation, which contributed to Asia's gross domestic product (GDP) at 10.3 percent (*Asiaweek*, 6 November 1998) (Hall as cited in Teo, Chang and Ho, 2001: 13).

From 'scarcely a geographical expression' (Fryer, 1970: 1) to a 'paragon of development' (Rigg, 1997: 3), Southeast Asia has succeeded on a 'combination of sound, market-based, foreign investment-friendly, export-oriented policies' (Rigg, 1997: 3). At the national level, governments in Southeast Asia utilized tourism as a strategic means to meet the needs of a very buoyant world market (Teo, Chang and Ho, 2001: 4). The 'new institutionalism' as described by Amin and Thrift (1994) was summarized in the different institutions that have come together to form a structure that would stimulate regional economic authority over tourism in Southeast Asia (Teo, Chang and Ho, 2001: 3-4). The four very important factors identified to be present in Southeast Asia, were the following (Teo, Chang and Ho, 2001: 4):

- A strong institutional presence (firms, financial institutions, chambers of commerce, government offices, etc.);
- A high degree of interaction between the above so that networking, cooperation and information exchange can take place;
- Well-defined structures of domination, coalition-building and collective representation of order; and
- Presence of a cognitive mapping of place to the extent that members recognize a common agenda for collective representation (Amin and Thrift as cited in Jones and Macleod, 1999: 299).

Interconnections and Cooperation in Southeast Asia

In developing tourism, transborder cooperation can be beneficial in building tourism ventures, and economic interdependence is a favored course in Southeast Asia (Teo, Chang and Ho, 2001: 5). The interconnections that work in Southeast Asia are not necessarily due to globalisation but were instead initiated and nurtured by governments and enjoyed political backing and support (Hall, 2000). The Asia-Pacific Economic Cooperation (APEC) agreement has also created a Tourism Charter to help tourism activities in the region and to boost the industry players in Asia-Pacific, including Southeast Asia (Teo, Chang and Ho, 2001: 5). Without the support of local institutions, shared efforts to drive tourism would be useless (Teo, Chang and Ho, 2001: 5).

Concerns which are political in nature within and between states are very important in shaping the image of tourist destinations and the actual and perceived safety of tourists (Pizam and Mansfeld, 1996). Furthermore, tourism can foster international understanding and even lead to the development of an Asian identity (Ministry of Foreign Affairs (MOFA), 1999). However, tourism can also be instrumental in the formation of different political viewpoints and is not just a mere receiver of politics (Hall, 2000 as cited in Teo, Chang and Ho, 2001: 24).

The call for interdependency between different parts of the region and the interconnectedness between the region and other parts of the world in the past decade is slowly being heeded as evident in a more integrated approach to tourism in Southeast Asia (Pearce, 2001: 26). A better understanding of the prevailing structure of the region and the way in which interconnections exist or might be developed will help to facilitate more effective planning and policy-making initiatives and also improve work in related areas such as marketing and impact assessment (Yuan and Christensen, 1994).

Impact of Travel Advisories on Tourism in Southeast Asia

The immediate consequences to the ASEAN member nations of the terrorist attacks on the US and Bali included the indiscriminate issuance of travel advisories on ASEAN countries immediately after the attacks. After the Bali attack, a public announcement from the US Department of State dated 2 November 2002 was released reminding Americans of the potential for terrorist actions against US citizens abroad, specifically in the Southeast Asia region. In said announcement, US citizens were informed that extremist groups present in Southeast Asia have large-scale capabilities to carry out attacks at premises where Westerners usually gather. They were also advised to be also cautious when going to softer targets such as clubs, restaurants, places of worship, schools, outdoor recreation events, hotels, resorts and beaches which may be the next targets of these groups since there is now increased security at official US facilities (US Department of State Public Announcement for Southeast Asia dated 2 November 2002). On October 23, the US government designated the Jemaah Islamiya (JI) organization a Foreign Terrorist Organization and an extremist group with cells operating throughout Southeast Asia (US Department of State Public Announcement for Southeast Asia dated 2 November 2002).

Thus an issue which daunted the tourism industries of ASEAN nations was the 'indiscriminate travel advisories' issued by various Western countries. WTO deputy secretary general Dawis Villiers said the WTO Code of Ethics, which had been recognized by the United Nations, specified clear guidelines on how government should administer travel advisories so as not to cause unfavorable consequences to the affected tourist destinations (Philippine Headline News Online, 2002). Mr Villers highlighted that "inappropriately worded" advisories have created negative perceptions about certain tourist destinations and therefore, said governments should be careful in wording the advisory and be geographically clear and not general so as not hurt to some destinations (Philippine Headline News Online, 2002).

Sharpley and Sharpley (1995) asserted that by using travel advisories, governments of tourism generating countries could control the flow of tourists in order to exercise political power over countries reliant on this business. As a possible solution, Sharpley

and Sharpley (1995) suggested the creation of an independent, international organization to accumulate, update, and circulate touristic information in an objective, precise, and apolitical way. Sonmez (1998) affirmed that literature illustrated the power of governments which could use political demands through tourism to work for or against other countries by executing travel advisories that could be derogatory to the destination's image and integrity.

Initiatives to Address Security Issues in Southeast Asia

After the 11 September 2001 attacks on the US, ASEAN already conducted meetings to discuss the security situation on hand. On November 2001, ASEAN leaders espoused the ASEAN Declaration of Joint Action to Counter Terrorism believing that terrorism is a 'profound threat to international peace and security and a direct challenge to the attainment of peace, progress and prosperity of ASEAN' (Albert, 2004: 1). On May 2002, a work programme was launched to implement the ASEAN Plan of action to combat Transnational Crime which includes a Terrorism Component. There were six strategic thrusts identified, namely, information exchange, cooperation in legal matters, cooperation in law enforcement, institutional capacity-building, and extra-regional cooperation (Albert, 2004).

There are also sub-regional cooperation initiatives within ASEAN. On May 2002, Indonesia, Malaysia and the Philippines from the BIMP-EAGA (Brunei-Indonesia-Malaysia-Philippines East ASEAN Growth Area) region members signed an Agreement on Information Exchange and Establishment of Communication Procedures and recently, Cambodia, Thailand and Brunei also consented to the Agreement (Albert, 2004). The Terms of Reference of the Joint Committee and Communication cum Liaison Center was produced in a meeting in Manila in 2003. Several anti-terrorism measures, including information exchange, co-operation in legal and law enforcement matters, institutional capacity building, training and extra-regional co-operation have been adopted by the countries mentioned (*New Straits Times-Management Times*, 8 November 2002).

After the 12 October 2002 attack on Bali, ASEAN member nations took a more proactive stance against terrorism to boost tourism in the region. At the 8th summit of the Association of Southeast Asian Nations (ASEAN) in Phnom Penh on 3 November 2002, the region's 10 leaders issued a declaration condemning the 'heinous terrorist attacks on Bali, Indonesia' and resolved to intensify efforts 'to counter and suppress the activities of terrorist groups in the region, including the establishment of a Regional Counter-Terrorism Center'¹¹ in Malaysia' (Cyberdyaryo.com, 2003).

Another meeting was held in Manila on 9 November 2002 and participated in by ASEAN members and the US, China, Britain, Japan, South Korea and Australia and officials from the World Tourism Organization (WTO) and the International Police Organization (Interpol). The purpose of this meeting was to create structures that would integrate information, intelligence, and analysis to fight terrorism by forging bilateral and multilateral agreements to implement a plan of action to counteract terrorism's impact on tourism in the region (Chinatopnews.com, 2003). The action of plan included in the resolution calls for cooperation among countries in the region, national tourism organizations and the tourism industry, particularly airlines, hotels, resorts, travel agencies and tour operators, in marketing tour packages. Specifically, plans are for each of the ASEAN countries, plus Japan, South Korea and China, to allocate two tourism officials to monitor any 'trouble spots' in the region that might impact on tourism, from sources such as newspapers, their own intelligence network or information sharing with counterparts (The Thomas Group, 2003). The implementation of appropriate policies and strengthening of security-related prevention measures, crisis management and law enforcement to boost efficient and safe travel and reduce barriers to travel to and within the region were also emphasized in the meeting (Chinatopnews.com, 2003).

¹¹ The Southeast Asia Regional Center for Counterterrorism, or SEARCCT, is already operational. A financial counterterrorism training workshop was held on August 25, 2003 to stress the need for international cooperation to cut off sources of terrorist financing. The audience will draw upon the SEARCCT training to enhance the skills of their financial counterterrorism officials. The United States consults with the Government of Malaysia and SEARCCT managers about what type of training and resources to contribute to the center and provides experts in certain areas, such as counterterrorism financing or police methods. The United States also facilitates the participation of counterterrorism experts in SEARCCT activities (US Department of State, 2003).

In January 2004, ASEAN's ministers in charge of fighting transnational crime met with their counterparts from Japan, China, and the Republic of Korea to discuss how to effectively tackle transnational crime, including terrorism, through capacity-building efforts and information sharing (Albert, 2004). There are also efforts made by ASEAN with India, the US and EU in the money-laundering, law enforcement, diplomatic, legal and intelligence fields (Albert, 2004).

As an ASEAN member nation, the Philippines stands to benefit from the implementation of strategies to put appropriate security policies in place, strengthening of existing security-related prevention measures, crisis management and law enforcement in Southeast Asia to assure tourists of a safe travel to the region. While some security incidents in the region, such as the Bali bombing in October 2002, may have negatively affected the image of the Philippines as a safe tourist destination because of the 'generalization effect' discussed in the previous chapter, being part of ASEAN is still very important and vital to its tourism industry. In the next section, tourism in the Philippines will be discussed and analysed to provide the setting for the next chapter on tourism and security in the Philippines.

Philippines

Geography, Environment and Climate

The Republic of the Philippines, an island country located 805 kilometers from mainland Asia, is composed of 7,107 islands and its length measures 1,850 kilometers, starting from the point near Taiwan and ending close to Borneo (Government of the Philippines, 2004) (see Figure 3.2). It is among the world's largest archipelagos (Oleksy, 2000: 13) and second to Indonesia's 17,000 islands (National Ecotourism Strategy, 2002). The 10 largest islands make up 90% of the country's 300,000 square kilometre (116,000 square mile) land area (Hicks, 2002: 4). The two largest islands – Luzon in the north and Mindanao in the south – account for two thirds of this (Hicks, 2002: 4). A third region, known as the Visayas, lies between Luzon and Mindanao and consists of a mass of smaller islands, such as Panay, Negros, Cebu and Bohol (Hicks,

Figure 3.2. Map of the Philippines also showing the 16 different administrative regions.



Source: Perry-Castaneda Library Map Collection (2004).

2002: 4). Among the top destinations in the country based on an Annual Visitor Sample Survey of the Department of Tourism (DOT) are Tagaytay City, Cebu, Cavite, Batangas, Baguio, Pagsanjan, and Davao. These top destinations will be discussed further in the Philippine Tourism Section.

The country's tropical climate is controlled by the southwest monsoon winds, which blow from June to October or November, and the northeast monsoon, which lasts from November to March (Hicks, 2002:5). The average year-round temperature in the lowlands is 80°F (27°C) and humidity varies between 75 and 85 percent (Oleksy, 2000:17). The hottest months are March, April and May, when temperatures range from 86°F (30°C) to 97°F (36°C) (Oleksy, 2000). June to November is the typhoon season when about 20 of these intense tropical storms sweep in from the Pacific (Hicks, 2002: 5) which often cause flooding and extensive damage to property (Brodie, 2002:15). These weather conditions may have also influenced tourism demand because of inconveniences in travel brought by hot summer months and stormy, rainy months.

The Philippines has some major environmental problems, specially in cities like Manila, where industrial and household waste is regularly discharged into streams causing waterways to be constantly polluted (Brodie, 2002: 15). At the same time, there is severe air pollution, especially in Manila, because of the heavy usage of vehicles (Brodie, 2002: 15). While the Philippines has some pristine beaches and diverse rainforest environments which attract tourists, it also faces environmental problems which could deter tourists from visiting the country.

History and Politics

The Philippines had a long history of struggle for independence from different foreign hands, the longest and predominant of which is the Spanish regime from 1521 to 1898. There were trading communities in Cebu, Butuan and Sulu visited by Chinese in the early centuries and Arabs travelling and promoting Islam from the 13th century but it was the Spanish occupation from 1521 to 1898 and American rule from 1898 to 1946

which had the most influence on Filipinos' way of life, the most major contributions being Christianity and a democratic form of government (Hicks, 2002: 21-24).

The Philippines' system of national government is adopted from the United States, whereby the national leaders, namely the president and vice-president, are elected by the people for six-year terms (Kerr, Bindloss, Jealous, Liou, and Looby, 2000). There are 77 provinces in the Philippines which are grouped into 16 local government regions (including the national capital region or Metro Manila). Municipalities or towns, which are divided into barangays or village communities, make up a province (Kerr, Bindloss, Jealous, Liou, and Looby, 2000). The governmental institutions and structures in the Philippines were patterned similarly to those of the US and strongly committed to democratic ideals and human rights. At the most basic level of these bilateral relations, the human factor continues to form a strong linkage between the two countries. There are about 2 million Filipinos now settled in the US and more than 100,000 American citizens living in the Philippines (Oleksy, 2000).

The Philippines had a reputation as a 'freewheeling, sometimes corrupt but always lively, democracy in the midst of the authoritarian nations of Southeast Asia' (Richter, 1989). Reports of massive vote-buying on all sides during elections are normal news but the activities of the ruling party are usually monitored and checked by the free press and opposition (Richter, 1989). The issue on corruption in the country has also been manifested and highlighted in the ranking on the list of Most Corrupt Nations, where it ranks 25th (Nationmaster.com, 2004). While the Arroyo government has started spot checks on the lifestyles of government officials, specifically in some tax-generating government offices as the Bureau of Internal Revenue, much remains to be done on addressing this particular sensitive issue. A more detailed description of the tourism industry situation under the leadership of different presidents since the rule of President Ferdinand Marcos in 1965 is provided in a latter section on the History of Philippine Tourism.

People and Culture

This research study on security and tourism in the Philippines also necessitates a glimpse and understanding of how the 'Filipinos' today have evolved through time. The Philippines have a long history of tradition and change having to adjust to outside influences in the country over the last 500 years (Brittan, 1997: 22), but majority of Filipinos have descended from the Malays who migrated to the islands thousands of years ago (Hicks, 2002: 16). The culture of the Philippines is a blend of Spanish, American, Chinese and native customs (Brittan, 1997) because of the influence that have been passed on to them by their past colonizers.

Most of the Filipino people live in the urban areas, the valleys, and along the coastline since sixty-five percent of the islands' total landmass is mountainous (Oleksy, 2000). Based on figures from the National Statistics Office (NSO), the actual national population figure last May 2000 was 76.5 million while the 2003 projected population is 81.1 million.

The Filipino is described to be a little bit of all the cultures combined together (Government of the Philippines, 2004). In particular, the 'bayanihan'¹² spirit, kinship and camaraderie among the Filipinos was said to be characteristic of their Malay descent, the close family relations from the Chinese, and the piousness from the Spaniards (Government of the Philippines, 2004). But their hospitality and friendliness (Oleksy, 2000: 81) despite the difficult living conditions that many endure, would be what distinguishes them as Filipino. The people may be best categorized by their cultural heritage, which reflects racial differences with more than 90% as Christians, living mainly as farmers and fishermen in the lowlands or as professionals and workers in the cities (Oleksy, 2000: 81)

With such an extensive cultural mix, there are over 70 languages spoken in the Philippines but the official language is Pilipino, based mainly on Tagalog (Brittan, 1997: 14). The Pilipino language was created by the government in 1937 to unify the

¹² 'Bayanihan' is a Filipino word derived from the word 'bayan' meaning town, nation, or community in general. It literally means 'being a 'bayan'' and referred to as a spirit of communal unity and cooperation (Cag.com, 2004).

country but English is used in government, big business and higher education (Oleksy, 2000: 88). The Philippines is the world's third-largest English-speaking country but most Filipinos speak several languages (Oleksy, 2000: 89).

Another major legacy of the Philippines' colonial history is the fact that it is Asia's only Christian country, the result of 350 years of Spanish and nearly 50 years of American rule (Hicks, 2002: 16). The Catholic Church plays an important role – its influence permeates all aspects of daily life (Brodie, 2002:18). The church's role in recent times has often been very positive, particularly in the overthrow of the Marcos regime but at other times it is a negative force, holding the country back because of conservative and traditional beliefs like refusal to sanction any form of birth control causing the population to multiply (Brodie, 2002: 18).

Most celebrations are filled with music, song and dance where traditional and Western music are both played and enjoyed (Brittan, 1997: 21). Many of the festivals for which the country is renowned have some kind of religious link (Hicks, 2002, 17). Among the national events, Independence Day from Spanish colonization which falls on 12 June is the most celebrated with parades and flags (Brittan, 1997: 18) and observed as a holiday nationwide. Each of the nation's 13 regions also have their own events which showcase their culture and arts.

The Filipino traits described above and the different cultures that have trampled on their land may explain why they have survived many crises, specially the volatile security, political and economic condition in the country. However, these could also be another dismal factor that keeps complacent and contented despite the urgent need to do something seriously about these problems.

The Philippine Tourism Industry

History

Tourism in the Philippines underwent several changes and thrusts under different administrations from the 1950s to the present. It started in the middle of the 20th

century as a private initiative with the establishment of the Philippine Tourist and Travel Association, Inc. (PTTA) through Republic Act 710 in 1952 (DOT, 2000). Later on, various tourism offices were established by different presidents to complement this initial tourism initiative. A list of the different tourism offices created and the development plans and programs for tourism prepared and implemented under the different administration is given in Appendix 8.

Marcos Era (1965-1986)

Under the leadership of ex-President Ferdinand Marcos, tourism infrastructure such as hotels and cultural buildings were built. However, Martial law was declared in 1972 to allow the President to extend his term and internal instability ensued afterwards forcing the President to dissolve Congress, to rule by decree, to close most newspapers, to establish a curfew, and to confiscate the properties of the opposition (Richter, 1999). Tourism was primarily used for the acquisition of more political power (Richter, 1999).

Rodolfo (2003) mentioned in her study two development plans which were enforced during this period, namely the 4-year Development Plan (1974-77) and the 10-year Tourism Plan (1978-87) (Rodolfo, 2003). She explained that the former plan contained policies directed at priority development areas specifically Manila and the nearby provinces of Cavite, Laguna, Batangas, Corregidor, and Bataan which created a bigger gap between the core (Manila) and the periphery (provinces). She added that incentives were provided for these areas and later on to Region I (Ilocos Sur, Benguet and La Union) and to Region IX (Zamboanga del Sur) but the basis for this selection was not clear. On the other hand, she described the latter plan which covered a period beleaguered by public protests and human violations to be aimed at spreading the benefits of tourism to the different regions of the country by enhanced foreign tourism promotion, information campaigns and provision of incentives and development of manpower through the Asian Institute of Tourism. Tourism grew for six years but its close association with the corrupt and unpopular dictator made it an enemy of the opposition (Richter, 1999). Hence, tourism declined and the overbuilt hotel industry deteriorated and the government acquired the extravagant hotels (Richter, 1999).

Aquino Years (1986-1992)

When Marcos went into exile after a popular uprising in February 1986, the widow of slain opposition leader Benigno Aquino, Jr., Corazon Aquino, became president (Dobbs-Higginson, 1995). Among the many initiatives of the Aquino administration to rebuild tourism was to produce a balance between economic growth and environmental and cultural sustainability, where tourism development is governed by and administered for the people (Rodolfo, 2003). Although tourism was not controversial under Aquino, many on the political Right were unhappy with her overtures to Muslim groups and the New People's Army leading to military coups (Dobbs-Higginson, 1995). Tourism arrivals went down in 1990 and 1991 because of political unrest (kidnappings and military coups), power crisis (brown-outs), Mount Pinatubo eruption in 1991, Gulf War of 1990 and the economic recession which affected major markets such as the US and Japan (Rodolfo, 2003).

A one year National Tourism Plan by the government and private sector and the Tourism Master Plan, the blueprint for tourism development for the next 20 years developed in 1991 with the assistance of WTO and UNDP, were crafted during this administration (Rodolfo, 2003). However, the factors cited earlier which were political, economic and environmental in nature still affected the performance of the industry in a negative manner by way of decreasing tourist arrivals.

Ramos Period (1992-1998)

When Fidel Ramos, himself a military leader, succeeded Aquino as president, tourism development was integrated with other development projects targeted at improving transportation and other infrastructure (Richter 1995). Among the strategies implemented by the Ramos Administration to maximize the contribution of tourism to economic growth were the cluster development approach contained in the 1991 TMP where mechanisms to link air, sea and land transport services were developed (Rodolfo, 2003). The cluster approach also expanded tourism development to include the clusters

Cebu, Davao, and Baguio and paved the way for the preparation of master plans for areas like CAR, Tagaytay, and Palawan (Rodolfo, 2003).

The Ramos administration, however, encountered serious problems like the big external debt and high incidence of poverty while in tourism, the prevalence of tourists in Northern Luzon also (Rodolfo, 2003). Other regional and local issues like the 1997 Asian Financial Crisis, lack of priority for tourism's role in economic development, the heavy politicisation of the industry, and lack of leadership in sustaining the momentum of development altogether so that while tourism arrivals reached the 2 million mark in 1996, it went down again due to these reasons (Rodolfo, 2003).

Estrada Years (1998-2001)

When politician and former actor Joseph Estrada won in the 1998 national elections for pronouncements promising poverty alleviation and an anti-crime agenda, there were already a couple of issues namely: 'slowdown in the growth of the services sector and the declining productivity in its development plan' (Rodolfo, 2003: 23). This was aggravated by the Asian financial crisis, bankruptcy of the Philippine Airlines, and the cancellation of the agreement with Taiwan in 1999 for 900,000 seats per week (National Ecotourism Strategy, 2003). As a result, there were decreases in tourist arrivals and tourism receipts of 3.5% and 8.5% (on the average) respectively from 1998 to 2000.

A Transportation and Tourism Summit was conducted in 1999 to guide government and industry for tourism development (Rodolfo, 2003). However, President Estrada was marred by corruption scandals from the very start, so that in January 2001, he was forced out of office by massive street protests and the withdrawal of military support after the breakdown of his impeachment trial (U.S. Department of State, 2004). Hence, the currency and stock market plummeted in late 2000 during the period of political uncertainty leading to his removal in early 2001 (Insight Guides, Philippines, 2002).

Present Programs under Arroyo

Estrada's vice-president Gloria Macapagal Arroyo was appointed as his successor in 2001 and was faced with the difficult task of restoring investor confidence in the country. One of initial moves of Arroyo was to promote tourism to a senior cabinet post and revise the Medium Term Philippines Development Plan (MTPDP) 2001-2004 to contain a separate chapter on tourism and its contribution to the economy (National Ecotourism Strategy, 2003). The chapter on tourism in the MTPDP is based on information in the Philippine Tourism Master Plan (TMP) for the period 1991-2010, and the President's declaration of tourism's important role in the country's economic recovery program (Rodolfo, 2003).

Actual arrivals were much lower than projected figures, at only 1,796,893 in 2001 and 1,932,677 in 2002. Actual receipts were also lower, at only US\$1,722.70 million in 2001 and US\$ 1,740.06 million in 2002. The major markets that were to be developed and prioritized were: East Asia (Japan, Korea, Taiwan, and Hong Kong), North America (US and Canada) and Europe (UK, Germany, and France)' (Rodolfo, 2003).

The government identified the following strategies to meet the objectives and targets:

- Improve accessibility of tourist destinations by developing tourism hubs (Manila, Cebu, Davao, Laoag); liberalizing civil aviation to increase weekly air seat capacity at par with Thailand, Malaysia, Singapore and to liberalize visa requirements, encouraging investments.
- Enhance tourist products and services by making products better and affordable through discussions with private sector and LGUs; investing in human resource development by reviewing existing curricula to improve quality of graduates; conducting niche and mass-marketing programs.
- Instil a culture of tourism by advocating for stronger law enforcement, conducting information campaigns, integrating environmental considerations and promoting ecotourism; intensifying LGU participation and establishing representation and participation of women in tourism.
- Work for the recognition of tourism by establishing the Tourism Satellite Account; tapping resources for development; reviewing and assessing tourism development plans (Rodolfo, 2003).

With Richard Gordon as Secretary of the DOT, several important projects were launched to boost Philippine tourism. 'WOW Philippines' which stands for Wealth of

Wonders is the current promotional campaign of the DOT launched in 2002. The acronym 'WOW' was envisioned to create a positive exclamation about the Philippines and also used to stand for 'warm over winter', 'wild over water', 'wacko over wildlife', and 'world of wedding' (Government of the Philippines, 2004). It uses four images: the tarsier¹³, wreck dive site, Boracay beach, and Puerto Princesa¹⁴ Underground River (DOT, 2004). In Manila, the administration of Mayor Lito Atienza has embarked on a cleanliness campaign and the enhancement of Intramuros as a premiere tourist destination with the assistance of the DOT and the Intramuros Administration (City of Manila, 2003). This illustrates the determination of both national and local government units to promote tourism development in the country despite threats of security.

There are eight tourist anchor destinations being promoted by the government as mentioned earlier, namely Manila, Cebu, Davao, Baguio, Boracay, Palawan, Bohol, and Laoag/Vigan (Government of the Philippines, 2004). This list is compared later on with the top destinations based on an Annual Visitor Sample Survey prepared by the Tourism Research and Statistics Division of the DOT. Figure 3.3 illustrates where these places are in the Philippines.

The Philippine government is promoting said areas for the following reasons:

- Manila, the country's capital, is a fast growing city driven by an upbeat economy and rapid infrastructure and business development;
- Cebu, called 'Queen of the South', is the site of new business endeavours and boasts various beach resorts and museums and old churches;
- Davao is another busy city in the South which is known for elegant orchids, exotic fruits, Mt. Apo, the highest peak in the country, haven for the Philippine eagle and other birds, and beautiful beach resorts, too;

¹³The Philippine tarsier, (*Tarsius syrichta*), is a very peculiar small animal which is one of the smallest known primates, no larger than an adult man's hand. It is a protected species found in the islands of Samar, Leyte, Bohol, and Mindanao in the Philippines but it is threatened by the destruction of his natural forest habitat (Bohol Philippines, 2004).

¹⁴Puerto Princesa is the capital of Palawan province, the biggest province in the Philippines located in southwestern Philippines.

Figure 3.3. The Eight Tourist Anchor Destinations being promoted by the Philippine Government.



Source: Government of the Philippines (2004).

- Baguio, the country's summer capital because of its cool climate, is located amidst the mountainous region of the Cordillera and has many delightful tourist spots such as the Burnham Park, Camp John Hay, Lourdes Grotto, and the Mines View Park, shopping centers, and is a starting point for visiting the famous Banawe Rice Terraces;
- Palawan is another beautiful island in the south which is the sanctuary of many exotic plants, animals and aquatic life including the Calamian deer and the tarsier, and also features white sand beaches, black marble caves, and exciting dive sites;
- Bohol features white beaches, virgin forests and rolling hills, historical places, and is renowned for its Chocolate Hills which consist of hundreds of dome-shaped limestone hills which dried up and turns brown under the sun;
- Laoag/Vigan are the capital cities in the Ilocos region which is famous for its narrow cobblestoned roads, magnificent old churches and ancestral homes and ascetic mountains;
- Boracay is an island in the northern Visayas region which has fascinated many tourists because of its white sand beaches, with pleasant accommodation facilities offering sports facilities, culinary favourites from different cultures, bars and discos (Government of the Philippines, 2004).

Under the 1991 Tourism Master Plan, the target was to attract 4 million tourists by 2004 but kidnappings and political instability in certain some areas in Mindanao, the September 11 attacks, Iraq War and the SARS outbreak, caused a further weakening in the performance of the industry (Rodolfo, 2003). On the other hand, domestic tourism grew amidst all these crisis but available information on domestic tourism is also limited, again, demonstrating that the tourism industry was not prioritised in past decades (Rodolfo, 2003).

In general, Rodolfo (2003) contends that the industry has no focus and direction as indicated by discrepancies in declared policies and actions and the lack of cooperation among stakeholders. She pointed out that there have been an increase in conflicts between community residents and local government units in various areas like infrastructure development, business matters, and policy-making. While private-public sector partnership has improved, the Philippine government has to bring up to date the TMP, create regional and community master plans with recommendations and investment potentials, and strengthen linkages between government and private sector (Rodolfo, 2003). This underlines the need for a stronger and more pro-active partnership between government, the private sector, the local communities, civic action groups, non-government organizations and other stakeholders for the common good.

To address security issues which affect tourism promotion and demand, the government had come up with several programs. In the speech of Department of Foreign Affairs Secretary Delia Albert (2004) at the Bali Regional Ministerial meeting on Counter-Terrorism on February 2004, she mentioned that the Philippines also had a counter-terrorism campaign. This included the creation of counter-terrorism coordinating mechanisms like the Peace and Order Councils at various levels of government and the establishment of think tanks such as the Philippine Center on Transnational Crime. Secretary Albert also discussed a 16-Point Counter-Terrorism Program which enjoined the local and national government in seizing terrorists and criminal coddlers and as well as in strengthening the peace process between government and separatist groups. The Three Tiered Defense Plan consisted of: Tier 1: 'Strengthening Intelligence' where the enemy is identified through police-military and community partnership, Tier 2: 'Target Hardening' where it is made difficult for terrorists to affect their targets, and Tier 3: 'Consequence Management' where the government's anti-terrorism strategy is made known to the public (Albert, 2004). These strategies and mechanisms would help preserve peace and order but its implementation should be really monitored systematically.

Economic Role of Tourism

Philippine tourism is a post-world war phenomenon which started in the early 1950s as a primarily private undertaking but has evolved to become one of the country's biggest dollar earners (Government of the Philippines, 1998). In spite of some political problems and natural calamities in the country in the past years, Philippine tourism continues to show signs of resiliency and bright expectations, and contributes significantly to the country's economic growth and development (Government of the Philippines, 1998). Based on a situation analysis prepared by the Department of Tourism (DOT), tourism in the Philippines accounts for 8.7 percent of Gross Domestic Product and generates approximately five million jobs (National Ecotourism Strategy, 2002).

Acknowledging the important economic role of tourism, the government funds significant marketing efforts in promoting tourist destinations in the Philippines. The

DOT and Philippine Convention and Visitors Corporation (PCVC) arrange promotional events like sales missions, travel marts, and trade fairs in which private sector participants actively participate. PCVC also partake in major trade fairs, such as those in Berlin, London and Japan. The DOT overseas offices regularly make presentations and sales calls to selected tour operators. There are also consumer promotions such as travel marts, food festivals in hotels, holiday events (such as Philippine Independence Day), cultural shows, and fiestas all year round.

A breakdown of available accommodation and other tourism-related establishments is given in Table 3.1.

Table 3.1 Number of DOT-accredited Tourism-related Establishments (as of 30 June 2003)

Type of Tourism Establishment	Total Number	Total Number of Rooms
Hotels	147	15,441
Apartels	10	1,406
Inns	58	1,401
Pension Houses/Motels	43	(not indicated)
Stores/Tourist Shops	23	-
Museum	7	-
Training Center	7	-
Rest Areas	67	-
Sports Club	13	-
Others	3	-

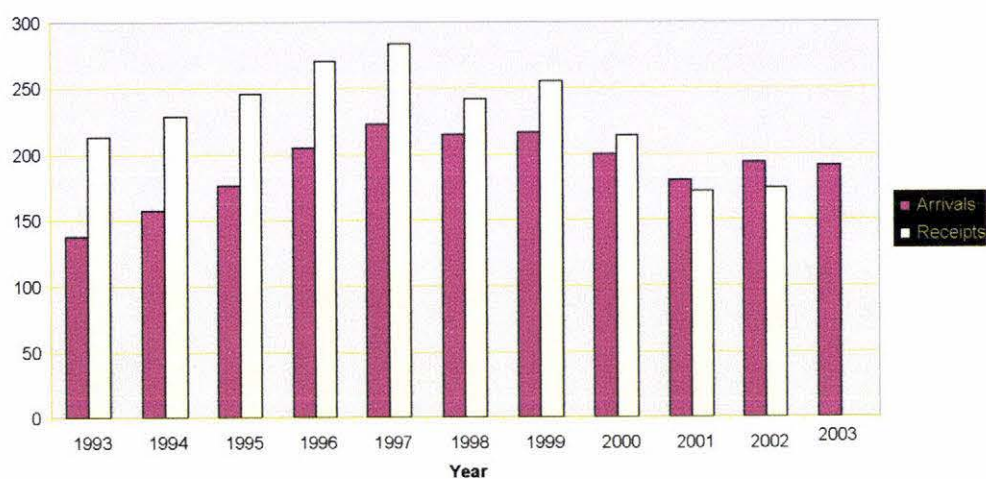
Source: Department of Tourism

Performance

Figure 3.4 presents an illustration of international tourist arrivals to the Philippines between 1993-2003. A significant observation would be the drop in arrivals and receipts in the years 1998, 2000, 2001, and 2003 (arrivals only). These declines may be attributed to the 1997 Asian Currency Crisis, kidnappings in 2000 and 2001, September 11 incident in 2001, and the combined effect of US-Iraq conflict, SARS, bombings and a coup in the Philippines in 2003, on top of other non-security related factors such as economic ones.

From Table 1.1 in Chapter 1, the standing of the Philippines dropped from 5th to 6th place in terms of visitor arrivals in Southeast Asia since 2000 until 2003. Vietnam has

Figure 3.4. Chart showing international tourist arrivals to the Philippines from 1993 to 2002.



Source: Department of Tourism, 2003.

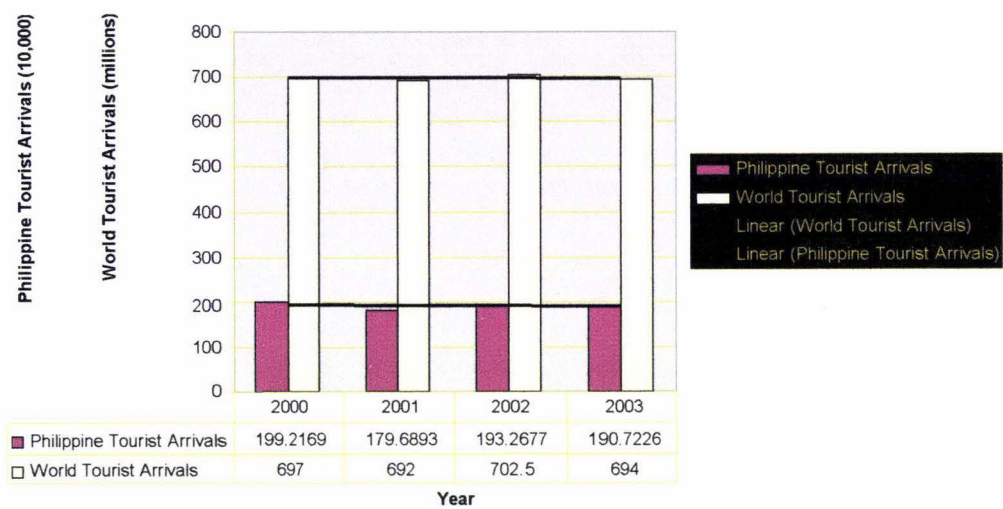
taken over its 5th place ranking in previous years. This indicates an urgency for the government, industry, other concerned organizations, and the local community of tourist destinations to act on the problem immediately and effectively to improve its performance in the future.

The trend of annual tourism arrivals in the Philippines from 2000 to 2003 is similar to world figures as shown in Figure 3.5 below.

Profile of Tourists

From the National Ecotourism Strategy (2002), the United States with 392,099 arrivals is the largest international market with 22% of all arrivals to the Philippines in 2001. Japan comes in second place with 343,840 arrivals in 2001, which is 19% of all arrivals. As in previous years, Japanese travellers are mostly male (94%) and visit the Philippines on holiday. Korea, Hong Kong and Taiwan rank 3rd, 4th and 5th respectively. VFR (51%) and holiday (23%) are the main purposes for travel. Since many of this market are Balikbayans (see footnote no. 11) travel arrangements are

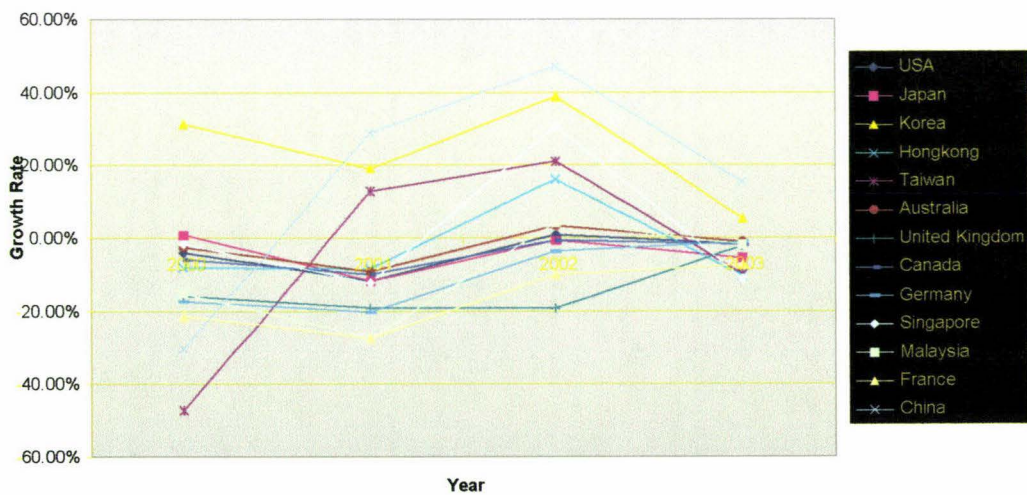
Figure 3.5. Philippine Tourist Arrivals vs. World Tourist Arrivals from 2000-2003.



Source: World Tourism Organization
Department of Tourism, 2004

commonly made independently and not packaged. The growth rates of top foreign markets is given Figure 3.6.

Figure 3.6. Growth Rates of Top Foreign Markets to the Philippines (2000-2003).



Source: Department of Tourism (2002).

It can be observed from the Figure 3.6 that it is only the Korean market that posted positive growth rates from 2000 to 2003, though figures for 2001 and 2003 decreased from 2000 and 2002 levels respectively. Furthermore, the Taiwan and Chinese markets are the only two markets which moved from a negative growth rate in 2000 to positive ones in 2001 and 2002, but declined again in 2003. This shows that the September 11 terrorist attacks on the US and the 2001 kidnappings and political problems caused by the transition of government from Estrada to Arroyo did not generally affect their travel habits. The rest of the foreign markets shared a general trend of a decrease in 2001, increase in 2002, then another decrease in 2003, with the exception of European countries, the United Kingdom, Germany and France which posted increases in 2003. This implies that while Europeans are cautious of terrorist attacks in international spheres and kidnappings in the Philippines in 2001, they were not as wary about the US-Iraq conflict, SARS and internal political issues such as the July 2003 coup or mutiny and bombings in Mindanao in March and April 2003 specifically. Overall, it is also evident that short haul intra-regional travel has grown faster than long-haul with the positive growth rates of Korea, China, Taiwan, Malaysia and Taiwan. Most countries from the long-haul markets, that is North America and Europe, with the exception of Japan and Australia, have consistently posted negative growth rates. This is again consistent with the WTO (2001) report showing short-haul intra-regional travel growing faster at the expense of long-haul travel.

Various factors motivate tourists to come to the Philippines. The most recent visitor sample survey (2000) conducted by DOT shows that most visitors from top source markets come for a mix of beach holidays, sightseeing and shopping. Business and VFR are the second and third reasons for the visits. Tourists from Japan, South Korea, Hong Kong and Taiwan visit the Philippines for business, golf, beach holidays, gambling, diving, and sex. About half arrived on packaged tours. More than half Singaporeans travel for business. Markets from Australia, UK, Canada, Germany, and France are generally looking for quality nature, adventure and cultural products in the Philippines (National Ecotourism Strategy, 2002).

The places most frequented outside Manila are Cebu and the Cavite-Laguna-Tagaytay-Batangas areas for their beach, golf and gambling establishments, as well as their tourism-readiness, proximity and easy access from Manila (National Ecotourism Strategy, 2002). Arrivals from the US spend time over several provinces, which can be because VFR is the major purpose of their visit (that is, many visitors from the US were born in the Philippines, or have partners from the Philippines). The German market visit the pristine beaches of Puerto Galera, Mindoro, Boracay and Palawan. For the northeast Asian markets, particularly Taiwan and South Korea, Ilocos Norte, Cebu, Olongapo, and Tagaytay are the most frequented destinations, which can be attributed to the existence of casinos (National Ecotourism Strategy, 2002).

Based on the latest Annual Visitor Sample Survey prepared by the Tourism Research and Statistics Division of the DOT, the top destinations in the Philippines outside Metro Manila from 1998-2002 are given in Table 3.2. Except for Cebu in the Visayas and Davao in Mindanao, all of these destinations are in the Luzon area. This may be because of the tourists' preference for nearer and more accessible places where they can be safe and secured. There are three destination areas (outside Metro Manila) common to both this survey and the eight anchor destinations the government is promoting namely, Cebu, Baguio and Davao. This implies that more aggressive promotional efforts and programs to market the other destinations are needed. It is interesting to note, however, that Boracay and Palawan which are two of the anchor destinations being promoted by government are not in the list of top destinations frequented by tourists. The kidnappings in Palawan in May 2001 and the coliform findings in the beaches of Boracay could have affected this.

Table 3.2. Top Five Destinations in the Philippines Outside Metro Manila (1998-2002)

Destination	1998	1999	2000	2001	2002
Tagaytay	20.7%	14.7%	12.6%	10.4%	14.8%
Cebu	18.4%	24.9%	22.8%	16.2%	14.5%
Cavite	11.7%	10.3%	8.5%	7.3%	8.7%
Batangas	10.1%	-	6.9%	7.0%	8.3%
Baguio	-	7.1%	7.4%	6.7%	7.8%
Pagsanjan	11.6%	-	-	-	-
Davao	-	7.3%	-	-	-

Source: Annual Visitor Sample Survey

Prepared by: The Tourism Research and Statistics Division, Department of Tourism, 2003.

Issues Confronting the Tourism Industry

According to the DOT (2003), there are several challenges facing the Philippine Tourism Industry. In conjunction with Rodolfo's contention in p. 69, past economic-related issues have been of concern, particularly the 1997 Asian economic crisis, temporary shutdown and subsequent reduction of services of Philippine Airlines and the cessation of air agreements between the Philippines and Taiwan. There are also other concerns (including security) which have been identified, as follows:

- Peace and Order
 - Kidnappings
 - Terrorism
- Lack of appreciation as an industry
- Accessibility
 - From international destinations
 - Within domestic destinations
- Affordability
 - Pricing in dollars
 - Inconsistency in pricing
- Traffic
 - On major tourist thoroughfares
 - Implementation of traffic rules
- Garbage and Cleanliness
 - In urban/slum areas
- Airport Services
- Inadequate Investment Incentives
- Low Promotions Budget (only US\$660,000 in 2000, which is approximately one percent of the budgets of Thailand, Hongkong, Malaysia, and Singapore)
- Poor Image
- Flag Carriers Do Not Fly to Major Tourist Markets (e.g., UK and Germany)
- Poverty
 - Unemployment
 - Homelessness

Source: DOT, 2003.

At the same time, frequent changes in promotional strategies as illustrated in the history of tourism under different administrations have also hampered the creation of a good and strong tourism image for the Philippines. The current Philippine government, however, has made the following declarations to correct these issues that tarnish the country's image as a tourist destination:

- News comes out easily because information flows freely in the country being a democratic country
- Distance from Basilan to Manila is about 800 kilometers (close to what Amsterdam is to Ibiza)
- President has hired 5,670 new policemen (college graduates) with 1,000 of them dedicated to tourism
- Low overall crime rate: Palawan = 4.5 per 100,000 vs. Tokyo = 45 per 100,000

The Philippine government has made significant strides in promoting the country as a premiere tourist destination by disseminating positive facts about the country and clarifying highly-publicised security-related issues that hinder tourism development, among others. However, this seems to be insufficient as tourist arrivals appear to be weak compared with other Asian countries in spite of these efforts. The following chapter will detail the nature and extent of security issues in the Philippines and how this has influenced tourism.

Summary

The active involvement of the Philippines in ASEAN has significantly helped in promoting the country and its destinations throughout the world. The vigorous efforts of ASEAN to counter terrorism has resulted to less incidents of security such as terrorism and crime. While some incidents like the Bali incident send negative signals to the outside world about the danger in Southeast Asian nations, more intense cooperation and coordination between and among ASEAN nations have evolved.

The Philippines has survived a long period of colonization from the Spaniards and Americans. It is blessed with 7,100 islands and warm, friendly people boosting its

potential to be a premiere tourist destination in Asia but as statistics show, it still lags behind five other ASEAN member nations in 2003. The industry has been a victim to what appears to be unfair press releases which in turn, damages its image as a good tourist destination. Among its major problems is the deteriorating peace and order situation caused by internal conflicts and political issues. Tourism development in the Philippines will not be able to grow if security issues continue create the impression that country is 'unsafe'. Hence, there is the need to address prevailing security problems to develop tourism. In the next chapter, the prevailing security situation in the country will be discussed. The impact of this and other global security events on Philippine tourism will be assessed so that strategies to address them may be enforced accordingly.

The next chapter will highlight how global and national security events have affected the Philippine tourism industry. Present programs and initiatives of government to address the situation, as well as a quantitative evaluation of the impact of security issues on tourist arrivals, will be presented and analysed.

CHAPTER 4

TOURISM AND SECURITY IN THE PHILIPPINES

Introduction

This chapter will describe and examine the tourism and security situation in the Philippines. The first part will provide an overview of the security situation in the country with reference to existing conflicts between the government and radical elements in the left wing and Muslim separatists. Present programs of government concerning security issues and tourism development despite some prevailing peace and order problems will also be presented. The second part will try to illustrate the relationship between tourism and security in quantitative terms by examining whether security issues like political stability, terrorism, and incidence of crime affect tourist arrivals to the Philippines. Security events on both the international and local scenes which took place within the four-year period 2000-2003 were chosen on the basis of their impact in terms of number of deaths, loss of property and media coverage. A comparison of trends in world international arrivals and the country's international tourist arrivals will also be given. Lastly the results from these quantitative methods used will be analysed.

The State of National Security

Much of the Philippines is hospitable to tourists but a number of security-related incidents underscores the risk of travel in certain areas due to incidents of kidnapping, bombings, and other violence and criminal activity (US Department of State, 2002). This section describes political instability, terrorism and crime issues in the Philippines for the last 20 years. It will be divided into two parts, the existing security issues and recent security issues.

Existing Security Issues

There were already serious security issues in the country, especially in Mindanao, even before the September 11 attacks (Business Week Online, 23 October 2001). Two Muslim guerrilla groups (the Moro Islamic Liberation Front (MILF) and the Moro National Liberation Front (MNLF)) introduced in Chapter 1 have fought the government on and off for three decades. The Communist Party of the Philippines and its terrorist military arm, the New People's Army, remain active throughout the country and have issued public threats against U.S. citizens and interests in the Philippines. The terrorist Abu Sayyaf Group (ASG) has kidnapped foreign tourists since April 2000 and continues to haunt areas in Mindanao. It has an estimated strength of 200 to 500 members had engaged in kidnappings for ransom, bombings, assassinations and extortion using terrorist means for financial gains declaring that they are promoting an independent Islamic state in western Mindanao and the Sulu archipelago at the same time (Federation of American Scientists, 2004). The country's two major Muslim autonomous movements, namely the MNLF and MILF, have isolated themselves from this group.

The Philippine government, under different administrations, had negotiated with these Communists and Muslim rebel groups over the past 40 years but the complete resolution of these security concerns has not yet materialized. As a consequence of unsettled security concerns, kidnappings, bombings, violence and insurgent activity continued to occur and make travel hazardous and unsafe in Sulu and areas in Mindanao. In the South, tourists and local residents have been the victims of kidnappings. There were few fatalities associated with these largely non-political kidnappings prior to 2000 but since then, the numbers had increased. The government had to develop a more effective strategy that will reassure residents and tourists that kidnappings do not pose a threat to them. Kidnappings were a proven resource for financing the rebels' activities (Waugh, 1990). Thus, it is important that the government enhance the effectiveness of its police. While the police force in the past had records of corruption, the government has purged some of the worst from the ranks during the past few years. However, while the force may be more honest, it has not become noticeably adept at catching kidnappers.

Even in President Marcos' time, the bombing of the 1980 American Society of Travel Agents (ASTA) Conference just after Marcos had given the opening address illustrated the threat to security (Hall, 1994: 104). This had severe repercussions both to the reputation of the Marcos regime in the United States and to the desirability of the Philippines as a destination (Hall, 1994: 104-105). The decline in tourist arrivals which resulted from the ASTA bombing was aggravated by the assassination of opposition leader Benigno 'Ninoy' Aquino in August 1983 at the Manila International Airport in full view of the world's media (Richter, 1989). The decline in tourist arrivals after these incidents illustrated the vulnerability of tourism on security events, especially those that were highly publicised.

The Philippines is also a country with a strong civil society (Kotte, 2001)). Popular action brought down the dictatorship of Ferdinand Marcos and the populist government of President Estrada as mentioned in an earlier section on the history of Philippine tourism. The power turnover from Estrada to then Vice-president Arroyo was hailed by many as a solid indication of the Philippine's strong civil society movement. The people acted to save a democracy that was challenged by a corrupt and dishonest leader in an upheaval ignited by an outburst of anger. However, international observers took a rather cautionary stance and Time magazine, for instance, mentioned that:

when the elite become dissatisfied with the direction of the country, or the military feels that the President has lost his or her mandate, or the Catholic Church views the head of state as immoral – the result is a perfectly healthy description of democracy'. But if those protests lead to constitutionally questionable successions, it becomes an insurrection of democracy (Kotte, 2001).

During the time of President Corazon Aquino, from 1986-1992, there were a number of coup attempts by the military and communists to overthrow her administration but all of these failed (Oleksky, 2000). However, each time they were unsuccessful, the image of the Philippines as either a sufficiently serious or stable place in which to invest was hardly enhanced (Dobbs-Higginson, 1995). The foreigners that were most disillusioned were the Americans who are sometime called the sentimental imperialists. Even after independence, the Americans were deeply involved in the country, helping

to defeat the communist Hukbalahap¹⁵ rebellion of the 1940s and 1950s (with tactics they tried to adapt to Vietnam). And during the last coup against Aquino in December 1990, American air pilots played a crucial role in foiling the rebels by flying their Phantom jet fighters in Manila apparently to scare them away (Dobbs-Higginson, 1995).

Recent Security Issues (2000-present)

There were significant security events which happened in the Philippines in the 21st century. Since 2000, the Abu Sayyaf (meaning “Bearer of the Sword”) Group (ASG), also referred to as guerrillas or bandits, had kidnapped a number of people, including tourists, journalists and even local people (see Footnote no. 9, p. 10). The same group attacked Dos Palmas resort off the western island of Palawan, taking three Americans and 17 others hostage in a swift operation (see Footnote no. 10, p. 10). These guerrillas were also said to be behind a raid on the Pearl Farm island resort off the southern city of Davao during the same month of 2001. None of the guests were harmed or seized in the attack but the gunmen killed two hotel staff, wounded three other locals and destroyed the wharf.

There were also several bombings in Mindanao in 2003. In March 2003, a bomb planted inside a backpack exploded in an airport terminal in the Davao Airport, killing at least 19 people – including an American missionary (Yahoo.com, 2003). The blast came at a time of heightened debate over the role of U.S. troops in the ‘war on terror’¹⁶ in the Philippines.

The most recent challenge to the Arroyo government came on July 27, 2003 during my fieldwork period when over 200 rebel soldiers planted powerful bombs in part of Glorietta in Makati City, stormed the mall’s basement parking area, and occupied the

¹⁵ Hukbalahap or ‘Hukbo ng Bayan Laban sa Hapon’ was a communist-led peasant movement which became active in 1946 but weakened and finally ended in 1954 with the surrender of its leader Luis Taruc. Called Huks or Hukbalahaps, its members who were mostly peasants and farmers with problems with their landlords in the rural areas seeking more favourable terms for harvest allocations, resorted to violent and terrorist acts when their demands were not met (FilipinoWeb.com).

¹⁶ The term ‘War on Terror’ was devised by the US government under the leadership of President George W. Bush after September 11, 2001 attacks on the World Trade Center (TheGlobeandMail.com, 2004).

Oakwood Premier apartment complex to air their grievances and raise serious charges against President Arroyo, Defense Secretary Angelo Reyes, and military intelligence chief Brig. Gen. Victor Corpus (Philippine Daily Inquirer, July 28, 2003). Among the guests at the country's first luxury serviced apartments, who were mostly foreigners, was Australian Ambassador Ruth Pearce (Philippine Daily Inquirer, July 28, 2003). Navy Ltsg. Antonio Trillanes IV, one of the leaders of the group who tagged themselves "Magdalo" after Emilio Aguinaldo's faction in the Katipunan, accused the administration of selling ammunition to the country's different rebel groups, masterminding the Davao airport and wharf bombing and planning to declare martial law the following month (Philippine Daily Inquirer, July 28, 2003). However, after 19 hours of holing up at Oakwood, the 296 soldiers, including 70 officers, returned to barracks after negotiations with retired Gen. Roy Cimatu. A state of rebellion was declared at 12:30 p.m. that day but this was extended even after the mutiny was quelled at 9:50 p.m. the same day to make sure that all the people responsible for this were apprehended and investigated (Philippine Daily Inquirer, July 28, 2003). This incident illustrates that many problems in the Philippines are functions of politics, power, poverty, and democracy combined together leading to strikes, protests and coups which are disruptions of security, a prerequisite to tourism.

Another security-related incident on tourism which was introduced in Chapter 1 was the takeover of the NAIA (Ninoy Aquino International Airport) Control Tower on 8 November 2003. Police special weapons and tactics (SWAT) teams shot and killed former Air Transportation Office (ATO) chief Panfilo Villaruel and a former Navy commando after they seized the Ninoy Aquino International Airport (NAIA) – Terminal II control tower and held it for three hours before dawn corruption (Philstar, November 9, 2003). Manila International Airport Authority (MIAA) general manager Edgardo Manda said the two SWAT teams were dispatched to the tower after Villaruel and Navy Lt. (sg) Richard Gatchillar seized the tower armed with guns and explosives and claimed they wanted to expose government corruption (Philstar, November 9, 2003). An issue which came out regarding this incident was the decision to 'shoot to kill' despite the fact that the two former ATO officials were already surrendering. This implied that there was something amiss in the security enforcement strategy of the government which need to be examined and resolved.

In view of these security incidents, persistent terrorist threats in the country, and regular broadcast of similar unfavourable news and incidents both in the country and internationally, travel advisories and public announcements have been made by several Western countries like the US, United Kingdom and Australia. Figure 4.1 identifies the areas labelled as unsafe or dangerous.

President Arroyo herself acknowledged in October 12, 2003 that the country might be a haven for at least 45 – some say hundreds – of Jemaah Islamiyah (JI) international terrorists after the arrest of Taufek Refke, who has confessed to being the second highest ranking member of JI (*Time Magazine*, 3 November 2003). She added that JI was now considered the greatest threat to stability in the Philippines, dwarfing the country's smoldering communist insurgency and the struggle for independence by Islamic fighters in the Muslim-dominated South. However, she also added that the terrorists are falling one after the other thus reducing the weight of the terrorist threat in the country and in Southeast Asia. Bureau of Immigration's Commissioner Andrea Domingo also announced the capture of two suspected al-Qaeda operatives, both Arabs, on Philippine soil (*Time Magazine*, 3 November 2003). Just last October 12, Fathur Rohman Al-Ghozi, JI's top explosive expert who escaped from a high-security prison in Manila last June, was shot dead by police. The visit of President George W. Bush to the country also helped because more military assistance was promised in terms of money (\$114 million), weaponry (45,000 M-16 rifles, 333 heavy trucks, five "Huey" helicopters, several coastal patrol vessels and a C-130 military transport aircraft and an additional 20 refurbished military helicopters), political support (for President Arroyo) and training (Quickstart.clari.net, 2003). In 2003, in spite of occasional outbreaks of violence, efforts at resolving the conflict continued. Furthermore, the alliance between the US and Philippine governments was strengthened when the latter was designated a Major Non-NATO Ally of the US in May 2003.

The ceasefire signed between the government and MILF in July may impact up on the NPA as government forces will likely to be redeployed against the communist rebels.

Figure 4.1. The Philippine map showing the ‘dangerous’ or ‘generally unsafe’ areas in the Philippines per travel advisories issued by the US, UK, and Australia.



President Arroyo, in a statement on 12 April 2004, stressed that the partnership of the US and the Philippines has remained strong specially in fighting terrorism, citing the tactical gains achieved such as the arrest of six suspected Abu Sayyaf Bandits planning for a big bomb plot similar to the Madrid train bombings.

Analysis of Tourist Arrivals vs. Security Issues

This section will examine the impact of security issues such as political stability, terrorism and the incidence of crime on tourism in quantitative terms. Significant security-related incidents from 2000 to 2003 were considered and plotted vis-à-vis arrival figures so that the impact may be ascertained through corresponding changes in arrival figures before and after these events. The methodology and process employed here may not yield accurate results but can give some indication or explanation of the relationship between security and tourism.

a. Political Stability

1. January 2001 - People Power 2
2. July 2003 - Coup Attempt/Mutiny
3. November 2003 - NAIA Control Tower 2 Takeover

b. Terrorism

1. April 2000 - Kidnappings in Sipadan near Borneo
2. December 2000 - Light Railway Transit (LRT) Bombing
3. May 2001 - Kidnappings in Dos Palmas Resort in Palawan
4. September 2001 - Terrorist Attacks on the World Trade Center in the
US
5. October 2002 - Bali Attack and Bombings in Zamboanga Commercial
Complex
6. March 2003 - US-Iraq War and Davao Airport Bombing
7. April 2003 - Davao Wharf Bombing

To calculate the impact of crime on tourist arrivals, the number of crime incidents provided in Table 4.1 will be drawn on a grid vis-à-vis tourist arrivals to discover whether there is a clear relationship between crime and tourism.

Table 4.1. Crime Incidence – 1993 to 2002

Year	Total	Index Crimes*	Non-Index Crimes**
1993	145.7	88.4	57.3
1994	139.5	80.9	58.6
1995	112.8	63.3	49.5
1996	105.5	56.3	49.2
1997	99.4	54.2	45.2
1998	97.8	51.3	46.6
1999	110.5	50.2	60.3
2000	104.7	48.7	56.0
2001	98.8	48.9	49.9
2002	107.9	55.0	52.8

Source: National Statistical Coordinating Board (2004)

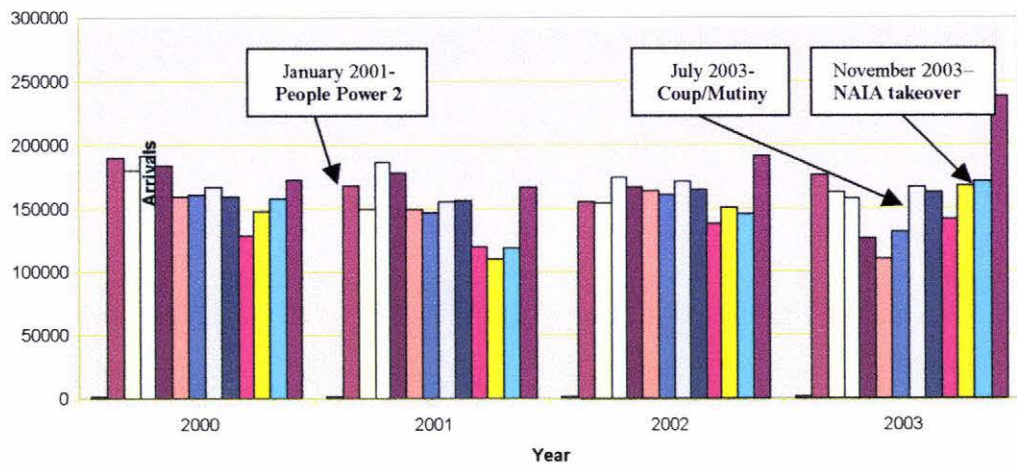
Notes: * Index Crimes are crimes which are sufficiently significant and which occur with sufficient regularity to be meaningful. Included in this category are the following crimes: murder, physical injury, robbery, theft, and rape (NSCB.gov.ph, 2004). The two major subcategories of index crimes are violent, which includes homicide criminal sexual assault, robbery and aggravated assault/battery, and property, which includes burglary, theft, motor vehicle theft, and arson (City of Chicago, 2004).

** Non-Index Crimes cover all types of crimes not considered as index crimes (NSCB.gov.ph, 2004).

Political Stability

From Figure 4.2, it will be observed that there were issues of political stability which seem to be associated with declines in international tourist arrivals for the short-term but figures increased again the following month after the decline. The first security issue, People Power 2 in January 2001, was followed by a decrease in arrivals in February 2001, but it recovered quickly in March. The July 2003 coup attempt by rebel military officers also caused a slight reduction in tourist arrivals for August but this further decreased by September. The takeover of the Ninoy Aquino International Airport (NAIA) Tower 2 on November 2003 was the only issue that did not stop arrivals from coming in and there was even a great influx of tourists in December 2003 which was peak season because of Christmas.

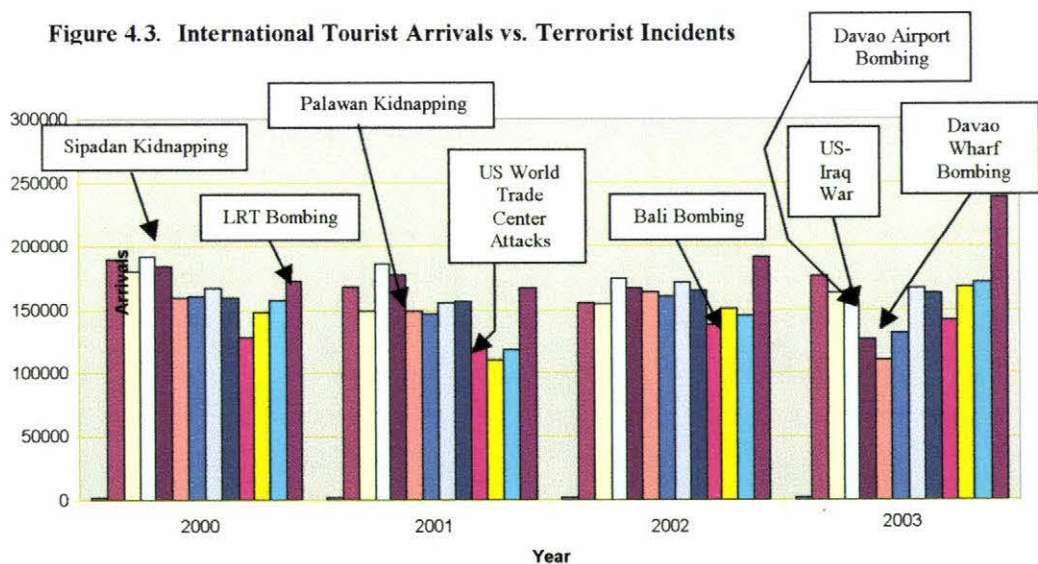
Figure 4.2 International Tourist Arrivals vs. Political Stability



Terrorism

Figure 4.3 suggests that on the whole, terrorist attacks led to decreases in tourist arrivals. However, the volume of change seemed to vary according to the

Figure 4.3. International Tourist Arrivals vs. Terrorist Incidents



international publicity which the event received. The April 2000 kidnapping was followed by a big drop in arrivals for May while the December 2000 LRT bombing was associated with only a slight dip in arrivals for January 2001 but a greater decrease in February. The May 2001 kidnapping in Palawan led to a minor decrease in June only. On the other hand, the September 11 attacks led to a great decrease in arrivals for the months from August through to October, though arrivals surged again in November and December. The October 2002 Bali and Zamboanga attacks caused only a slight decrease in arrivals for November and by December, arrivals increased once more. However, the US-Iraq conflict and Davao Airport bombing in March 2003 can be associated with a decrease in arrivals from April-June, though this is likely to have also been affected by the SARS epidemic which was at its peak in this period.

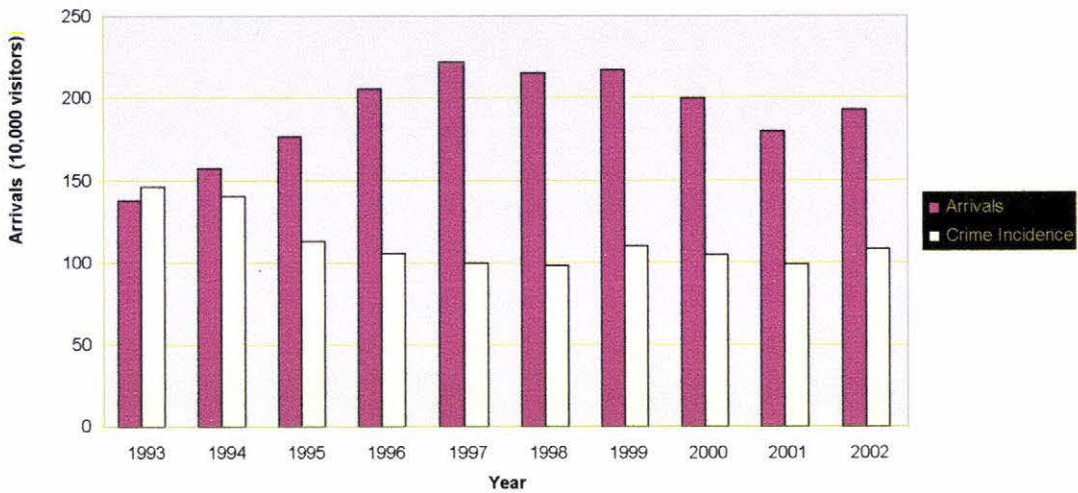
Incidence of Crime

Figure 4.4 shows that there appears to be no direct relationship between tourist arrivals and crime. As illustrated, from 1993 to 1997, arrivals increased as the incidence of crime decreased which is logical because some tourists may be sensitive to crime rates. However, from 1998 to 2002, the chart shows that the two variables followed the same trend, i.e. as crime increased, arrivals also increased. It may be that perceptions of crime have changed over the years indicating that tourists now do not see crime as a primary factor in making travel plans.

Summary

Tourism development in the Philippines has undergone major setbacks in recent years and continues to be threatened by issues of security on the global, regional and national scale. A series of bombings, kidnappings, and protest actions against the leadership have posed real problems for the country. While the government is working to solve existing issues on matters of security, there remains the need to intensify efforts made and prevent any further incident that would bring the country down again.

Figure 4.4. Tourist Arrivals vs. Incidence of Crime



In analysing the outcome of the secondary data analysis, while there was an immediate decline in tourist arrivals for People Power 2, arrivals climbed up again in the succeeding months. The July 27 coup which had a vast media coverage locally and globally via the internet caused a slight decline in arrivals in the following month but this further dipped in the succeeding month implying that some tourists decisions were affected by the political issues raised in the mutiny. The takeover of NAIA Control Tower 2 was the only event that did not affect tourist arrivals as December had always been a peak month of tourist arrivals. Terrorism events, on the other hand, seem to have caused slight decreases in arrivals. The Sipadan kidnapping in April 2000 which involved 17 tourists from different countries, US-Iraq conflict and Davao bombings in March 2003, are associated with the biggest drops in arrivals. In the first case, tourists from many different nations were involved so news of the kidnappings spread throughout their respective countries while in the second case, there is a combination of an international event signalling an impending war and a local incident so fear of travel from tourists swelled. SARS was also another issue that influenced travel plans during this period. The relation between tourism and crime was inconclusive because there was no trend or correlation established between the incidence of crime and arrivals despite an earlier pattern that as crime decreases, arrivals increase. But this may signify that over the years, tourists have generally been not that much concerned about

the incidence of crime as before and other factors must have been more important to them.

International terrorist events affecting travellers worldwide appeared to have by far the greatest impact on tourist arrivals in the Philippines in this quantitative analysis. While some terrorist incidents and cases of political instability within the Philippines had a negative impact on arrivals too for a short time, other such incidents and crime figures had little or no impact at all on tourist arrivals.

In Chapter 5, the tourism and security relationship in the Metro Manila Case Study will be examined and analysed. A description of its tourist potential and the security issues that impact on its image as a tourist destination will be investigated. Results of surveys and interviews from fieldwork made in June 2003 will also be discussed in this chapter to establish the relation between tourism and security in the Philippine setting.

CHAPTER 5

METRO MANILA CASE STUDY

Introduction

This chapter will be divided into two parts. The first part will introduce Metro Manila, particularly the significance of tourism and security issues. The National Capital Region (NCR), also known as Metro Manila, was selected because it is being promoted as an important tourist destination and yet, is among the 'unsafe' areas included in the travel advisories that have been issued. The crime rate in Metro Manila described later in the chapter is also alarming even if it was not among the first 100 countries cited as 'Most Murderous' (Nationmaster, 2004). At the same time, the country's biggest international airport, the Ninoy Aquino International Airport (NAIA), is located in Paranaque, which is a city within Metro Manila, making it a venue where tourists get their first impressions of the country. Lastly, some internal security events mentioned in the earlier part of Chapter 4, took place within Metro Manila. While the government and the private sector have already made huge investments in beautifying and developing Metro Manila, its attraction as a tourist destination continued to be hampered by these factors.

The second part of the chapter will evaluate the results of fieldwork undertaken in Metro Manila, which was based upon interviews of industry and government authorities, surveys of tourists (both international and domestic), and the management office of some hotels.

Background

Metro Manila is the metropolitan area that contains the City of Manila, the capital of the Philippines (Wikipedia, 2004)). It is a sprawling urban centre on Manila Bay, a 1,994 sq. km. inlet of the South China Sea on Luzon's southwestern coast. Its strategic

location has made Manila the nation's commercial and financial center, as well as its principal port (Oleksy, 2000). It is bordered by the provinces of Bulacan to the North, Rizal to the East, and Cavite and Laguna to the South. Figure 5.1 shows the 12 cities and 5 municipalities that make up Metro Manila.

Figure 5.1. A map of Metro Manila.



Source: IslandProperties.com (2004).

The Metro Manila Council is a policy making body composed of Mayors of all the cities and municipalities in Metro Manila, the President of the Metro Manila Vice-Mayors League and the President of the Metro Manila Councilors League

(voting members). A Chairman with a cabinet rank, who is appointed by the President, heads the Council.

Table 5.1. Population and Land Area of Cities and Municipalities in Metro Manila

City	Population	Land Area (square kilometres)
Quezon City	2,173,831	161.12
Manila	1,581,082	38.55
Caloocan	1,177,604	53.33
Makati	444,867	29.86
Pasig	505,058	31.00
Marikina	391,170	33.97
Mandaluyong	278,474	11.26
Pasay City	354,908	19.00
Muntinlupa	379,310	46.70
Paranaque	449,811	47.69
Las Pinas	472,780	41.54
Valenzuela	485,433	44.58
Municipality		
Taguig	467,375	45.38
Malabon	338,855	15.76
Navotas	230,403	10.77
San Juan	117,680	5.94
Pateros	57,407	2.10

Source: Metro Manila Development Authority (MMDA), 2004.

The services which MMDA provide are those which have metro-wide impact and go beyond legal political boundaries, or others which are very costly such that it would not be practical or feasible for such services to be provided by the individual local government units (LGUs) comprising Metro Manila. These services include: (1) development planning; (2) transportation and traffic management; (3) solid waste disposal and management; (4) flood control and sewerage management; (5) Urban renewal; zoning, land use planning and shelter services; and (6) Health sanitation, urban protection, pollution control and public safety (Metro Manila Development Authority, 2004). Tourism development, however, is not among the services that MMDA offers and thus, this relies entirely on the expertise of the local government leaders in each of the 13 cities and five municipalities in Metro Manila.

The Philippines, thru Metro Manila, is readily accessible from the travel capitals of the world since the Ninoy Aquino International Airport (NAIA), the country's major international gateway, is located in Paranaque City. The importance of NAIA and

other international airports in the country to tourism development can not be underestimated. Airports are venues where tourists create their first impressions of a country and its people. These should be well-maintained and complete with handy brochures that introduce the country and its famous destinations. Safety measures and precautions to protect the tourist while in the country should also be part of these brochures. This writer, as well as other Filipino tourists which have come from abroad, have observed the lack of such brochures in the arrival and departure areas of international airports in the country, more specifically, the NAIA.

Tourism in Metro Manila

As the political, economic, and cultural center of the Philippines, Metro Manila is known for many interesting places and areas, including the Rizal Park, the Malacanang Palace, (the official residence of the country's president built in the 15th century as a recreation villa for a Spanish aristocrat), and Intramuros, which was the location of the Spanish colonial government (Wikipedia, 2004). Figure 5.2 shows a picture of the Rizal Park. There are popular spots within Intramuros such as Fort Santiago, the historical headquarters of Spanish military troops and prison to thousands of Filipinos including the country's national hero, Dr. Jose Rizal; Plaza San Luis, a vast commercial-cultural complex built in Filipino-Hispanic architecture; and old churches like Manila Cathedral and San Agustin Church (Lakbay-Pilipinas.com.ph, 2001). Intramuros has lately been beautified and cleaned up to serve as a premier destination in Manila, where cultural shows and programs showcasing Philippine culture, particularly those characteristic of the different regions, are held for free. Bands also play in different spots in the area, and fireworks are on display on weekends (during the time this writer made her fieldwork in July 2003).

Figure 5.2. This picture of Rizal or Luneta Park was taken last 7 August 2003. It has become an ideal picnic ground and recreational hangout of families, friends and lovers.



While most of Intramuros may be generally clean and in order, there are areas along its boundaries which may raise fear and insecurity concerns among tourists. Figure 5.3 which shows some street traders and an abandoned cart along a section of the Intramuros border is one such rundown area

The University of Sto. Tomas (UST), the oldest university in the Philippines which was founded on April 11, 1611 by Rev. Fr. Miguel de Benavides Asia, is another interesting tourist spot in Metro Manila and also located in the City of Manila. However, going to the university located in Espana in the City of Manila entails passing through heavy traffic and encountering undesirable street figures such as the man in yellow-shorts in Figure 5.4.

Makati City is the business capital of the country where the Makati Central Business District is situated. Other rapidly developing commercial and business centers include Mandaluyong City, Pasig City and Quezon City.

Figure 5.3. A section along the border of Intramuros.



Figure 5.4. The front view of University of Sto. Tomas (UST), the oldest university in the country.



Table 5.2. Number of DOT-accredited Tourism-related Establishments in Metro Manila (as of 30 June 2003).

Type of Tourism Establishment	Total Number	Total No. of Rooms
Hotels	48	10,728
Apartels	8	1,362
Inns	9	360
Pension Houses/Motels	7	619
Stores/Tourist Shops	4	-
Museum	1	-
Training Center	4	-
	-	-
Rest Areas		
Sports Club	6	-
Others	1	-

Source: Department of Tourism

Table 5.2 shows the total number of accredited tourism-related establishments in Metro Manila which includes 72 available accommodation establishments with a total of 13,069 rooms. Outside of this number, there are still other such places where tourists can opt to stay when in Metro Manila at even lower prices.

The border of Manila Bay has also been upgraded and beautified as shown in Figure 5.5, but similar to the pictures of Intramuros and the UST shown previously, there are always some local drifters who transform these places with make shift homes, trading places or places to pass the time away. While most of these people just observe other people around them and attend to their own business, there may be a few who are planning to rob visitors, although generally, crime does not take place in such tourist destination areas in Manila, which are not as crowded as the shopping malls, markets, and other commercial districts in the metropolis.

State of Security in Metro Manila

From the latest street crime statistics for a seven-month period (March-September) of 2003 given on the Philippine National Police (PNP) website, Metro Manila accounted for the biggest share of street crimes with 5,289 out of the total 13,163, or 40.18% of all street crimes. Table 5.3 gives a complete picture of how street crimes are distributed among the 16 regions in the country. Crimes included are illegal drugs,

Figure 5.5. The upgraded Manila Bay border with some local drifters.



robbery, theft, swindling/estafa, and physical injury. Metro Manila or the NCR region also placed first in all these crimes taken separately, except in illegal drugs where Region 4 got the top spot. In Manila, wealthy Chinese residents have been targets of kidnapping.

Table 5.3. Street Crime Statistics (1 March – 30 September 2003)

PRO	Total Street Crime	% to Total	Illegal Drugs	Robbery	Theft	Swindling/ Estafa	Physical Injury	AMCR
PRO 1	479	3.6%	372	44	7	5	51	1.57
PRO 2	52	.39%	39	6	0	0	7	0.25
PRO 3	1382	10.49%	1174	88	61	11	48	2.37
PRO 4-A	2108	16.01%	1781	149	84	7	77	3.07
PRO 4-B	116	.88%	101	6	5	3	1	.69
PRO 5	248	1.88%	197	25	23	3	0	.70
PRO 6	396	3%	320	70	5	1	0	.84
PRO 7	2027	15.39%	825	802	195	10	195	4.99
PRO 8	119	.9%	68	35	9	7	0	0.43
PRO 9	162	1.23%	126	19	8	7	2	0.63
PRO 10	161	1.22%	118	37	6	0	0	0.60
PRO 11	184	1.39%	77	47	22	2	36	0.67
PRO 12	130	.98%	70	12	26	2	20	0.55
PRO 13	122	.92%	108	13	0	0	1	0.74
ARMM	59	.44%	53	6	0	0	0	0.28
CAR	129	.98%	24	39	49	7	10	1.23
NCRPRO	5289	40.18%	3069	1225	604	40	351	7.63
Total	13163	100.00%	8532	2623	1104	105	799	2.32

Source: Philippine National Police (PNP) website.

The July 27, 2003 mutiny in the premier Makati commercial area and November 8, 2003 takeover of the NAIA Control Tower II are two recent incidents described in Chapter 4, which have put the tourism industry in a precarious situation. In a previous incident, Australian Prime Minister John Howard's visit to the Philippines was marred by the escape of Indonesian bomb expert Fathur Rohman Al-Ghozi from the Philippine National Police (PNP) headquarters in Camp Crame in Quezon City. As a consequence, the Australian government issued a new travel advisory a few days later telling its citizens in the Philippines that 'threats against Australians and Australian interests in the country are high' (Philippine Daily Inquirer, July 30, 2003).

The advisory said that 'the risk of further terrorist attacks and kidnappings remains and Australians travelling in or to the Philippines need to be aware of the high level of risk' (ibid). Al-Ghozi was shot and killed however in an encounter with government troops in October in 2003.

However, the Filipinos seem largely unaffected by the coup d'etat in Makati district and just days after the mutiny, the Glorietta complex was as busy as ever even at around 9 pm in the evening as shown in Figure 5.6.

Figure 5.6. Despite a military takeover 11 days previously (on 27 July 2003), the Glorietta complex is alive with activity.



Looking at the City of Manila, the high incidence of criminality both affects the citizens dwelling in it and may discourage tourists from visiting the city. Peace and order concerns are addressed by locating large numbers of the police force in the city. As of March 20, 1997, there are 3,421 personnel in the Philippine National Police – Western Police District (PNP-WPD) which Manila falls under. The 1997 ratio of police over Manila's population (1:585) is close to meeting the normative standard. There are 11 police stations with a total of 3,027 personnel. There have been some incidents of crime in the Rizal Park but the government has assigned more security people from its

It is the public's general perception that the police forces are incapable of ensuring public safety. Contributory factors to the rise in crime incidence are the problems of drug addiction and mass poverty. Police services are augmented by national anti-crime bodies such as Presidential Anti-Crime Commission (PACC) and the barangay brigades which are commonly referred to as the barangay tanods in every barangay. Barangays have a peace and order committee that responds to peace and order concerns in their respective jurisdiction.

Figure 5.7. A security officer from the Mayor's office sees to the welfare of local and foreign tourists in the Rizal Park, Manila.



Figure 5.8 A patrol car from the PNP (rear left) can be seen patrolling this area of the Rizal Park, Manila.



Furthermore, police stations and barangay outposts are visible in Manila. However, more police visibility may never seem enough to stop crime and increase more tourist arrivals to the city. Police efficiency in solving crime may be more effective in deterring crime than simply being visible.

There have also been several terrorist incidents in Metro Manila. In December 1990, an LRT (Light Railway Transit) passenger car full of people travelling during the holidays was bombed, killing 12 people and injuring 19 others. In 2000, a bomb exploded in a portion of the Glorietta complex, near the Timezone area, killing 10 people. In May 2001, a few months after President Arroyo took over the presidency from impeached ex-President Estrada, the Malacanang Palace was attacked by millions of Estrada supporters who gathered and multiplied from the Epifanio delos Santos Avenue (EDSA) shrine in Ortigas, Mandaluyong City.

Fieldwork Results

There were three groups of respondents consulted for this research study to be able to determine the impact of security events on the tourism industry. These are the tourists (both international and domestic), hotel management, and government/industry leaders.

The results of the surveys and interviews are discussed and used as basis for the summary and final recommendations in the next chapter. The list of respondents is given in Appendix 10.

Foreign Tourists

A total of 50 foreign tourists were surveyed in Metro Manila. Of this total, 37 or 74% gave their nationalities. The top three nationalities were American, British, and Korean and the rest were from Australia, Japan, Germany, Ireland, Canada, Sweden, Belgium, Latvia, India, Mexico, China, Iran, and Taiwan, but there were also 3 balikbayans or Filipinos now permanently based in the US (1) and New Zealand (2). As in the profile of tourists from the Department of Tourism figures, Americans dominated, followed by British and Koreans. There were 27 males and 23 females and most (32/50) were within the 21-40 age bracket. The foreign respondents are often students (7) but there were also business people (5), instructors (5) and engineers (3) also featured, and the rest included bankers, bartenders, travel agents, factory workers, and a systems analyst. Half of the population were single while 20 were married. From the 20 married ones, only 6 or 20% of the total had their families with them since either the trip is company funded or their children have other plans. Around one third (16/50) travelled to visit family and friends, nine were backpackers and eight were businessmen. More than half (26/50) traveled for pleasure. Many (20/50) learned about the tourist spots in the country through friends and relatives.

On feelings of safety and security, almost everybody (42/50) believed security and safety are very important. However, a lower number, 34, inquired about the security situation in a tourist destination before planning a trip or going there. Perceptions of security levels were mixed, with some feeling that level of concern is higher now (14/50) and others that it is not as high as before (12/50).

The top five destinations for respondents were Metro Manila (43), Tagaytay (24), Laguna (20), Boracay (20) and Cebu (18). More than half (26) avoided certain areas because of security reasons. These included Mindanao (25), Manila (2), and Palawan (1). Of the 50 respondents, only 11 said they were first time visitors to the country,

indicating 39 were repeat visitors. From this 39, 28 have visited the Philippines four times and more. The probable reason for this high number of repeat visitors would be the high incidence of 'VFR' or 'visiting friends and relatives' type of tourists included among the respondents. For the 11 first timers, seven agreed or strongly agreed that the Philippines was not as unsecure or scary as what is being published internationally while only one disagreed. Half of the respondents agreed that issues of safety on where one goes, how they get there and the duration of stay does affect them while 14 said they are not affected. 28% of respondents agreed it is safer now in the Philippines in contrast to 8/50 or 16% who thought it was safer before. From this eight, one gave the following comment, 'It was very safe during Martial Law (i.e. during the period 1972-1981 under ex-President Marcos)' (Chinese national, survey, July 2003). Another one distinguished safety levels between different places and said, 'There is a heightened security in cities and major urban areas but little or no change in provinces,' - (British national, interview, July 2003). 17/50 did not answer this question.

Among the security events that were identified in the questionnaire, the September 11 terrorist attack on the US and kidnappings/bombings/fighting in Mindanao had the highest impact on the respondents' feelings of safety. On the other hand, the various people power movements, the US-Iraq war, and incidence of crime were reported to have had little or no impact at all. In ranking the five security events listed, Mindanao kidnappings (24), September 11 (12), and crime incidence (10) were the top three events which were reported to have the biggest effect on tourists visiting the Philippines. Fear of Mindanao and apprehension in going to Manila was observed in one respondent who stated that, 'I do not go to Mindanao because Muslims are dangerous. There are also scary markets in Manila,' (Swedish national, survey, July 2003). One commented about the character of Philippine National Police (PNP) and military men and said, 'Some areas are still unsecure. Most PNP and military are corrupt and can't be trusted,' (Belgian national, survey, July 2003).

When asked if they had security-related experiences in the country, 8/50 or 16% confirmed this. These included transport problems, transfer of hotel because of the July 27 coup, pickpockets, hold-ups and robbery, taxi drivers who overcharge and very strict inspection procedures in the airport. The inspection procedures could be explained by

the comment of one respondent who said that political instability and the handling of security should be the responsibility of the government. He added that if this is done in exaggeration, it would be an invasion of privacy. Only three of the eight security-related experiences or 37.5% of these incidents were resolved. The tourists in all three resolved incidents were satisfied at how these were resolved and still felt safe in the Philippines. There was only one, a Japanese, who felt 'nervous' after his hold-up experience but said that it was alright. The tourist which had a transport problem and stalled in the river for several hours said, 'This incident will not influence my decision to come back to the Philippines. It is my own fault since I rented a private 'banca' (e.g. boat) and did not bring a bodyguard with me,' (Swedish national, survey, July 2003). Most of the respondents (40/50) 80% were interested in coming back to the Philippines while 5/50 or 10% said maybe. Only 1 said no. 30/50 or 60% were generally satisfied in their stay while 15/50 or 30% were very satisfied. Only 3 were generally dissatisfied.

Overall, the factors that influence travel preferences were ranked in the following order from the most important to least important: security, people, beauty of place, accessibility, prices, tourist attractions nearby, promo rates, and packages. One reason why security came out as the most important factor for foreign tourists was that they could have been influenced by the fact that the study being conducted was on security. Among the suggestions to improve tourism in the Philippines are to strengthen security, improve facilities, reduce prices, and improve attractions. There were 15 general comments given in answer to the question on general comments about the Philippines. 12 were good comments and three constructive criticisms. The best comment given was 'the Philippines is still the most wonderful place to visit, with such great diversity and friendly people. Just be open-minded, use common sense and behave with humility and respect, and your visit will be most rewarding. I don't want to go home!' – (British national, survey, July 2003). The most critical comment, on the other hand was 'the Philippines needs more infrastructure, perhaps a train system, improved airport check-in, and to learn from other countries. There is too much security and questions in the airport which is an invasion of privacy.' – (British national, survey, July 2003). These comments indicate that the range of experiences encountered by tourists in the country varied even among people with the same nationalities. These

are driven by their recent experience and differing personalities and expectations, as well as levels and perceptions fear and safety.

Domestic Tourists

There were 30 domestic tourists surveyed. Most of these were females (25). Of the total population, 11 were from 21-30 years old while there were seven both in the 31-40 and above 40 age ranges. More than half (16) were working for the government and private sector while nine were students and the rest were professionals or retired from service. There were 19 single respondents, nine were married and two widowed. From the nine married ones, seven or 77% brought their families with them when they travelled around the Philippines. The purpose of travel for 11 or 36% of the tourists was to visit family and friends while for 21 or 70%, it was to discover the tourist spots around the country. For nine or 30%, the TV and radio provided useful information about the best places to go to.

When asked about feelings for safety and security in choosing tourist destinations, 42 or 84% believed security and safety are very important. Almost the same percentage inquired about the security situation in a tourist destination first before planning a trip or going there. Regarding perceptions of levels of concern on security, 10 or 33% believe the level of concern is higher now than in the past while 7/30 or 23% think it is still very high (i.e. the level has remained the same). There were 21 respondents or 70% who agreed that issues of safety on where one goes, how and the duration of stay do affect them while only 4 or 13% said they are not affected.

The top 5 destinations for the local respondents were Metro Manila (27), Tagaytay (26), Batangas and Laguna (25 each), and Cavite (20). More than half of them (17) or 56% did not avoid any certain area for security reasons while only 9 or 30% avoided them. The areas avoided include Mindanao (7), Palawan (2), and Manila malls (1). The inclusion of Manila malls among these areas suggests that domestic tourists are influenced by crime incidence. Among the security events that were identified in the questionnaire, the kidnappings/bombings/fighting in Mindanao had the highest impact. The US-Iraq war and incidence of crime had medium impact while the People Power

movements and September 11 had little impact. When the five security events were ranked, Mindanao kidnappings (18) and incidence of crime (13) were the two top incidents which had the biggest effect on the respondents.

Of the 30 respondents, only two or 6% had security-related experience while on vacation in the Philippines. These were corruption in the airport and theft while using public transportation. Both incidents above were not resolved. The following factors for travel preferences were ranked in the following order from the most important to least important: beauty of place, security, accessibility and prices (equal), tourist attractions nearby, promo rates, packages and people. Among the suggestions to improve tourism in the Philippines are to strengthen security (10), improve facilities (4), and improve attractions (4). There were other suggestions like improving image, improving roads, and doing away with corruption. There were nine general comments given in answer to the question for any last comments. Five of these were good comments citing that media only exaggerates news in the country and this impedes the development of Philippine tourism. Two were strong comments on the corruption inherent in the government while the last two were suggestions on how to improve the system of promoting tourism. Some interesting comments include, 'If there is no heavy reason to travel, we'd rather not. Aside from that, before, people can go inside malls without their bags being checked as opposed to now...', which indicate an increased level of fear in some Filipinos. Another respondent suggested that promo rates should also be accorded to domestic tourists so they can help in promoting the country. She said, 'Promotional discounts on rates should be available to local residents. Local travel should be encouraged so that the residents (Filipinos) can sell their country to foreign tourists.' Media's influence in shaping the image of the country was highlighted in two comments. One of these respondents stressed that, 'Media just sensationalizes something that could happen and could be happening also in other parts of the world. They make it appear as though terrorism is a way of life here when in fact, it is not.'

Hotels

There were seven hotels surveyed for this study, three from the top-end, three from mid-range, and one from the budget to mid-range categories. Only three of the hotel representatives gave their names while six indicated their positions in the hotel. The representatives were front office manager, chief security officer, executive assistant to the General Manager, director of hotel operations, manager and comptroller. Five of the hotels were locally-owned while two were foreign-owned. Business tourists and domestic segments were the target markets of all the hotels while 'balikbayans' (see footnote no. 11) were also targeted by six hotels. Among the most widely used advertising strategies were brochures and other printed materials displayed in airports, travel agencies, and DOT, participation in sales missions and trade fairs by government and industry, websites of other tourism organizations, and media.

For the top-end hotel which offers the most expensive rates, occupancy rate went down in 2001 but recovered when prices were reduced by 16%. The same was true for the other top end hotel which offers less expensive rates. However, the third top-end hotel and budget hotel had decreasing occupancy rates despite a reduction in rates. One mid-range hotel maintained its rates and its occupancy rates also declined. Only one mid-range hotel had increased occupancy rates even when it increased prices.

In discerning the impact of recent global and national security events on their business, interviewees felt that the US-Iraq conflict and Mindanao kidnappings had a high impact while the People Power movements had a medium impact. For one hotel, internal security issues matter more than international incidents and he explains that, 'Our hotel feels a greater impact when a security situation occurs within the country. Due to our size and clientele, we feel less of an impact to our operations when an international incident like a September 11 or Iraq conflict occurs. The prevention of an Abu Sayyaf kidnapping would have benefited us more.' The other security-related factors cited were SARS (3), the proximity of one hotel to the American embassy which affects turnout of guests negatively, and the Oakwood mutiny which affected Makati hotels. The factors affecting tourist decisions were ranked as follows from the most important to least important: prices, accessibility, security, promo rates, people,

existence of packages, tourist attractions, and the beauty of place. Five respondents said that tourists showed a greater concern about security now while two said it was not really a serious concern. Of these two, one catered to the domestic market and the other admitted the tourists had low expectations when they came here and were surprised to see that it is not that bad. The security concerns that their guests were anxious about included crime (hold-ups, being drugged), bombings/terrorism, rallies/protests, and simple prank calls. The main impact on business of security events was less tourist guests resulting in low occupancy rates since the tourists would choose other destinations.

To address the political instability issues, the respondents suggested concentration on the local market, more advertisements and attractive promotion rates and packages, although most believe that political instability is not a big issue. This may also be illustrated by the display of normalcy in activities in the Glorietta Complex (see Figure 5.6) despite the occurrence of the coup days before. On the other hand, strategies were suggested to address tourists' concerns about international terrorism (Sept. 11 and US-Iraq conflict), including concentration on the local market, tighter security measures within the hotel vicinity, increase in security personnel, and screening of foreign guests. Again, more advertisements and promotion rates were recommended. In solving local security issues like the Mindanao kidnappings and incidence of crime, the respondents advocated increased security measures and also clarifying that Mindanao is far down South and not equivalent to Manila. Action from government which could help the tourism industry included intensified security measures and lessened politicking, higher budgets for publicity and tourism, vigilance and information dissemination, strong leadership with political will, higher police visibility, and eradication of poverty. It was suggested that the private sector could also help by improving security monitoring schemes at the barangay (smallest political unit) levels, increasing positive publicity, lowering rates/prices, and helping in information dissemination. Most of the respondents suggested that the local government down to the barangay level should be more vigorous in working out these initiatives since they are crucial to the success of any security effort.

In describing and analyzing the business climate for 2003, three respondents believed that it is somewhat worse while two thought that it is somewhat better than previous years. Two abstained. With regards to the overall tourism climate, there were three votes each to the 'somewhat better' and 'somewhat worse' choices. One abstained. In the next 5 years, three respondents thought that their business would improve slightly, one said that it would improve significantly, one predicted it would be about the same while the last one (top-range) believed it would decline slightly because of intense competition. One abstained. However, almost everybody (6) believed that overall tourism in five years would improve either slightly or significantly. Industry people saw more hope for terrorism and crime to be resolved or at least minimized than political instability.

Government/Industry Officials

There were nine participants from government and industry with positions including department undersecretary, department director, presidents of different organizations, assistant managing director, tourism officer, municipal treasurer and information officer. Their ratings of this year's tourism climate vary. The private sector representatives gave it a disappointed or very disappointed rating while the national government leaders were satisfied. Only the local government respondents were either pleased or very pleased with the current tourism climate (maybe because they only base it on the tourist arrivals to their city or municipality). Overall tourism climate compared to last year was about the same for four (all from the government), somewhat worse for four (from the private sector and national government), and somewhat better for one (from the same local government officer). Most felt overall tourism in the Philippines will improve in the future.

Among the most serious concerns that affected tourism were terrorism/peace and order, for all nine respondents, SARS and other health problems for five, and economic recession, lack of infrastructure and bad press with one vote for each. All respondents felt that security-related events were among the factors that affect the industry greatly. When asked about the security issues cited in the questionnaire (namely political stability, terrorism, incidence of crime, and others (such as SARS)), all agreed

terrorism was an issue, six respondents believed political stability was a problem, six thought crime was an issue, and five said SARS and other health matters were of concern.

On tourists' perception of safety and security, seven respondents revealed that tourists had enquired about and shown a greater concern about security now as compared to 2001. However, one respondent said that it depended on the nationality of the tourist and based from his experience, Koreans generally did not mind about security issues, Japanese did mind and for Europeans, it depended on their economic status where the rich did mind while backpackers did not. They felt the type of security concern tourists were worried about revolved around terrorism/peace and order/crime (7) and health and environment (1). The best means to attract tourists for all respondents included more police visibility, better press releases, and stronger support through different forms of assistance from government and civil society.

To solve political instability issues, the respondents suggested more intense coordination between concerned government agencies, lifestyle checks on government officials, punishing the plotters and mutineers in the latest coup, educating people about terrorism, and strengthening local and national governance. To solve terrorism, the respondents recommended convening high level meeting of tourism officials and military officials to address growing international and local terrorist activities, engaging in information sharing and capacity building, looking at and analyzing roots of terrorism and addressing them, tightening of security in all ports, bus terminals, and other tourism facilities, more police visibility and police reorientation, and awareness campaigns. To solve the incidence of crime, the respondents suggested more police visibility in all areas frequented by tourists such as malls, entertainment areas, cinemas and theatres, DOT's WOW (worry-free on wheels) program where taxis are numbered boldly and have color codes to prevent hold-ups of passengers therein, linkaging with DOT, informing tourists of the safety precautions to take by tour guides and others, intensifying campaign against crime groups through police action and community information awareness programs and publication of ways security-related offenses against tourists were solved. To solve other security issues (such as SARS and other health issues), the respondents proposed regular information drives to educate and

inform people, continuous dialogues and consultation with concerned authorities, training and hiring of more health personnel, formulating clear policies and guidelines, and providing tourists with information about the real state of health in the country.

When asked about their opinion on the security issues discussed in this study, seven respondents said that the political instability, terrorism and crime rates will improve slightly or significantly in the future. From the national government perspective, tourism remains stable despite falls in tourist arrivals but they are doing everything to help conditions improve. The local government representatives are also optimistic about the future of the industry. However, there is one strong comment from many businesses within the private sector that government is unable to address the issue of security and this will cause the decline of the industry. Appendix 11 summarizes the differences in opinion between international tourists and domestic tourists, hotel people, and government/industry officials.

Discussion

International vs. Domestic Tourists

There were marked differences in perceptions of safety and security between international and domestic tourists. More of the domestic tourists surveyed travelled for pleasure than international tourists because a number of international tourists came for business, research and other reasons. International tourists are more wary of the 9/11 incident and Mindanao kidnappings since these events got a high impact rating on their travel plans. However domestic tourists believe that it is just the Mindanao situation which greatly affects their plans. International tourists believe it is generally safer now to travel to the Philippines than before as opposed to domestic tourists whose levels of concern are higher now.

Domestic tourists were more cautious and particular about personal safety and security than international tourists because a greater percentage of the former enquired about the security situation in tourist destinations before going there. However, more

international tourists avoided particular destinations than domestic tourists. Mindanao is most feared but a few also avoid Manila, Palawan, and the Visayas. Top five destinations outside Manila were all in Luzon, except for Boracay and Cebu which are in the Visayas. This confirms their fear of Mindanao.

Among the factors affecting tourists' decisions in selecting places that they like to visit, security is no. one for international tourists, two for domestic tourists and three for hotel operators (based on their perception/experience in dealing with their guests). Other factors are accessibility, prices, promo rates, people, packages, beauty of place, tourist attractions nearby.

22% of international tourists were first-timers implying that 78% were repeat visitors. This could suggest several things: that there were many VFR respondents that the survey was skewed (it was not large enough to be statistically significant), or that international tourists enjoyed their stay in the country and thus often returned. SARS, a health security matter which was not considered in this thesis, has also affected tourist arrivals, specially at its height from March to June 2003.

Tourists' regard for security seem to be associated also with their nationality. An observation of an industry official interviewed revealed that based on his experience as owner of a travel agency, and a tour guide himself, the perceptions of fear of foreign tourists vary and depends, to some degree, on their nationality. In this case, marketing and promotion efforts may be arranged in such a way that would be most appealing to the tourist. For example, since the Japanese were observed to have a higher regard for security, a marketing strategy would be to promote the country as a 'safe haven for tourists'. For this advertisement, however, it should be substantiated by the existence of security mechanisms that really enforce peace and order in the destination.

Terrorism as the Greatest Influence on Travel Demands

Terrorism is the major problem for the industry according to all government and industry leaders while crime and political instability (which is not an issue for some) are secondary. However, almost all interviewees agreed that tourism and security

generally go together, while only one (from the national government) said that security is just one factor affecting tourism and not enough to make the industry collapse. One government official stated that, “Terrorism is just one factor affecting tourism but it will not be enough for tourism to fall.” On the contrary, an industry representative from the private sector claims that their travel agency is totally dependent on security issues for day-to-day business so it (security) is indeed very much important. In particular, she asserted that ‘a small agency like ours is totally dependent on security issues for our day to day business. Mutinies, bombings, kidnappings affect us greatly. Negative travel advisories, bad write-ups in the foreign media directly affect us in terms of low or no bookings at all.’ This shows some contrast in opinion between government and private sector.

The tourism industry was perceived by almost all government and industry leaders as being in the same or worse situation than last year and only one believed it was better. However, they generally felt it would improve in the next five years. The national government officials assert that tourism is generally stable despite a decrease in tourist arrivals but there should be a continuous and collective effort between them, the private sector and the civil society to work on the problems that hinder its recovery and growth. Local government officials however remain very optimistic about the industry’s future. On the other hand, while there were some positive insights from the industry or private sector, they were very worried about the prevailing situation of security issues threatening to weaken tourist arrivals. One even commented that the government is just unable to address security issues because of inefficiency and systemic corruption.

Summary

This chapter introduced Metro Manila, the location of the case study, and gave a profile of its tourism industry and prevailing security conditions. While it is basically the business and financial center of the country, problems in security continue to restrain the flow of tourists to this metropolis because of the high incidence of crime, bombings (even in commercial areas), and political actions and protests like the July 2003 coup and November 2003 takeover of the airport control tower. With an estimated

population of 12 million and a land area of only 638.53 square kilometers, the security situation in the metropolis may really be difficult to handle and control even if measures between and among concerned government agencies are in effect. At the same time, Metro Manila has been equated with the Philippine government since it is the seat of government, being the location of the Malacanang Palace where the current Philippine president resides and also the site of most national government offices which makes government policies, guidelines and regulations.

The results of fieldwork indicate that both global and internal security events have manifested varying degrees of impact on Philippine tourism. Specifically, both foreign and domestic tourists acknowledge the importance of safety and security in travelling but domestic tourists inquired more before pursuing trips and generally travelled to closer destinations. Only 20% of the foreign tourists bring their families while 77% of domestic tourists travel with families. Both sets of tourists believe the kidnapping, bombings and fighting in Mindanao were the most serious of all security events identified in the study showing that internal conflict has a more major impact on tourist decisions. Among the factors usually considered by tourists in making travel plans, security ranked first among foreign tourists, second for domestic tourists (beauty of place was first) and third for hotel management (prices was first). The implications of these findings, comparison with existing literature discussed in Chapter 2, and recommendations will be the subject of Chapter 6.

CHAPTER 6

SUMMARY, FINDINGS, AND RECOMMENDATIONS

Summary

This thesis has examined the nexus between tourism and security within the development context in the Philippines. In Chapter 1, the research problem and objectives were explained, essentially focussing on how issues like political instability, terrorism and the incidence of crime impact on Philippine tourism. A major objective is to align existing measures to address security issues in literature with that in responses to surveys and interviews to guarantee tourism development in the country. In Chapter 2, a review of related literature which explored the relationship between tourism and security was presented. This included studies which utilized both quantitative and qualitative data in determining the relationship between tourism and security using case studies of security-deprived or afflicted countries. In this chapter, the latest global security events, their impact on tourism, and global measures and strategies to address tourism were also discussed. Chapter 3 described the regional and national setting of the Metro Manila Case Study to be considered in Chapter 5. It expounded on interconnections and areas of cooperation in the ASEAN region in working for tourism development. The Philippine setting was also described and the tourism industry therein introduced to provide background to the case study. Tourism and security in the Philippines was the subject of Chapter 4. The state of security in the country was explicated and a quantitative analysis that may help to show the impact of security on Philippine tourism was included in this chapter. In Chapter 5, the Metro Manila Case Study was discussed through an analysis of the tourism and security situation in this area and a rundown of comments and viewpoints made by respondents who were surveyed and interviewed.

On the basis of both the broader literature on tourism, and security research results in Chapter 5, the implications that may be drawn from this thesis include:

- The presence of security in a tourist destination is an important force in drawing and attracting tourists and increasing tourism demand. For international tourists in this study, it was the number one factor that affected their travel decisions; for domestic tourists, it was the second factor (first is beauty of place); and for hotel management, it was the third factor (first is price, and second is accessibility).
- Local conflict caused by terrorist activities or kidnappings by communist factions and Muslim groups appears to be more important in influencing tourists decisions than global and regional security issues.
- There are observed differences in behaviour and travel decision-making between international and domestic tourists. While international tourists value security very much, a low percentage enquired about the country before setting up their trip as compared with domestic tourists who do more research prior to travelling. A bigger percentage of international tourists go to places farther from Metro Manila while domestic tourists mainly visit nearby provinces.

Findings

Political Stability

The role of political stability in tourism can not be underestimated as demonstrated in the literature provided in Chapter 2. This showed that peace and order is a prerequisite for tourist visitation and that conflict caused by political turmoil does not help tourism to prosper. While the Philippine government under the current leadership of President Gloria Macapagal Arroyo (at the time of this writing, the results of the May 10 National Elections is still being processed) and the Department of Tourism (DOT) has engaged in strong promotional tactics and programs to revitalize tourism, negative publicity in terms of corruption charges, recurring insurgency problems in the South and even in Metro Manila prevent growth to take place. As illustrated in the political instability, violence and the imagemaking process of Hall and O'Sullivan (1996) in Figure 2.1, the intergovernmental relations (i.e. between and among institutions) of the destination region reach the media and the tourists. At the same time, government

policies and interests also get to the generating region and therefore, influence travel decisions there. In one instance, the Senate President of the Philippines, Senator Franklin Drilon, pleaded with the police and justice authorities to:

wind up their investigation of the terrorist bombings in Mindanao and Manila (referring to the LRT bombing in Manila last December 2000 and the Davao Airport and wharf bombings on March and April 2003 respectively) so that we must stop being perceived by other countries as a soft and weak state incapable of maintaining peace and order and enforcing laws through its regular governmental institutions charged with law enforcement and dispensing justice ([Mindanews](#), 2003).

Senator Drilon made reference to the quick solution and action of the Indonesian government to the Bali bombings in October 2002 where the person who masterminded the bombings was convicted and sentenced to death, against the Philippine government's 'failure to solve the LRT case which causes embarrassment before the international community'. The allegations made by the rebel soldiers which initiated the failed July 2003 coup (that is, that senior officers have ordered a battalion commander to bomb mosques in Davao and sow terror and violence, among others), for the Philippine government to justify a bigger slice of US military aid also reflect the severity of this problem (Mindanews, 2003).

The government's perceived inefficiency and corruption may be explained in Thompson's (2001) description of the Philippine political system. He argued the country's political structure is still the same where 'the formal structure of centralized, elitist and corrupt government built up over the decades remains in place' despite several changes in leadership after Marcos. Verzola (2001) also emphasized that wealth is enjoyed by relatively few families while the majority of Filipinos suffer in misery. In specific figures, Remigio (1994) revealed that the top 20% of the various income deciles accounts for over 50% of total income while the lowest 20% accounts for only 3.6% of total income in 1971, and 5% of total income in 1988 which has been characterized by Remigio (2004) as the worst income distribution among the countries of ASEAN. Thompson (2001) has recapitulated the Philippine political system as follows:

In the Philippines, poverty and corruption go hand-in-hand. What had been a relatively prosperous nation in the region following World War II, has been economically and politically decimated. Since Marcos took the reigns of power, the wealth of the nation has been progressively siphoned off by corrupt leaders and their aristocratic cronies. This has been made possible by cosmetic economic and political state, tarted by an American copycat structure, and impregnated by a landed aristocracy.

Several people interviewed in the course of this research felt that corruption in the government is systemic. This implies the culpability of the government in the failure to develop the industry and solve security issues. An investigation of such contentions may be crucial to ensure a better working relationship and more proactive coordination between the government and private sector gearing for tourism development. In summary, both literature reviewed and the research results in Chapter 5 have confirmed that military coups may affect tourist arrivals but to a lesser degree than terrorism unless they are seen as violent and causing widespread political instability into government (Hall, 1996: 108).

In the correlation between major political events between 2000-2003 and tourist arrivals, there were only slight declines except for the coup, which was only an 18-hour political event, which may have contributed to a more significant decline after two months. Likewise, the survey of tourists made also suggests that political instability is not a primary concern of both international and domestic tourists.

The impact of political issues on tourism demand also depended on whether tourists and tourism were the direct or indirect victim as pointed out by Hall (1996). In *People Power 2*, tourists were not the direct victims while in the July 2003 mutiny and November 2003 NAIA control tower takeover, tourists were not the direct victims but became victims accidentally. Tourists stayed in the Oakwood Apartments which the rebel soldiers seized to be their hideaway in the first case, and incoming flights carried tourists in the second case. Therefore, the effect was not that serious and the second case appeared to have no impact.

Similarly, media attention or coverage of a particular event, which is another factor cited in the imagemaking process of Hall and O'Sullivan (1996), also determined the

impact of this event on tourism. The July 2003 coup enjoyed widespread live coverage in both the local and global setting while the November 2003 airport takeover did not gain much coverage, only a local radio station covered it on live radio telecast. From a tourism perspective, media sensationalized the occurrence of a crisis which was damaging to the marketability of any tourist destination (Young and Montgomery, 1998: 4). The influence of the media and the propensity for negative images to remain in the minds of tourists made it more difficult for destinations to recover from such events (Faulkner, 2003: 167). At the same time, the mass media was in a position to manipulate the recipient's feelings and outlook differing to his/her own views and in a way wanted by media (Glaesser, 2003).

Terrorism

In both correlations drawn between security events and tourist arrivals, and fieldwork results gathered for this research, terrorism turned out to have the biggest impact on tourism. There were greater declines in tourists arrivals after a terrorist attack or event, with both international and domestic tourists identifying the Mindanao kidnappings and violence as the security-related event with the highest impact on tourists.

The combined activities and threat that these separatist groups in Southern Philippines bring to the Filipino people and outside world, including the operations of the Communist insurgents led by the Communist Party of the Philippines and its military wing, the New People's Army, created negative signals and an unsafe image of the country. Unless concrete measures were taken to bridge the gap between the government and rebel groups such as the MILF and CPP and resolve the atrocities of the ASG, promoting the Philippines as a tourist destination would be more difficult. While it can be said that some terrorist activities carried by communist rebels had helped topple the Marcos dictatorship, rebel activity had generally been detrimental to the government efforts to promote tourism in the country.

Pizam and Fleischer's (2002) finding in their study highlighting the bigger weight that frequency of acts of terrorism had on tourism than the severity of these acts, was confirmed in the Metro Manila case study since the kidnappings, bombings,

assassinations, and fighting between government troops and these terrorist groups have been recurrent. And the media again helps to magnify the incidents, especially through the internet which reaches people all over the world very quickly.

When tourists are involved in terrorist incidents, there is a particularly strong impact on tourism demand as Pizam and Smith (2000) discovered. This was verified in this research study since the kidnappings which included tourists were associated with subsequent decreases in arrivals and the tourist respondents recognized these incidents having the most impact for them. In the same manner, the research results confirmed another finding of Pizam and Smith that acts of terrorism that result in bodily harm have a longer negative effect on tourism demand than that resulting in property loss only.

Another important factor is the tourist's country of origin as emphasized by Pizam and Smith (2000) as an 'essential, decisive factor in understanding the effect of terrorist actions on tourism demand in affected destinations'. Because Americans remained the largest international market with 22% of all arrivals to the Philippines in 2001 (National Ecotourism Strategy, 2002), all communist and Muslim factions which categorically despised Americans for political and religious reasons, resorted to terrorist and violent actions against them. This is also why North Americans perceive themselves as being 'more highly selected for terrorist acts than other nationalities where their personal safety is compromised by the danger called the legacy of terrorism' (Wall, 1994: 143).

The longstanding partnership between the US and the Philippines which was recently boosted by the latter's full support of the former's war against terror may have also influenced travel plans to the country for fear of terrorist attacks for the enemies of the US. Recent developmenst showed that when the US staged its 'War vs. Terror' commencing with its war against Iraq in March 2003 without UN blessing, its adversaries increased. As noted in a WTO report (2001), countries involved or perceived to be involved in conflict situations or associated with it would be avoided. The Philippines' strong ties with the United States and its dependence on the latter's assistance in economic, political and military concerns created uncertainty for tourists.

The deployment of thousands of US soldiers to the Philippines to train Filipino soldiers in battling insurgents and rebels in the southern island of Mindanao highlighted the persistent danger that prevails in the South. It was also shown in Chapter 2 that Americans were the top market in both the DOT description of foreign tourists and the fieldwork results. Hence, as a country dependent on the North American market, the Philippines had indeed suffered disproportionately by global terrorist threats and wars. Recent developments show that when the US staged its 'War on Terror' commencing with its war against Iraq in March 2003 without UN blessing, its adversaries increased.

Crime

While crime levels in Manila were generally high, tourists did not consider it as a major factor in making travel plans. This result confirmed again what have come out in studies investigating the relationship between tourism and crime that crime did not significantly affect destination choices even if there have been incidents of crime among tourists. Only domestic tourists who were more aware of the presence of criminals in the metropolis as reported in most local newspapers considered it as secondary to terrorism in terms of its impact on tourism.

Thus, among the three types of security events covered in this study, the incidence of crime proved to have the least effect on tourism demand. This was also demonstrated in the inconclusive graph, Figure 5.7, in Chapter 5 which compared tourist arrivals and crime incidents. Though there was an initial link observed in the first few years, which was the increase in tourist arrivals as crime incidents decreased, the trend in latter years showed otherwise. It may also be interpreted that tourists perceive crime more as a more natural thing caused by a growth in civilization (Pizam, 1982) and poverty levels rather than as a deterrent in making travel decisions.

Additional Findings

The interconnections between and among ASEAN nations, including the Philippines were both positive and negative factors in promoting tourism development. In helping and promoting their countries as tourist destinations among themselves, this

was a plus factor but when terrorist incidents happen in a particular country within the region, such as the Bali incident, these affected the perception of tourists of other countries in the region in some way. This phenomena was called the ‘generalization effect’, whereby those who perceived some risk in one country tend to presume the whole region is dangerous (Enders, Sadler and Parise, 1992). In this case, ASEAN member nations should continue to work together to ensure that peace and order may prevail in the region for tourism to flourish.

There are cultural differences in the reaction of foreign tourists to security threats in both the research results and literature (Hurley, 1988; Tremblay, 1989; Wall, 1996). A comment from one of the industry officials interviewed explained that some foreigners, like the Japanese, valued security more than others, like the South Koreans. Therefore, a niche and mass-marketing program for such markets, which was among the strategies identified by government for tourism, should take into consideration these attitudes and behaviour of international tourists. Marketing to short-haul intra-regional travellers may also be considered since the WTO (2001) has mentioned in its report this sector’s rapid growth.

Recommendations

- There is a need for more transparent and proactive coordination and co-operation between the government and private sector and other parties concerned to solve problems in security in the tourism industry. Corruption allegations should be resolved and investigated and not left unattended.
- Media and travel advisories play very important roles in tourism development of Third World Countries such as the Philippines. Hence, the government can work through media in disseminating information that could help promote and build the image of the tourism industry to the outside world. Media can also be used as a means to explain security issues cited as factors for the issuance of travel advisories.

- The interconnections between and among ASEAN nations should be a continuous process and security concerns that may arise in the future should be dealt with in an expedient manner as news comes out very quickly.
- The Philippine government should work for the dissemination of safety and precautionary materials for tourist in airports and other places that tourists normally go to so they are well informed about protecting themselves from harm.
- Tourism and security employees in government and the private sector should be well-educated and trained on safety and security matters. Vigilance among local communities and reporting of related incidents should be stressed and advocated.
- The need for crisis management plans to be undertaken by governments similar to that given in Appendix 6 for Fiji and Hong Kong (Pizam and Smith, 2000) and risk management strategies to be undertaken by business entities (Wilks and Page, 2003: 7) to overcome crises and risks are highly recommended. Appendix 8 also presents a detailed and comprehensive crisis management plan by the WTO, before, during and after a crisis. It will serve as a helpful tool for countries undergoing crisis situations, including the Philippines.
- Marketing efforts of the government should be more specifically targeted according to nationality, as some nationalities (e.g. Europeans and Americans) may need more reassurance about security than others.
- Domestic tourists should be given more attention because they are less fickle than other markets and they have been the alternative market to which hotels, such as those whose managements were interviewed, are attracting now. Better promotions and packages could be made available to them.

CONCLUSION

Most countries, especially Third World Countries, continue to face the unrelenting threat that security issues pose on the development of their respective tourism industries. Political instability, terrorism and the incidence of crime have caused impacts of varying degrees to tourism industries, including that of the Philippines.

Unless these are examined and resolved by the government, the private sector, and the local communities with the aid of respective international organizations like the World Tourism Organization (WTO), World Travel and Tourism Council (WTTC), Association of Southeast Asian Nations (ASEAN) and other industry associations, tourism may fail to bring needed investment, jobs and human capital development.

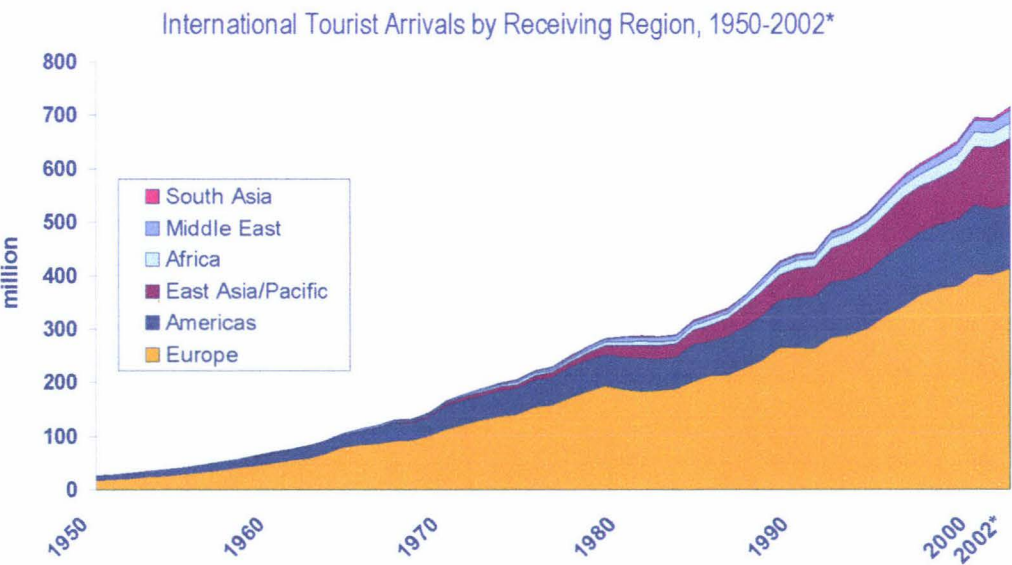
The literature review and research results confirm that there security poses a serious problem for tourism development in the Philippines, even though the large percentage of VFRs may have buffered the Philippines tourism industry from the impacts of some of these security incidents. Efforts to prevent the occurrence of security events, as well as strategies to address the consequences and impact on tourism of future security events, have been made along international, regional and local levels. More stringent security checks in airports, seaports, accommodations, and terminals have been enforced and more security personnel have been deployed to these areas. The adoption and implementation of crisis management plans and risk management plans have been recommended and while communication and safety networks and brochures should be created to safeguard tourists and the tourism industry against pending security threats. Security is a major consideration in assuring the flow of tourists to a certain destination. Thus stakeholders in the Philippines must ensure continued upkeep of security measures in order to encourage tourism development.

Peace and geopolitical stability are ‘musts’ that guarantee the long-term success of tourism industries but a number of other important factors like economic conditions (for example, prices, investment in promotions) and the beauty of place also influence travel decisions. At the same time, the institutional structures in place, like the involvement of government and other organizations in making policy decisions for tourism, as well as the image of a destination on which perceptions of safety and security of tourists are based, count for a lot. In the Philippines, the long ongoing conflict in the South between the government and communist rebels and Muslim separatist groups has generated fear among most Filipinos and also created an unfavourable image of the country. The strong US-Philippines ties have also affected the inflow of tourists to the country because terrorist organizations may target the Philippines for their ‘very close and friendly’ ties with the US and be subject for

terrorist attacks. In Metro Manila, there is the additional threat of high incidence of crime which may not directly stop tourists from visiting the country but has added a burden in promoting the country as a safe tourist destination. Acts of terrorism like bombings and kidnappings around the country have caused major alarm among local and international tourists. It is evident that the interplay between tourism and security is the biggest determining factor in promoting Philippine tourism development. In such an environment, many efforts to promote tourism may be futile. It is thus vital that there is a transparent and more pro-active coordination among government, the private sector, the local community and international organizations in addressing security concerns and effectively promoting development of the tourism industry.

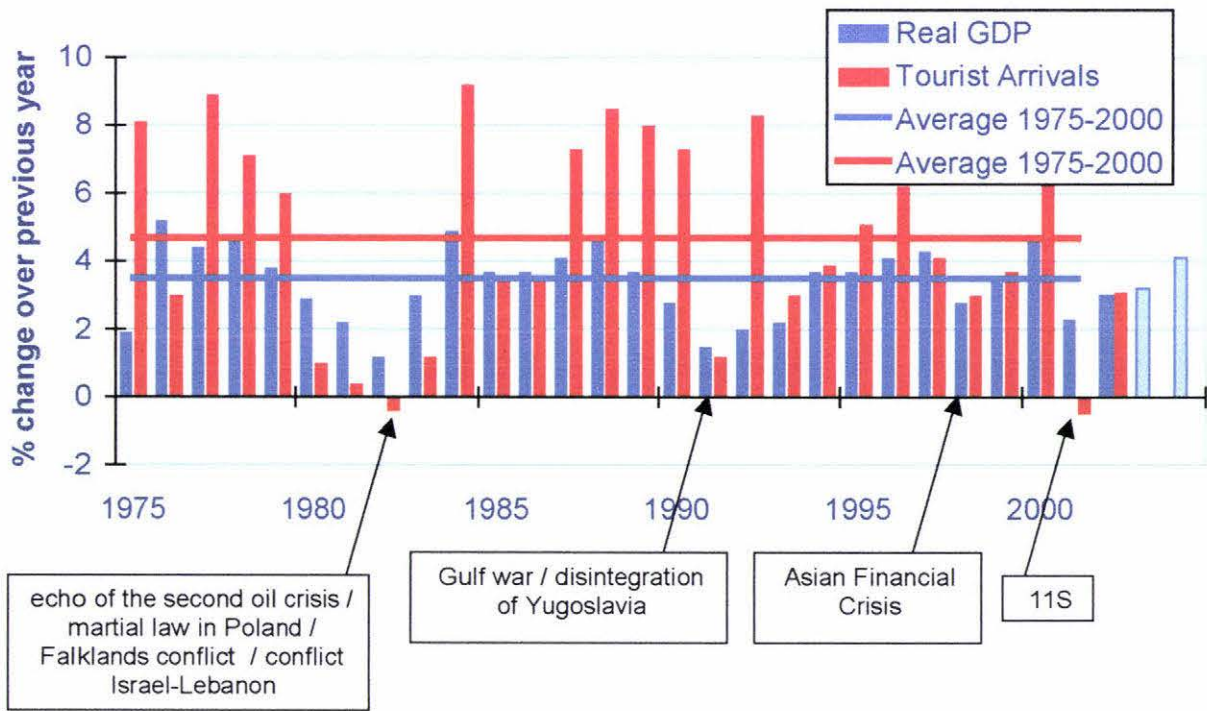
The Conceptual Framework in Chapter 2 summarizes the interplay between tourism and security in Third World Countries. Tourism may be a vehicle for development but when security factors like political instability, terrorism, and crime pose as obstructions to this process, strategies that can alleviate security concerns are necessary. In some cases, security events occur due to the association of tourism with imperialism and neo-colonialism and thus, have to be addressed by concrete measures and strategies from the international community, country of destination, and host community. Otherwise, this could mean the failure of tourism to generate benefits for the local people which can eventually lead to underdevelopment.

The unstoppable expansion of international tourism

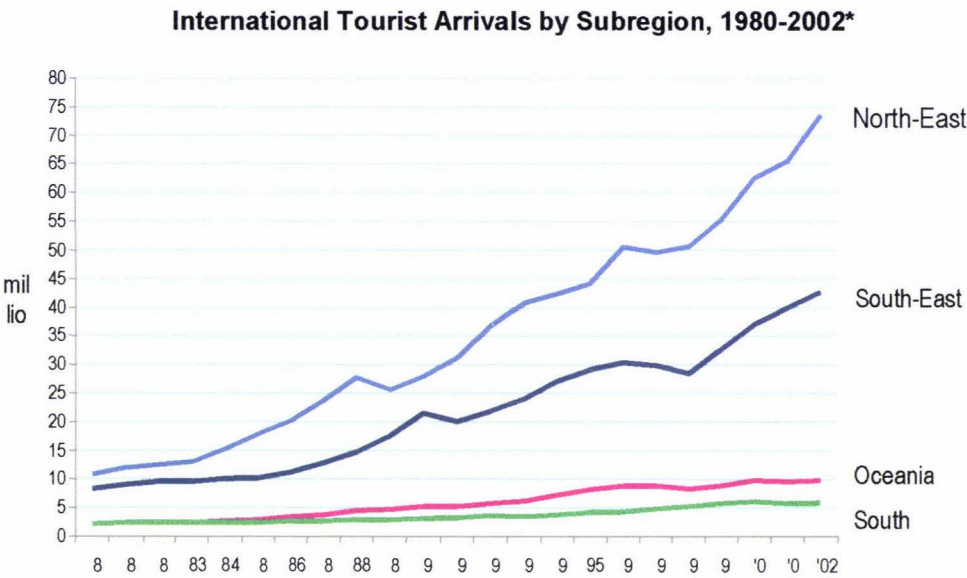


Source: Varma (2003).

Growth of World Real GDP & international Tourist Arrivals



Source: Varma (2003).



Source: Varma (2003).

Asia and the Pacific 2002: buoyant

International Tourist Arrivals:

- 131 million, +7.9%
- 18% of world total

▲ China +11%, Hong Kong (China) +21%, Japan +10%, Macao (China) +12%, Iran +17%

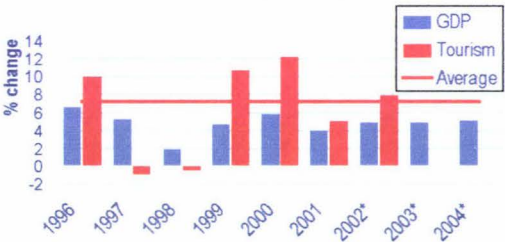
▼ India -6.6%, Indonesia -2.2%
Australia -0.7%, Malaysia +2%

Average receipts per arrival (2001):

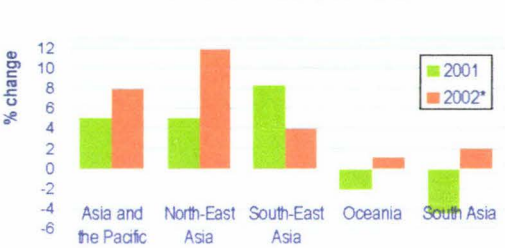
- euro 800 / US\$ 720

Economic growth (GDP, source: IMF):

Growth of GDP & International Tourist Arrivals



International Tourist Arrivals by subregion



Source: Varma (2003).

CRISIS MANAGEMENT PLANS

Fiji After the Coup, 1987

A month after the coup at the Annual Fiji Tourism Convention, a crisis management plan was established along with a crisis management team within the National Tourist Organization (NTO).

The team called Travel Action Group (TAG) consisted of the heads of major tourist organizations: the hotel association, the board of airline representatives, the travel agency and the bus operator associations. The team met daily to disseminate information regarding the last 24 hours and plan for the next 24 hours. The crisis management leader was chosen outside Fiji because the qualified local candidates from the travel and tourism industry could not be spared for their business commitments. However, the TAG leader was familiar with the Fiji Tourism industry. He was a Fiji national who had previously been general manager of the Fiji Visitors Bureau (FVB).

Goal:

To bring back the tourists as quickly as possible, and in so doing, generate cash flow.

Objectives:

1. Obtain removal of travel advisories.
2. Achieve doubling of the marketing budget of the NTO.
3. Organize familiarization visits for trade representatives from the major markets.
4. Market special air fares and package promotions in major markets

Action Plans:

The Governor General of Fiji declared a state of emergency, assumed executive control during the interim administration and provided an objective, calm controlled leadership.

1. Diplomatic missions were sent abroad which resulted in the lifting of the travel advisories.
2. An additional US\$450,000 was authorized for the tourism recovery program.
3. Neutral observers from the Australian Federation of Travel Agents, the Travel Agents of New Zealand and PATA were invited to Fiji to report on the situation.

4. Air Pacific, along with hotel and group tour operators, put together special limited promotions to entice travellers back from Fiji's major markets – New Zealand and Australia.
5. TAG established a modern communications system to feed accurate information to its overseas marketing offices and to the media.
6. TAG identified and addressed separately its various audiences:
7. TAG convinced the coup leader to reduce the military profile at the airport which made travellers nervous. The leader agreed to allow airport security to check baggage (for possible arms) rather than soldiers.
8. TAG advertised new 'excursion' Air Pacific fares.
9. TAG developed 'advance' crisis management plans, including planning for a variety of 'worst case' scenarios, which were shared with senior staff within the industry. These plans included procedures for dealing with telephone threats, a fire bomb, an attack on a tourist, contamination of water or food supplies, and other similar incidents.

When a fire bomb exploded at one hotel, TAG's new crisis management plan was activated. TAG went directly to the media with the information, rather than waiting for the journalists to seek information.

Resolution:

At the end of 1987, the number of visitor nights spent in the country was only 10 percent less than in 1986. The number of tourist arrivals in 1988 was just below pre-coup levels. By 1989, Fiji's tourist figures reached the pre-coup level of 250,000.

Hong Kong after Tiananmen Square, 1989

The Hong Kong Travel Association developed a crisis management team consisting of top management. While the crisis management plan had been previously developed, the team was experienced in dealing quickly with situations as they arose. The team immediately identified its goal, objectives and action plans.

Goal:

To revive confidence in Hong Kong as a destination that remained safe, attractive, and offered exceptional service and first class accommodations.

Objectives:

1. To communicate quickly, widely and consistently to travellers and travel suppliers that events in China had not affected Hong Kong as a destination and it was 'business as usual'.
2. To stimulate travel to Hong Kong by promoting the variety of summer attractions and encouraging extended stays.

Action Plans:

1. Target consumers through the media.
 - a. Issue daily updates for dissemination abroad.
 - b. Run briefing sessions for the international press.
 - c. Increase press familiarization trips by 50 percent.
 - d. Extend media distribution channels in North America.
2. Increase advertising and promotions.
 - a. Boost budget by US\$3.5 million.
 - b. Launch '6 nights for 4' promotion at 37 hotels.
 - c. Promote Hong Kong as a 'unique' destination separate from China.
 - d. Develop a promotional video to show that Hong Kong is 'business as usual'.
3. Target Southeast Asia and new markets in Taiwan and Korea.
 - a. Pump HK\$28 million to stimulate short haul visits.
 - b. Produce literature for Taiwan market.
 - c. Set up Mandarin-speaking hotlines in Taiwan/Hong Kong.
 - d. Reposition Hong Kong image in Japan as 'Luxury within your Reach'.
4. Concentrate on major markets, rather than disperse efforts.
5. Other promotions.
 - a. Co-operative marketing with Cathay Pacific and Hong Kong hotels.
 - b. Target long-haul markets.
 - i. Begin new promotions to US, Canada, Europe, Australasia.
 - ii. Appoint new representatives in Barcelona, Auckland and Seoul.
 - iii. Open tourism office in Canada.
6. Upgrade travel industry's standard of service in Hong Kong.
7. Offer more familiarization trips to travel agents/wholesalers.
8. Develop new market segments: Golfers, retirees and families.

Resolution:

In November 1989, Hong Kong began to see an increase in travel. By 1990, visitor arrivals in Hong Kong reached 5.9 million, an increase of 10.7 percent over the previous year. Average hotel occupancy in 1990 climbed to 79 percent.

Terrorist Incidents Involving Tourists from 1972 to 2002

Year	Incident	Location	Casualties
1972	Terrorist attack during Olympic Games	Munich, Germany	
1985	TWA Flight 847 hijacking	Athens/ Rome	
1985	Air India 182 from Toronto bombed	Over North Atlantic	329 dead
1985	Tokyo's Narita Airport bombed	Japan	
1985	Frankfurt's Rhein-Main Airport bombed	West Germany	
1985	Egyptian jetliner hijacked	Malta	55 dead
1985	TWA 814 out of Athens, hijacked to Beirut		
1985	Air India 747 bomb explosion (en route from Montreal to Tokyo)		1 dead, 43 hostages for 16 days
1985	TWA, British Airways offices bombed	Madrid/Rome	
1985	Athens hotel bombed	Greece	
1985	Café bombed	Rome	
1985	British Airways office bombed	Rome	
1985	Achille Lauro cruise ship hijacked	Mediterranean	1 dead
1985	Leonardo da Vinci (Rome) Airport and Schwechat Airport (Vienna) machine gunned		18 dead, 100 injured
1986	TWA 840 en route from Athens to Rome bombed		4 dead
1986	Discotheque bomb explosion	West Berlin	
1986	Pan Am hijacking	Karachi	20 dead
1986	Iraqi Airways Boeing hijacked		60 dead
1986	Air Lanka Tristar bombed at Colombo airport (en route to Maldives)		17 dead
1986	Café de Paris restaurant bombed	Italy	
1987	Bombing of Korean Air 858		115 dead
1988	Pan Am 103 bombed over Lockerbie, Scotland		270 dead
1993	Molotov cocktail bomb thrown at tour bus as South Korean passengers waited outside a hotel in Cairo	Egypt	
1993	A massive bomb exploded in an underground parking garage below	USA	6 dead, 1,000 injured

	New York's World Trade Center		
1993	A bomb exploded underneath an overpass as a tour bus travelled toward Giza pyramids	Egypt	2 dead, 12 injured
1993	Terrorists from the Kurdistan Workers Party (PKK), a separatist group, threw hand grenades at various hotels and restaurants frequented by tourists in Mediterranean resort areas	Turkey	18 injured
1993	Bodies of two Europeans were discovered by police in a region of Ayachucho, contested by Sendero Luminoso terrorists	Peru	2 dead
1993	In eight separate incidents, the PKK kidnapped 19 Western tourists travelling in southeastern Turkey and hostages were not released for several weeks	Turkey	
1993	Four members of Nigerian dissent group hijacked a Nigerian Airways Airbus 310 airliner with 150 passengers and crew after it took off from Lagos. Three days later the aircraft was stormed by Nigerian police	Nigeria	
1993	A large bomb exploded underneath a minibus in the parking lot near the departure terminal at Lima's international airport	Peru	1 dead, 200 injured
1993	A tour bus was fired at by terrorists in Cairo	Egypt	18 wounded
1994	A passenger train was fired upon	Egypt	4 wounded
1994	A bomb exploded aboard a passenger train in Asyut	Egypt	6 injured
1994	Gunmen opened fire at a Nile cruise ship	Egypt	1 wounded
1994	The Provisional Irish Republican Army fired mortars at London's Heathrow International Airport in three separate attacks	UK	
1994	A car bomb exploded at Jan Smuts Airport in Johannesburg	South Africa	16 injured
1994	The Khmer Rouge attacked a train travelling in Kompong Trach and kidnapped several passengers	Cambodia	
1994	The PKK kidnapped 2 Finnish tourists stating they did not 'entry visas for Kurdistan', the tourists	Turkey	

	were released unharmed after 22 days		
1994	Members of the Armed Islamic Group hijacked an Air France flight to Marseille, France	Algeria	3 dead
1995	Suspected members of al-Gama'at al-Islamiya opened fire on a passenger train carrying tourists	Egypt	6 wounded
1995	Khmer Rouge rebels attacked a sightseeing convoy	Cambodia	2 dead
1995	Members of Sendero Luminosos detonated a 50 kg car bomb in front of the Maria Angola Hotel near Lima	Peru	3 dead, 30 injured
1995	Six international tourists were taken hostage in Kashmir by a militant group	India	1 dead
1995	PKK abducted a Japanese tourist near Siirt and released him unharmed four days later	Turkey	
1995	A group named Sons of the Gestapo claimed responsibility for derailing an Amtrak passenger train in Arizona's desert	USA	1 dead, 98 injured
1996	Three gunmen attacked tour bus with Greek tourists in front of Cairo Hotel	Egypt	18 dead
1996	TWA 800 en route from New York's JFK Airport to Paris exploded over southern coast of Long Island	USA	230 dead
1996	Lahore International Airport bombed	Pakistan	4 dead, 68 wounded
1996	Pipe bomb found on tarmac at Chicago's O'Hare International Airport	USA	
1996	Iberian Airlines 6621 carrying 232 passengers (en route from Madrid to Havana, Cuba) hijacked to Miami International Airport with the threat of a bomb on board	Spain	
1996	Pipe bomb exploded at Centennial Olympic Park in Atlanta during the 1996 Olympics	USA	1 dead, 111 injured
1996	14 armed members of the Tupac Amaru Revolutionary Movement took more than 500 diplomats, Peruvian government officials, business leaders and others hostage	Peru	1 hostage dead, 2 soldiers killed, 14 guerillas killed

	in the Japanese Ambassador's residence in Lima and demanded the release of other Tupac Amaru rebels in prison. After four months, Peruvian commandos set off plastic explosives under the building where hostages kept and killed all 14 guerillas.		
1997	Bombing at Copacabana Hotel in Havana, Cuba	Cuba	1 killed
1997	Terrorists throw grenades at a bus parked in front of the Egyptian National Antiquities Museum in Cairo.	Egypt	10 killed
1997	A truck bomb exploded at the Colombo World Trade Center caused by the Liberation Tigers of Tamil Eelam.	Sri Lanka	18 killed, 100+ injured
1997	Six gunmen from the Islamic Group went on a shopping rampage at the Hatsheput temple near Luxor, Egypt.	Egypt	58 tourists and 4 Egyptians killed, 26 wounded
1998	Truck bombs blew up the American embassies in Nairobi, Kenya and Dar Es Salaam, Tanzania.	Kenya, Tanzania	Kenya- 247 killed, 4,000 wounded Tanzania – 12 killed, 85 wounded
1998	A parked car exploded in the main shopping district in the small town of Omagh.	Northern Ireland	29 killed, 200+ wounded
1999	An Algerian national is arrested as he attempted to drive a car loaded with explosives and other bomb components across the border from Canada into the US to allegedly blow up the Los Angeles International Airport	US	
1999	Five Kashmiri militants hijack Indian Airlines Flight 814 as it flies from Nepal to New Delhi with 200 passengers and crew members and demand that India release 36 imprisoned Kashmiri militants which India did.		
2001	Suicide bombing at a popular disco in Tel Aviv. Hamas claims responsibility.	Israel	21 killed, 120 wounded
2001	The Liberation Tigers of Tamil	Colombo, Sri	6 killed, nine

	Eelam claim responsibility for an attack on the international and military airports. The attackers also destroy five commercial planes, eight military aircraft, several ammunition dumps and oil storage depots.	Lanka	injured.
2001	A Palestinian suicide bomber blew himself up inside a crowded Sbarro pizzeria in downtown Jerusalem during lunch hour.	Israel	15 killed, at least ninety injured
2001	Alert crew members and passengers subdue Richard Reid when he tries to ignite explosives hidden in his shoes aboard an American Airlines Flight from Paris to Miami.		
2002	A suicide bomber attacks a café in the center of Jerusalem. Hamas claims responsibility.	Israel	11 killed, 54 injured
2002	A car blows up near the US Embassy in Lima.	Peru	9 killed, 30 injured
2002	A suicide bombing in the dining room of the Park Hotel in Israel during Passover. Hamas claims responsibility.	Israel	29 killed, 140 injured.
2002	A gas truck explodes outside a synagogue in Tunisia.	Tunisia	16 killed.
2002	A suicide bomber bombs a club in Rishon Lezion, Israel.	Israel	16 killed, 55 wounded
2002	Air China B 767 explodes	Busan, South Korea	129 killed
2002	EAS Airlines BAC-111 explodes	Kano, Nigeria	100+ killed
2002	China Northern Airlines MD-82	Dalina, China	112 killed
2002	Egypt Air Boeing 737	Tunis, Tunisia	23 killed
2002	Bus explodes, probable suicide bomber	Karachi, Pakistan	27 killed
2002	Train derailed (under investigation)	Potters Bar, United Kingdom	7 killed, 100 injured
2002	Train derailed (under investigation)	Lucknow, India	10 killed, 100 injured
2002	China Airlines B 747 explodes in mid-air	Taiwan Straights	225 killed
2002	Train derailed	Mozambique	205 killed, 400 injured

Source: Fletcher 1993; Mickolus 1980; The Economist 1990; US Department of State; Maxwell, 2003; Wilks and Page, 2003.

Crisis Guidelines for the Tourism Industry

A crisis is any unexpected event that affects traveller confidence in a destination and interferes with the ability to continue operating normally. Crisis management strategies are needed to help retain the confidence of travellers and the travel industry, and to minimize the impact of a crisis on the destination. Good communications based on the principles of honesty and transparency is the key to successful crisis management, but other tourism specialties also need to be involved, especially:

- A) Communications
- B) Promotion
- C) Safety and security
- D) Market research

To assist WTO members with this process, the following guidelines suggest specific actions to take:

- I. Before a crisis
- II. During the actual problems
- III. Immediately after a crisis

The goal is to get tourists returning to the destination as quickly as possible and good crisis management techniques can speed up that process.

I. BEFORE THE CRISIS: Preparing for the Worst

Never underestimate the possible harm a crisis can do to your tourism. Crises are like viruses—sudden, insidious and virulent. They are extremely dangerous. The best way to minimize the impact of a crisis is to be well prepared.

- A) Putting a **communications** strategy in place.

- Prepare a crisis management plan.**
- Designate spokespersons.**
- Establish a press and communications department**
- Communicate regularly with media**
- Pay attention to local media**
- Train spokespersons in safety and security issues**

- B) **Promotion** planning

- Develop a data base of partners in the travel trade**
- Build an email or fax broadcast system**
- Be honest and ethical in promotion**
- Set aside budget reserves for emergencies**
- Stay out of the Travel Advisory War**

Improve communication of security issues with tourists

Make tourist safety and emergency information available on your website. Some of the most useful information to include is: emergency telephone numbers; exchange rates; design of banknotes; common rules of behaviour; places to avoid traveling; safe places to leave luggage; average prices of common purchases; the need to report crimes before a tourist returns home; and the importance of keeping photocopies of travel documents. The Tourism Authority of Thailand (TAT) website, for example, includes information on tough laws aimed at ending child prostitution and urges visitors to report incidents.

Encourage tourists to learn food safety practices**C) Reviewing security systems****Maintain a working relationship with other government departments responsible for safety and security**

Decisions made by police agencies, emergency services, as well as the departments of interior, health, consumer affairs, judiciary, foreign affairs, and civil defence have a great influence on how a crisis involving tourists is managed. Start a Safety and Security working group to bring these partners together on a regular basis to discuss tourism. In South Africa, for example, the Tourism Safety Task Group is made up of the Department of Environmental Affairs and Tourism, the national police, the tourism board (SATOUR), the Tourism Business Council, the Department of Foreign Affairs and nine provincial tourism departments.

Get involved in defining security procedures

Tourism authorities need to make sure they are aware of all security measures being taken that affect the industry.

Review the entire tourism chain—airport arrivals, ground transport, hotels, restaurants, shopping zones and all tourist sites.

Consider the need for enhanced security at all sites, including places like beaches or entertainment districts. The goal is to provide a safe environment with procedures that are as invisible as possible and do not restrict the arrival of tourists.

Designate a National Tourist Safety and Security Focal Point

Every National Tourism Administration should designate a person to act as a liaison with other government bodies, specialized services, the tourism sector and the WTO services on safety and security issues.

The NTSS Focal Point will also keep records on basic facts of tourist security, such as rules and regulations, identification of risks, safety statistics and incidents.

In addition, this person should join the WTO Safety and Security Network, sharing information with their counterparts around the world and posting safety information on the WTO website.

Train local personnel in security issues

NTAs can take an active role in improving safety and security by sponsoring workshops on safety issues for local tourism workers and especially by encouraging partnerships between public security and private security companies in the tourism sector, such as local police and hotel security guards.

In addition, undertake community awareness programmes that help local residents recognize the value of tourism to their communities. They can help make it safer for visitors by reporting suspicious activities.

Establish tourism police and emergency call centres

Special tourism police forces, such as the ones in Argentina, the Dominican Republic, Egypt, Greece and Malaysia, are trained to offer assistance in several languages. Mexico's Green Angels patrol the highways with bilingual crews. Other countries offer call centres with multi-lingual operators to handle emergencies involving visitors.

Information on how to contact these emergency services needs to be communicated clearly to tourists on arrival.

D) Research readiness

Establish strong contacts with key partners in the private sector

Set up reciprocal agreements with major hotels, airlines and tour operators to exchange up-to-the-minute data on overnight stays, occupancy rates, pricing, etc. Build an email or fax system capable of exchanging your data with these key partners.

Monitor hospital admissions involving tourists

Information on non-crisis situation hospital admissions of tourists can be used as a point of comparison to put any possible problems in the future in a proper perspective.

Monitor crime against tourist

Statistics on crimes against tourists can help experts find gaps in security services, improve the quality of the destination and possibly help avoid crisis-scale problems in the future.

Crime statistics can also be used as background information, providing a context for crisis communication and a reference point for demonstrating a return to normalcy.

II. DURING A CRISIS : Minimizing Damage in a Crisis

A) Communications from the front line

Be honest and transparent

Do not impose a news blackout

Establish a media centre

The media will come to your offices immediately in a crisis, so set aside a room they can use that is equipped with desks, phones and data lines. Use it for media briefings.

If the crisis occurs in a different location, set up a second media centre there with a second spokesperson who is in constant communication with the headquarters. Work with security services to help television reporters gain access to positions with good backgrounds for oncamera reports.

Act fast

News travels around the world in a matter of seconds. In order to work effectively with the media, you need to respond as quickly as they do.

Begin to release information once you are ready to answer the five key questions: who, what, where, when, and why? If some of the information is still

missing, simply say that it is not yet available and promise to get back to the journalists as soon as possible.

Set up a timetable for regular bulletins.

Provide background information on your destination.

Remember the victims

The first communication about the crisis should include information about what is being done to help the victims.

News about economic losses to the tourism industry comes across as insensitive where loss of life or injury is concerned.

Tourism is a humane industry and needs to show its compassionate face in a crisis.

Avoid speculation and categorical reassurances

Put the crisis into context

Use good maps and plenty of statistics to demonstrate that the crisis is limited to a specific area or that it has only affected a portion of your country's tourism industry.

Challenge untrue statements

Take time to contact media outlets that are making mistakes in their reporting immediately—before the inaccuracies can be repeated by other journalists.

Be prepared with facts and offer interviews or other assistance.

Don't automatically assume the media is against you, credibility sustains their businesses and, while journalists don't enjoy being corrected, they value the truth.

Use the media spotlight to highlight positive aspects

During the crisis period, you have an unprecedented opportunity to speak with reporters in depth about your destination.

Make sure to work positive details into news releases, for example: new tourism developments, growth statistics or how important tourism is to the community.

Look for human interest stories, such as local residents helping victims.

Place information about the crisis on website

Internet allows each tourism destination to become its own news channel.

Communicate directly to potential tourists over your destination website, emphasizing which areas are affected by the crisis and which are unaffected, as well as what is being done to end the crisis.

Be honest and factual.

Update the information on a daily basis.

Network with other news sources

Other organizations that are providing information on the crisis to the media, such as police, disaster relief, airlines, hotel associations, tour operator groups and WTO should be kept informed about your response so that they can refer to it in their communication. Let these partners know how to reach your spokesperson in order to correct any possible errors or request more information.

B) Hard decisions about promotion

Communicate directly with travel trade

Don't make your key partners rely on the media for information about the crisis. Provide details about the extent of the disaster, what is being done to

assist victims, how security services are working to end the crisis and what is being done to make sure it doesn't happen again.

Familiarization trips organized for tour operators during or immediately following the crisis are the best way to allow them to assess the true situation for themselves.

Change promotional message to address safety concerns

Rather than suspending promotion when a crisis hits, immediately change the message to reflect the current situation and address safety concerns about the destination.

Advertising should express sympathy for victims or provide information about what is being done to end the crisis.

Use ads to direct potential tourists to a hotline or website for more detailed information.

Press ahead with promotional events and travel shows

The travel trade needs to understand that your destination is stable and not going to disappear because of the crisis.

The best way to demonstrate that is to press ahead with scheduled promotional events.

A crisis will undoubtedly create more attention for a destination at a trade show and allow more opportunities to communicate positive developments, as well as up-to-date information about the end of the crisis.

Seek increases in promotional budgets

A crisis usually results in more government attention for the tourism industry than it would receive under normal circumstances with everything operating smoothly.

Use the opportunity to seek increases in promotional budgets—which will be needed to help the industry recover and stimulate visitors to return.

Initiate financial assistance and/or fiscal measures to support tourism companies

Governments need to work closely with the industry in difficult times to ensure that there is not a damaging loss of product that could limit the recovery when better times come.

Temporary tax incentives, subsidies, reduced airport charges and free visas are some of the measures taken to encourage tour operators, airlines, and cruise companies to continue operating immediately following a crisis.

C) Ensuring **security**

Set up a hotline

Monitor what is being done to improve safety and security

Use inter-agency contacts and relationships to help keep your organization informed about what security services are doing to end the crisis and improve safety.

Coordinate with security services for media access

Communicate internally

It is important to keep all tourism staff up-to-date on the seriousness of the crisis and what is being done to end it.

Not only does it strengthen the tourism team, it can also prevent erroneous information from being spread.

D) Quick **research** tactics

Get to know your visitors

Send out survey teams to find out who is travelling during the crisis, where they come from and why, then feed information back immediately to the promotion department.

Monitor media reports

Keep track of what is being published and broadcast about your destination during the crisis and feed that information back to the communications and promotion departments.

Even if media monitoring is normally the responsibility of the communications department, they will be stretched too thin during a crisis and will appreciate the assistance.

III. FOLLOWING A CRISIS: Recovering Tourist Confidence

Recovery demands a redoubling of efforts, especially in the areas of communications and promotion.

A) Image building **communications**

Be pro-active in communications

Promote what you are doing to restore tourism to normalcy.

Tell journalists about your recuperation plans and how long it will take for them to have effect.

Provide plentiful information, including copies of speeches, editorial pieces, maps and photos.

Recuperating from a crisis requires extra budgetary and human resources in communications.

Look for positive news

Increase familiarization trips for journalists

Remember anniversaries

A major crisis will be revisited by the media during year-end reviews and on key anniversaries—100 days, six months, one year, two years.

These dates offer a good opportunity to communicate.

Anticipate this attention and be prepared with materials and stories that reflect the recovery of the destination.

Anticipate legal actions

Create your own news outlet on the destination website

Provide an alternative to mass media news sources on your own website.

Make the website as newsy as possible, taking advantage of its unlimited space to provide more in-depth information.

To demonstrate that your website is providing up-to-date information it needs to include today's date in a prominent place.

And it needs to be updated daily with positive stories that demonstrate a return to normalcy following a crisis.

Join the global communications campaign for tourism

B) Flexibility in promotion

Create new niche market products

Target experienced and special interest travellers

Create special price offers

Quickly shift promotion to most promising markets

Step up promotion to domestic market

Increase familiarization trips for tour operators and special events

Take travel advisories seriously

Establish contact with governments that have issued travel advisories against the destination.

Provide a regular flow of information on the crisis, including details of the exact location of the incident, what is being done to make the area more secure and where it is safe for visitors to travel.

Begin lobbying the government and invite representatives to see the situation for themselves.

Intensify cooperation

A crisis brings people together in a spirit of solidarity and cooperation is essential to a quick recovery.

Improve coordination among tourism promotion boards throughout the country and redouble collaboration between public and private sectors in marketing campaigns.

Also explore the possibility of multi-country regional promotions and products.

C) Security for the future

Evaluate security procedures

Following a crisis, a second look is needed at security systems to make sure they are in place, but not in an obvious way and not contributing to a negative image of the destination.

Do not let the 'hassle' of dealing with security frighten visitors or prevent tourism from resuming.

Push to improve quality of services and facilities

Encourage quality through feedback of survey results on tourist perceptions, by rewarding excellence and by setting up tourist complaint services.

Tourists should have somewhere to complain if services do not meet expectations. Peru's Tourist Protection Service (SPT), which operates under the auspices of the country's consumer protection commission, provides this service by mediating complaints, providing general tourist information and analysing data on the nature of complaints to help point out where improvement is needed.

D) Using **research** effectively

Survey generating markets on perceptions of your destination

Research potential tourists and survey your travel partners in primary source markets for readiness to travel and for information about their perceptions or apprehensions about your destination.

Feeding this information back to promotion officials will allow them to tailor campaigns to correct damaging impressions.

In order to begin changing perceptions, it is essential to know where you stand.

IV. Crisis Action Team

Responding quickly to a tourism crisis demands solidarity, flexibility and expertise. That is why the World Tourism Organization has put together a Crisis Action Team made up of 11 of the world's top experts in the area of communications, marketing and promotion and safety and security—all of them with solid experience collaborating with WTO. These professionals have agreed to make themselves available to help member countries that are hit by a crisis and request urgent assistance from the Secretary-General. The kind of assistance would be at the discretion of the Secretary-General depending on the nature of the crisis, but could include such services as: audits of crisis preparedness, developing crisis management plans, communications training seminars, providing advice by phone or email, or giving emergency on-site assistance during a crisis.

Source: World Tourism Organisation. Market Research Group.

([http://www.world-tourism.org/market-research/recovery/crisis %20 and %20 disaster %management %20 guidelines. PDF](http://www.world-tourism.org/market-research/recovery/crisis%20and%20disaster%20management%20guidelines.PDF))

Evolution of Policy Framework in the Philippines

By: Cherrylyn Rodolfo

1950s and 60s

- Formation of the Philippine Tourist and Travel Association (PTTA) by the private sector whose charter was promulgated by Congress in 1952.
- Creation of Board of Travel and Tourist Industry (BTTI) under the Department of Commerce and Industry in 1956.
- BTTI became the policy-making body while PTTA was the implementing arm.
- Creation of Philippine Tourism Commission (PTC) which absorbed the function of PTTA and BTTI
- In 1962, major markets were US (50.25%), Australia (7.34%), and Japan (5.70%).
- By the end of 1960s, the Japanese market became the second largest market (17%).

4-Year Philippine Development Plan (1974-1977)

- Issuance of Presidential Decree (PD) No. 31 which eliminated hotel taxes.
- Inclusion of tourism in the 'Business and Incentives and Reforms' of the Board of Investments.
- Relaxation of entry and visa requirements.
- Creation of the Department of Trade and Tourism in 1972.
- Creation of the Department of Tourism in 1973 with a Philippine Tourism Authority (PTA) attached to it and this became the implementing arm for physical and infrastructure development.
- Creation of the Philippine Convention Bureau in 1976 in charge of marketing.
- Focus of government policies on making Manila, Cavite, Laguna, Batangas, Corregidor and Bataan as the priority development areas due to limited resources.
- Construction of the Philippine International Convention Center and the Folk Arts Theatre to boost Manila's bid as a convention center in Asia.
- One-airline policy in 1973 to establish the financial viability of the airline and spread out aviation services to the entire country.
- International events included the Miss Universe pageant, the Balikbayan program and the Reunion for Peace program.
- Arrivals of 730,132 in 1977 and receipts amounting to \$130 million in 1977.
- Marginalization of more communities as foreign tourism developed.
- Widening of disparity between the core (Manila) and the periphery (provinces).
- Tourism benefits hardly trickled down to the community residents where tourism infrastructure and activities were undertaken.

10-Year Tourism Plan (1978-1987)

- Emergence of the Philippines as an investment and destination center of Asia in the midst of public protests against human rights violations by the Marcos Administration.
- Arrivals grew at an average of 37.9% from 1973 to 1976.
- Preparation of a Tourism Priorities Plan to provide a comprehensive and systematic development of tourist areas throughout the country.
- National Economic and Development Authority (NEDA) drew up a Ten-Year Tourism Plan covering the years 1978-1987.
- Policies were directed at developing areas with existing facilities and attractions
- Provision of incentives for projects in Region I (Ilocos Sur, Benguet and La Union), Region IV-A (Cavite, Laguna, Batangas and Quezon), and Region IX (Zamboanga del Sur) but there was no clear basis for the selection of these regions.
- Arrivals reached the 1 million mark in 1980 but declined by an average of 3% from 1981 to 1987 due to political unrest.
- Sex tourism flourished.
- Complete neglect of domestic tourism because the mounting poverty concerns limited the growth of this market.

5-Year Medium Term Philippine Development Plan (1987-1992)*

(*Tourism was combined with Industry and Trade in Chapter 5 of the MTPDP)

- Major policies and strategies directed toward development of high impact markets such as East Asia and the review of air agreements, improvement of international and national airports, deregulation and self-regulation of the private sector, people empowerment through the strengthening and revitalization of local tourism councils, primary importance given to environment and sociocultural impacts and welfare of local communities in the development of tourism areas, and regional dispersion of economic benefits through an expanded list of priority areas.
- Revival of organizations such as PTTA (Philippine Tour and Travel Association), PHILTOA (Philippine Tour Operators Association) and the HRAP (Hotel and Restaurant Association of the Philippines)
- Devolution to the local government of the tourism function in 1991
- Creation of the Tourism Master Plan, the blueprint for tourism development in the next 20 years made by the WTO-UNDP, in 1991
- Decline of arrivals in 1990 and 1991 due to political troubles (kidnappings and military coups), power crisis (brown-outs), Mount Pinatubo eruption in 1991, Gulf War of 1990 and economic recession which hit major markets such as the US and Japan.

5-Year Medium Term Philippine Development Plan (1992-1998)

- Adoption of the cluster development approach in the 1991 TMP.
- Heavy infrastructure development to link air, sea and land transport services.
- Focus on triple T's (tourism, transport and telecommunications) for economic growth.
- Deregulation of strategic sectors such as (air, inter-island shipping, telecommunications and banking)
- Implementation of regional training programs in 3 clusters namely: Cebu, Davao and Baguio.
- Creation of master plans for areas like CAR, Tagaytay and Palawan.
- Arrivals hit the 2 million mark in 1996 because of increased seat capacity due to expanded bilateral agreements with major markets like the US, Japan, Taiwan, Korea and Hong Kong.
- Signing of the Villamora Declaration of 1997 as member of the WTTC
- Rise in cost of development due to rising pollution cases (coliform issues in Boracay), rampant prostitution in Metro Manila, marginalization of the community because large-scale projects were prioritized.
- Incoherent plans, heavy politicization of the industry and lack of leadership in sustaining the momentum of tourism development.

Angat Pinoy (MTPDP) (1998-2003)

- Holding of a Transportation and Tourism Summit in 1999 to produce resolutions on transport issues, marketing and product development, among others
- Promotion of the Philippines as the best place to do business, spend holidays, convention and retirement purposes.
- Encouragement of LGUs (local government units) and local communities to venture in projects in physical infrastructure development to minimize impact on the environment.
- Promotion of domestic and international tourism and upgrading of tourism training institutes.
- Decline of tourist arrivals from 1998 to 2000 because of bankruptcy of PAL (Philippine Airlines) and the abrogation of agreement with Taiwan in 1999 leading to a loss of 900,000 seats per week from both Taiwanese and Philippine carriers.

4 Year Medium Term Philippine Development Plan (2001-04)

- Improvement of accessibility to tourist destinations through the development of hubs (Manila, Cebu, Davao, Laoag), liberalizing civil aviation to increase weekly air seat capacity at par with Thailand, Malaysia and Singapore, liberalizing visa requirements.
- Enhancement of tourist products and services by making them affordable.

- Instilling a culture of tourism by stronger law enforcement, conducting information campaigns, integrating environmental considerations and promoting ecotourism.
- Establishment of the Tourism Satellite Account.
- Issuance of travel advisories from the US, Japan and other countries due to kidnapping incidents in certain areas of Mindanao and political instability.
- September 11 terrorist attacks on the US caused decline of arrivals from the US.

Questionnaire for Tourists

(Note: This questionnaire will take around 15-20 minutes to complete.)

1. Name of Respondent (Optional): _____
2. Nationality: _____
3. Sex: ☐ Male ☐ Female
4. Age: ☐ Below 21
☐ 21-30
☐ 31-40
☐ above 40
5. Occupation: _____
6. Status: ☐ Single ☐ Widowed
☐ Married ☐ others
☐ Divorced or Separated
7. If with family, is your family with you on this travel?
☐ Yes ☐ No
 If no, why not?

8. How would you identify yourself as a tourist?
☐ Business
☐ Backpacker
☐ VFR (visiting relatives and friends)
☐ Researcher
☐ Domestic
☐ International
☐ Others
☐ Please specify. _____
9. Purpose of visit to the Philippines:
☐ business ☐ personal
☐ pleasure ☐ others (pls. specify)
☐ visit family and friends
☐ research
10. If answer to no. 8 above is pleasure, research or personal, how did you learn about the tourist spots in the Philippines that you have just visited?
☐ friends and relatives
☐ internet
☐ books, brochures, magazines and other printed materials
☐ television and radio
☐ other tourists
☐ others (pls. specify)

11. In deciding travel plans and choosing tourist destinations, how important is security and safety?

_____ Very important _____ Important _____ Not very important
 _____ Never thought about it

12. Prior to making travel plans, do you enquire first about the security situation in the target destination, either with other people, internet, printed materials, media, etc.? Why?

13. Please describe your levels of concern or fear for security and degree of anxiety before September 11, 2001 and now.

_____ Still very high _____ Higher now _____ Not as high as before
 _____ Still low _____ Lower now _____ Not my concern

14. What areas have you visited?

<i>Luzon</i>	_____ Metro Manila	<i>Visayas</i>	_____ Cebu	<i>Mindanao</i>	_____ Davao
	_____ Tagaytay		_____ Boracay		_____ Zamboanga
	_____ Batangas		_____ Iloilo		_____ Cag. de Oro
	_____ Cavite		_____ Negros		_____ others
	_____ Laguna		_____ Aklan		
	_____ Quezon		_____ others		
	_____ Palawan				
	_____ Mindoro				
	_____ others				

15. Have you avoided any of these areas because of security concerns? Which ones?

16. How many times have you visited the Philippines?

_____ 1
 _____ 2-3
 _____ 4 and more

17. Have issues of safety affected decisions you have made about where you travel, how and the duration of your stay? Why?

18. How have the following security-related events affected your travel plans?

	<u>High Impact</u>	<u>Medium Impact</u>	<u>Low/No Impact</u>
a. People Power II	_____	_____	_____
b. September 11, 2001	_____	_____	_____
c. US-IRAQ conflict	_____	_____	_____
d. Mindanao bombings/ kidnappings	_____	_____	_____
e. incidence of crime	_____	_____	_____

19. For those visiting the Philippines for the first time, would you say that it is safer and more secure in the Philippines than as written and publicised in the news?

- _____ strongly agree
- _____ agree
- _____ disagree
- _____ strongly disagree
- _____ no comment

Please explain.

20. For those who have visited the Philippines more than once, please compare the security conditions then and now. Please explain.

21. Which of the following security issues, if any, may have affected your decision in visiting the Philippines? Why?

- a. People Power II _____
- b. September 11, 2001 _____
- c. US-IRAQ conflict _____
- d. Mindanao bombings and kidnappings _____
- e. incidence of crime _____
- f. Others _____

22. Did you have any security-related experiences in your stay in the Philippines? If yes, please describe.

23. Has it been resolved? Please explain.

24. Are you satisfied at how it was addressed? Why or why not?

25. Would this influence your decision to return to the Philippines in the future?

26. Why are you now leaving the Philippines?

27. Would you consider going back to the Philippines?

_____ yes _____ no _____ maybe

28. Rate according to degree of importance the following factors that affect your decision in selecting places that you plan to visit: (1-8, where 1 is the most important)

- | | |
|-----------------------------|-------------------------------|
| a. accessibility | e. people |
| b. prices | f. existence of packages |
| c. existence of promo rates | g. beauty of place |
| d. security | h. tourist attractions nearby |

29. How would you rate your stay in the Philippines?

_____ very satisfied	_____ somewhat dissatisfied
_____ generally satisfied	_____ very dissatisfied

30. Reason for answer in no. 29 above:

_____ security condition	_____ pricing
_____ tourist attractions	_____ facilities available
_____ people	_____ accessibility
_____ weather	_____ others (pls. specify)

31. If answer to no. 28 above is no or maybe, what can you suggest to encourage you to go back to the Philippines?

_____ strengthen security
_____ improve facilities
_____ improve accessibility
_____ reduce prices
_____ enhance activities and shows
_____ improve attractions
_____ (others, pls. specify)

Other remarks and comments:

Thank you for your assistance with this research.

Questionnaire for Hotels

(Note: This questionnaire will take around 20-30 minutes to complete.)

1. Name of Hotel: (optional) _____ Location: _____
2. Name of Interviewee: (optional) _____
Position in Hotel: _____
3. Type of Hotel: _____ Budget _____ Mid-range _____ Top-end _____
4. No. of Rooms: _____
5. Ownership of Hotel: _____
a. Local _____% b. Foreign _____%
6. Age of Hotel: _____
7. Target Market (please tick as many as apply):
 Business/corporate travellers _____
 Backpackers/budget tourists _____
 Short haul (Asia) _____
 Long haul (America, Europe and Australia/New Zealand) _____
 Expatriates _____
 Balikbayan _____
 Domestic segments _____
 All tourists _____
 Others _____
8. Advertising Strategy:
 Participation in sales missions, travel marts, and trade fairs by government and industry _____
 Linkaging with respective hotel chains or international partners _____
 Through own website _____
 Through website of other travel/tourism organizations _____
 Through brochures and other printed materials displayed in airports, travel agencies, the office of the Department of Tourism, etc. _____
 Through travel guides _____
 Through media (t.v. or radio commercials, etc.) _____
 Others (pls. specify _____) _____
9. Average Occupancy Rate and Average Prices:
 a. Before 2001 : _____ % / P _____
 b. 2001 : _____ % / P _____
 c. After 2001 : _____ % / P _____
10. How have the following security-related events affected your business?

	<u>High Impact</u>	<u>Medium Impact</u>	<u>Low/No Impact</u>
a. People Power I	_____	_____	_____
b. People Power II	_____	_____	_____
c. September 11, 2001	_____	_____	_____
d. US-IRAQ conflict	_____	_____	_____
e. Mindanao bombings/ kidnappings	_____	_____	_____
f. incidence of crime	_____	_____	_____

11. Have any other internal or external events linked to feelings of traveller safety affected your business significantly? Please explain.

12. Please rate according to degree of importance the following factors that affect tourist decisions in selecting places and locations that they would visit: (1-8, where 1 is the most important)

- | | |
|-----------------------------|-------------------------------|
| a. accessibility | e. people |
| b. prices | f. existence of packages |
| c. existence of promo rates | g. beauty of place |
| d. security | h. tourist attractions nearby |

13. Would you say that security is still a primary consideration of tourists in coming to the Philippines? Please explain.

- _____ strongly agree
_____ agree
_____ disagree
_____ strongly disagree
_____ no comment

14. Have tourists enquired about or shown a greater concern about security now as compared to before 2001? Please explain.

15. What sort of security concerns are they anxious about?

16. How did these events impact on your business (e.g. lower occupancy rates, reduced average length of stay, increased length of stay (since tourists may have chosen to stay in Manila than go to the regions, etc.)?

17. What measures or strategies were undertaken to manage the impact of the events listed above? Were these effective? Please explain.

a. People Power I

b. People Power II

c. September 11, 2001

d. US-IRAQ conflict

e. Mindanao bombings and kidnappings

f. incidence of crime in Manila

18. Can any action or intervention from the government alleviate the negative impact of the above security problems on your business? How?

a. Political Stability Issues

b. Terrorism (both international and internal)

c. Incidence of crime

d. Other security issues (like SARS)

19. Can any action or intervention from tourist agencies and associations help to address these security problems? How?

a. Political Stability Issues

b. Terrorism (both international and internal)

c. Incidence of crime

d. Other security issues (like SARS)

20. Can you think of other organizations and groups that can help resolve the security situation in the country? If yes, please identify and indicate how they can assist.

21. What could be the best means to attract tourists to the Philippines despite threats to security?

- ☐ more visible police/military men in tourist spots
- ☐ less visible police/military men in tourist spots
- ☐ better press releases
- ☐ less reported cases of tourist crimes (kidnappings, abductions)
- ☐ discounted prices
- ☐ enhanced attractions and activities within and nearby
- ☐ stronger support and related programs from government, industry, and civil society
- ☐ do not know
- ☐ other remarks

22. How would you describe your feelings about this year's business climate?
Why?

_____ Much better _____ Somewhat better _____ About the same
_____ Somewhat worse _____ Much worse

23. Compared to last year, how would you rate the overall tourism climate? Why?

_____ Much better _____ Somewhat better _____ About the same
_____ Somewhat worse _____ Much worse

24. Thinking about the next five years, do you believe your own business will:

_____ Improve significantly _____ Improve slightly _____ Be about the same
_____ Decline slightly _____ Decline significantly

Why?

25. Thinking about the next five years, do you believe the overall tourism in the Philippines will:

_____ Improve significantly _____ Improve slightly _____ Be about the same
_____ Decline slightly _____ Decline significantly

Why?

26. Thinking about the next five years, do you believe that the political stability situation in the Philippines will:

_____ Improve significantly _____ Improve slightly _____ Be about the same
_____ Decline slightly _____ Decline significantly

Why?

27. Thinking about the next five years, do you believe that terrorism in the Philippines will:

_____ Improve significantly _____ Improve slightly _____ Be about the same
_____ Decline slightly _____ Decline significantly

Why?

28. Thinking about the next five years, do you believe that the incidence of crime in the Philippines will:
_____ Improve significantly _____ Improve slightly _____ Be about the same
_____ Decline slightly _____ Decline significantly
Why?

29. What are your other remarks or comments on the relationship of security and tourism with regard to your operation? And the Philippines in general.

Thank you for your assistance with this research.

Guide Questions for Government Officials/Tourism Industry Leaders

Note: Please answer only the questions applicable to your agency or organization.

1. Name of Government Office/Agency/Organization: _____

2. Address: _____

3. Name of Interviewee (optional): _____

4. Position in Office/Agency/Organization: _____

5. How would you rate this year's tourism climate? Why?

_____ Very Pleased _____ Pleased _____ Satisfied
_____ Disappointed _____ Very Disappointed

6. How would you describe this year's business climate? Why?

_____ Much better _____ Somewhat better _____ About the same
_____ Somewhat worse _____ Much worse

7. Compared to last year, how would you rate the overall tourism climate? Why?

_____ Much better _____ Somewhat better _____ About the same
_____ Somewhat worse _____ Much worse

8. Thinking about the next five years, do you believe the overall tourism in the Philippines will: Why?

_____ Improve significantly _____ Improve slightly _____ Be about the same
_____ Decline slightly _____ Decline significantly

9. What are the most serious issues and concerns that has affected the tourism industry very much?

10. Are security-related events among the factors that greatly affected the industry? If yes, please explain.

11. What security issues have affected the tourism industry very much?

a. Political Stability Issues

b. Terrorism (both international and internal)

e. Incidence of crime

f. Other security issues (like SARS)

12. What measures or strategies were undertaken to manage the impact of the events listed above? Were these effective? Please explain.

a. Political Stability Issues

b. Terrorism (both international and internal)

c. Incidence of crime

d. Other security issues (like SARS)

13. What are your short-term and long-term plans and strategies to address the security issues affecting the industry?

14. Have tourists enquired about or shown a greater concern about security now as compared to before 2001? Please explain.

15. What sort of security concern are they anxious about?

16. What could be the best means to attract tourists to the Philippines despite threats to security?

- ☐ more visible police/military men in tourist spots
- ☐ less visible police/military men in tourist spots
- ☐ better press releases
- ☐ less reported cases of tourist crimes (kidnappings, abductions)
- ☐ discounted prices
- ☐ enhanced attractions and activities within and nearby
- ☐ stronger support and related programs from government, industry, and civil society
- ☐ publicised solution of security-related offences on tourists
- ☐ other remarks

17. Have any other internal or external events linked to feelings of traveller safety affected your business significantly? Please explain.

18. Thinking about the next five years, do you believe the overall security situation in the Philippines will: Why?

a. Political Stability

____ Improve significantly ____ Improve slightly ____ Be about the same
 ____ Decline slightly ____ Decline significantly

b. Terrorism

____ Improve significantly ____ Improve slightly ____ Be about the same
 ____ Decline slightly ____ Decline significantly

c. Incidence of crime

____ Improve significantly ____ Improve slightly ____ Be about the same
 ____ Decline slightly ____ Decline significantly

d. Other security issues (like SARS)

____ Improve significantly ____ Improve slightly ____ Be about the same
 ____ Decline slightly ____ Decline significantly

19. What are your other remarks or comments on the relationship of security and tourism with regard to your agency or organization?

20. And the Philippines in general.

LIST OF RESPONDENTS

Hotels

- Mandarin Oriental
- Bayview Hotel
- Manila Pavilion
- City Garden Hotel
- Legend Hotel
- El Cielito Inn
- Las Palmas

Government/Industry Officials

- Department of Tourism High Official
- DOT Director
- PATA Official
- Philtoa Official
- Guides, Inc. Official
- AFP Officer
- Marikina Tourism Officer
- Cavite LGU1 Officer
- Cavite LGU2 Officer

BIBLIOGRAPHY

Albert, D. 2004. "Statement on Regional Counter-terrorism Report." Regional Ministerial Meeting on Counter-terrorism. 4-5 February. Bali: 31 May 2004. <http://www.dfa.gov.ph/archive/speech/albert/rctr.htm>.

Allen, J. and Hamnett, C., ed. 1995. *A Shrinking World? Global Unevenness and Inequality*. Milton Keynes: Open University Press.

Amin, A. and Thrift, N. 1994. "Living in the Global" in *Globalization, institutions, and regional development in Europe* edited by A. Amin and N. Thrift. London: Oxford University Press.

AsianInfo.org. 2000. "Transportation in the Philippines." <http://www.asianinfo.org/asianinfo/philippines/pro-transportation.htm>.

Association of Southeast Asian Nations. 2003. ASEAN Tourist Arrivals. Statistics, http://www.asean.org/tour_stat/Monthly_Growth_of_International_Visitor_Arrivals_to_ASEAN.htm.

Bar-On, R. R. 1996. "Measuring the effects on tourism of violence and of promotion following violent acts." Pp. 159-174 in *Tourism, Crime, and International Issues*, edited by A. Pizam and Y. Mansfeld. Chichester: John Wiley and Sons.

Black, H. 1979. *Black's Law Dictionary*. St. Paul MN: West.

Bloom, J. 1996. "A South African Perspective of the Effects of Crime and Violence on the Tourism Industry." Pp. 91-102 in *Tourism, Crime, and International Issues*, edited by A. Pizam and Y. Mansfeld. Chichester: John Wiley and Sons.

Brayshaw, D. 1995. "Negative publicity about tourism destinations: a Florida case study." *Travel and Tourism Analyst* 5: 62-71.

Britton, S. 1980. "The evolution of a colonial space economy." *Journal of Historical Geography* 6: 251-274.

Britton, S. 1981. "The spatial organization of tourism in a neo-colonial economy: a Fiji case study." *Pacific Viewpoint* 21: 144-165.

Britton, S. 1982. "The political economy of tourism in the Third World." *Annals of Tourism Research* 9: 331-358.

Britton, S. 1984. *Tourism and Underdevelopment in Fiji*. Canberra: Australian National University.

- Brodie, S. 2002. *Philippines*. Alexandria NSW: Watts Publishing.
- Buckley, P.J. and Klemm, M. 1993. "The decline of tourism in Northern Ireland." *Tourism Management* June: 184-194.
- Buenaventura, O. 1989. "The Communist Party of the Philippines/National Democratic Front Network Abroad." in 28 April 2004: <http://www.globalsecurity.org/military/library/report/1989/BOG.htm>.
- Cassedy, K. 1991. "Crisis Management Planning in the Travel and Tourism Industry". The Pacific Asia Travel Association.
- Chesney-Lind, M. and Lind, I. 1986. "Visitors as victims of crimes against tourist in Hawaii." *Annals of Tourism Research* 13: 167-191.
- Chung, H. 1994. "People's spirituality and tourism." *Contours* 6: 8-14.
- Coleman, C. and Moynihan, J. 1996. *Understanding Crime Data: Haunted by the Dark Figure*. London: Open University Press.
- Crick, M. 1989. "Representations of international tourism in the social sciences: sun, sea, savings, and servility." *Annual Review of Anthropology* 18: 307-344.
- Cruz, I. 2003. At ASEAN Summit Terrorism is New Headache in 4 November 2002: http://www.cyberdyaryo.com/features/12002_1104_02.htm.
- Cult-media.com. 2004. "John Lennon and Malcom Foley, Dark Tourism: The Attraction of Death and Disaster." in 11 June 2004: <http://www.cult-media.com//issue2/Rread.htm>.
- Demos, E. 1992. "Concern for Safety: a Potential; Problem in the Tourist Industry." *Journal of Travel and Tourism Marketing* 1: 81-88.
- Dobbs-Higginson, M. 1995. *Asia Pacific: Its Role in the New World Disorder*. London: Mandarin Paperback.
- Edsa World. 2001. People Power, <http://www.edsa.com.ph/anniversary/second.html>, 10 January 2004.
- Elegant, S. 2003. "Elevated Threat." *Time*: 38-41.
- Enders, W. and Sandler, T. 1991. "Causality between Transnational Terrorism and Tourism: the Case of Spain." *Terrorism* 14: 49-58.
- Enders, W., Sandler, T., and Parise, G. 1992. "An Econometric Analysis of the Impact of Terrorism on Tourism." *Kyklos* 45: 531-554.
- Ezzedin, A. 1987. *Terrorism and Political Violence*. Office of International Criminal Justice. Urbana: University of Illinois.

Federation of American Scientists. 2004. "Abu Sayyaf Group (ASG)." in 28 April 2004: <http://www.fas.org/irp/world/para/asg.htm>.

Federation of American Scientists. 2004. "New People's Army (NPA)." in 28 April 2004: <http://www.fas.org/irp/world/para/npa.htm>.

Fujii, E. and Mak, J. 1980. "Tourism and Crime: Implications for Regional Development Policy." *Regional Studies* 14: 27-36.

Gartner, W.C. and Shen, J. 1992. "The Impact of Tiananmen Square on China's Tourism Image." *Journal of Travel Research* 30: 47-52.

Gatagiri, N. 2002. "In the Spotlight: The Communist Party of the Philippines (CPP)." in 28 April 2004: <http://www.cdi.org/terrorism/cpp.cfm>.

Glaesser, D. 2003. *Crisis Management in the Tourism Industry*. Amsterdam: Butterworth-Heinemann.

Globeandmail.com. 2004. "Day of Infamy." in 8 June 2004: <http://www.theglobeandmail.com/special/attack/pages/whathappened/article11.html>.

Goeldner, C. and Brent Richie, J. 2003. "World Travel and Tourism Council in 1992." in *Tourism: Principles, Practices, Philosophies*, edited by C. Goeldner and J. Brent Richie. New Jersey: John Wiley and Sons, Inc.

Goeldner, C. and Brent Richie, J. 2003. *Tourism: Principles, Practices, and Philosophies*. New Jersey: John Wiley and Sons, Inc.

Goldstone, P. 2001. *Making the World Safe for Tourism*. New Haven: Yale University Press.

Gonsalves, P. 1993. "Divergent views: convergent paths. Towards a Third World critique of tourism." *Contours* 6: 8-14.

Goodrich, J. N. 2002. "September 11, 2001 attack on America: a record of the immediate impacts and reactions in the USA travel and tourism industry." *Tourism Management* 23: 573-580.

Goszczyńska, M., Tyska, T., and Slovic, P. 1988. "Risk Perception in Poland: A comparison with three other countries." *Journal of Behavioural Decision Making* 4: 179-193.

Government of the Philippines. 2004. "About the Philippines" in 2 May 2004: <http://www.gov.ph/aboutphil/default.asp>.

Group, Bayanihan Computing. 2002. "Bayanihan." in 2 June 2004: <http://www.cag.lcs.mit.edu/bayanihan/bayanword.html>.

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

Hall, C. M. 1994. *Tourism and Politics: Policy, Power and Place*. Chichester: John Wiley and Sons, Inc.

Hall, C.M. and O'Sullivan, V. 1996. "Tourism, Political Stability and Violence." Pp. 105-121 in *Tourism, Crime, and International Issues*, edited by A. Pizam and Y. Mansfeld. Chichester: John Wiley and Sons.

Hall, C.M. 2002. *Introduction to tourism: dimensions and issues*. Melbourne: Hospitality Press.

Hartz, C. 1989. *Business Executives as International Terrorist Targets*, pp. 21-28 in J.R. Buckwalter (ed.) *International Terrorism: The Decades Ahead*. Chicago: The University of Illinois at Chicago.

Hicks, N. 2002. *The Magic of the Philippines*. London: New Holland Publishers Ltd.

Hitchcock, M., King, V., and Parnwell, M., ed. 1993. *Tourism in South-East Asia*. London: Routledge.

Hurley, J. A. 1988. "The Hotels of Rome: Meeting the Marketing Challenge of Terrorism." *The Cornell Quarterly* 29: 71-79.

Inq7.net. 2004. "RP on high terror alert." in 28 April 2004: <http://www.inq7.net/nat/2004/apr/28/nat7-1.htm>.

International Policy Institute for Counter-Terrorism. 2004. "Moro Islamic Liberation Front." in 1 May 2004: http://www.ict.org.il/inter_ter/orgdet.cfm?orgid=92

IslandsProperties.com. 2002. "Metro Manila map." in 8 March 2004: <http://www.islandsproperties.com/maps/img-maps/metromanila.gif>.

Jafari, J. 1990. "Research and Scholarship: The Basis of Tourism Education." *Journal of Tourism Studies* 1: 33-41.

Jenkins, C.L. 1991. "Tourism development strategies." Pp. 61-77 in *Developing Tourism Destinations*, edited by L. Lickorish. Harlow: Longman.

Jones, R.A. 1986. *Emile Durkheim*. Newbury Park: Sage.

Keung, N. 2004. Activist recalls death in Tiananmen Square in 31 May 2004.

Kotte, E. 2001. "People Power in the Philippines, Civil Society between Protest and Participation." in 4 May 2003: <http://www.dse.de/zeitschr/de601-8.htm>.

Krakover, S. 2000. "Estimating the Effects of Atrocious Events on the Flow of Tourism in Israel." in *Tourism, War and the Commemoration of Atrocity*, edited by G. Ashworth and R. Hartmann. New York: Cognizant Communication.

Lea, J. 1988. *Tourism and Development in the Third World*: Routledge.

Lea, J.P. and Small, J.J. 1988. "Cyclones, riots and coups: Tourist industry response in the South Pacific." Pp. 305-315 in *Frontiers in Australian Tourism*, edited by Faulkner. and M. B., Fagence. Canberra: Bureau of Tourism Research.

Leheny, D. 1995. "The political economy of sex tourism." *Annals of Tourism Research* 22: 367-384.

Manila, City of. 2001. "Peace and Order." in 4 January 2004: <http://www.cityofmanila.com.ph/peace.htm>.

Mansfeld, Y. 1996. "Wars, tourism and the "Middle East" factor." Pp. 265-278 in *Tourism, Crime, and International Issues*, edited by A. Pizam and Y. Mansfeld. Chichester: John Wiley and Sons.

Mawby, R. I. 2000. "Tourists' perception of security: the risk-fear paradox." *Tourism Economics* 6: 109-121.

Maxwell, B. 2003. *Terrorism: A Documentary History*. Washington: CQ Press.

Mindanews. 2003. *Drilon: Solve LRT, Davao bombings*: <http://www.mindanwes.com/2003/09/13nws-drilon.html>.

Mowforth, M. and Munt, I. 1998. *Tourism and Sustainability - New Tourism in the Third World*. London: Routledge.

MyTravelGuide. 2003. "Southeast-Asia Map." in 5 June 2004: <http://www.mytravelguide.com/g/mapsSoutheast-Asia-map.gif>.

Nash, D. 1977. "Tourism as a form of imperialism." in *Hosts and Guests: The Anthropology of Tourism*, edited by V. Smith. Oxford: Blackwell.

Nash, Dennison. 1989. "Tourism as a form of imperialism." Pp. 37-52 in *Hosts and guests: The anthropology of tourism* edited by V. Smith. Philadelphia: University of Pennsylvania Press.

National Statistical Coordination Board. 2004. *Public Order, Safety and Justice*: http://www.nscb.gov.ph/secstat/d_safety.asp.

National Statistics Coordination Board. 2004. *Definition of Terms - Tourism*: <http://www.nscb.gov.ph/rul2/DEFINE/DEF-TOUR.HTM>.

Olesky, W. 2000. *The Philippines*. New York: Children's Press.

Overton, J. and van Diermen, P. 2003. "Using Quantitative Techniques." Pp. 37-56 in *Development Fieldwork: A Practical Guide*, edited by R. Scheyvens and D. Storey. London: SAGE Publications.

Pearce, D.G. 2001. "Towards a Regional Analysis of Tourism in Southeast Asia." Pp. 27-43 in *Interconnected Worlds*, edited by Peggy Teo, T.C. Chang and K.C. Ho. London: Pergamon.

Philippine Convention and Visitors Corporation. 2004. "Kalakbay Awards." in 2 June 2004: <http://www.dot.pcv.gov.ph/Kalakbay/kalakbay.html>.

Philippine Headline News Online. 2003. "World Tourism Slams Issuance of 'Indiscriminate' Travel Advisories." in 10 October 2003: <http://www.newsflash.org/2002/11/hl/hl016899.htm>.

Philippines, Bohol. 2004. "The Philippine tarsier." in 2 June 2004: <http://www.bohol.ph/article15.html>.

PilotGuides.com. 2004. "Ground Zero and the phenomena of 'Dark Tourism'." in 24 May 2004: <http://www.pilotguide.com/destinationguide.northAmerica/NewYork/groundzero>.

Pizam, A. 1982. "Tourism and Crime: Is There a Relationship?" *Journal of Travel Research* 20: 7-10.

Pizam, A. 1999. "A Comprehensive Approach to Classifying Acts of Crime and Violence at Tourism Destinations." *Journal of Travel Research* 38: 5-12.

Pizam, A. and Fleischer, A. 2002. "Security vs. Frequency of Acts of Terrorism: Which Has a Larger Impact on Tourism Demand?" *Journal of Travel Research* 40: 337-339.

Pizam, A. and Mansfeld, Y., ed. 1996. *Tourism, Crime, and International Security Issues*. Chichester: John Wiley and Sons.

Pizam, A. and Smith, G. 2000. "Tourism and terrorism: a quantitative analysis of major terrorist acts and their impact on tourism destination." *Tourism Economics* 6: 123-138.

Richter, L.K. 1980. "The Political Uses of Tourism: A Philippine Case Study." *The Journal of Developing Areas* 14: 237-257.

Richter, L.K. 1989. *The Politics of Tourism in Asia*. Honolulu: University of Hawaii Press.

Richter, L.K. 1992. "Political Instability and Tourism in the Third World." Pp. 35-46 in *Tourism in Less Developed Countries*, edited by David Harrison. London: Belhaven.

Richter, L. K. 1999. "After Political Turmoil: The Lessons of Rebuilding Tourism in 3 Asian Countries." *Journal of Travel Research* 38: 41-45.

- Richter, L. K. and Waugh Jr., W.L. 1986. "Terrorism and tourism as logical companions." *Tourism Management* December: 230-238.
- Rigg, J. Southeast Asia: 1997. *The Human Landscape of Modernization and Development*. London: Routledge,
- Roche, M. 1992. "Mega-events and micro-modernization: On the sociology of new urban tourism." *British Journal of Sociology* 43: 563-600.
- Rodolfo, C. 2003. "A Comparison of Tourism Policy Frameworks: Philippines and Thailand." in 2 June 2004: <http://pascn.pids.gov.ph/DiscList/d03/s03-08.PDF>.
- Roehl, W and Fesenmaier, D. 1992. "Risk Perceptions and Pleasure Travel: An Exploratory Analysis." *Journal of Travel Research* 30: 17-26.
- Ryan, C. 1991. *Tourism, Terrorism and Violence: The Risks of Wider World Travel, Conflict Studies*. London: Research Institute for the Study of Conflict and Terrorism.
- Scheyvens, R. 2002. *Tourism for Development: Empowering Communities*. Harlow: Prentice Hall.
- Scott, R. 1988. "Managing Crisis in Tourism: A Case Study of Fiji." *Travel and Tourism Analyst* 6: 57-71.
- Sharpley, R. 2002. "Tourism: A Vehicle for Development?" Pp. 11-34 in *Tourism and Development: Concepts and Issues*, edited by R. Sharpley and D. Telfer. New York: Channel View Books.
- Sharpley, R. and Telfer, D., ed. 2002. *Tourism and Development - Concepts and Issues*. Clevedon: Channel View Publications.
- Sodrich, J.N. 1978. "The Relationship Between Preferences for and Perceptiona of Vacation Destinations: Application of a Charie Model." *Journal of Travel Research* 17: 8-13.
- Sofield, T. 2003. *Empowerment for Sustainable Tourism Development*. Amsterdam: Pergamon.
- Sonmez, S. 1994. *Managing Tourism Crises: A Guidebook*. Clemson, SC: Clemson University.
- Sonmez, S. and Graefe, A. 1998. "Influence of Terrorism Risk on Foreign Tourism Decisions." *Annals of Tourism Research* 25: 112-144.
- Sonmez, S. 1998. "Tourism, Terrorism, and Political Instability." *Annals of Tourism Research* 25: 416-456.
- Sonmez, S., Apostolopoulos, Y., and Tarlow, P. 1999. "Tourism in Crisis: Managing the Effects of Terrorism." *Journal of Travel Research* 38: 13-18.

- Tarlow, P. and Muehsam, M. 1996. "Theoretical aspects of crime as they impact the tourism industry." Pp. 11-22 in *Tourism, Crime, and International Issues*, edited by A. Pizam and Y. Mansfeld. Chichester: John Wiley and Sons.
- Teo, Peggy, T.C. Chang, and K.C. Ho, eds. 2001. *Interconnected Worlds: Tourism in Southeast Asia*. London: Pergamon.
- Teye, V.B. 1988. "Coups d'Etat and African Tourism: A Study of Ghana." *Annals of Tourism Research* 13: 589-608.
- Teye, V.B. 1986. "Liberalization Wars and Tourism Development in Africa: The Case of Zambia." *Annals of Tourism Research* 13: 589-608.
- Thomas, N. 1994. *Colonialism's Culture: Anthropology, Travel and Government*. Oxford: Polity Press.
- Thompson, H. 2001. *Corruption, poverty and the loss of biological treasure in the Philippines*: Antepodium.
- Tremblay, P. 1989. "Pooling International Tourism in Western Europe." *Annals of Tourism Research* 16: 477-491.
- Um, S. and Crompton, J. L. 1992. "The Roles of Perceived Inhibitors and Facilitators in Pleasure Travel Destination Decisions." *Journal of Travel Research* 30: 18-25.
- US Department of State. 1996. *Pattern of Global Terrorism 1995*. Washington DC: US Department of State.
- US Department of State. 2004. *Public Announcement*. Washington DC: US Department of State.
- Varma, H. 2003. "Tourism Market Trends for East Asia and the Pacific." in *The World Tourism Organization, 39th meeting of the WTO Commission for East Asia and the Pacific. June 2003*. Manila.
- Wahab, S. 1996. "Tourism and terrorism: synthesis of the problem with emphasis on Egypt." Pp. 175-186 in *Tourism, Crime, and International Issues*, edited by A. Pizam and Y. Mansfeld. Chichester: John Wiley and Sons.
- Wall, G. 1996. "Terrorism and Tourism: An Overview and an Irish Example." Pp. 143-158 in *Tourism, Crime, and International Issues*, edited by A. Pizam and Y. Mansfeld. Chichester: John Wiley and Sons.
- Wieviorka, M. 1994. *The Making of Terrorism*. Chicago: University of Chicago Press.
- Wikipedia. 2004. *Metro Manila - Wikipedia, The Free Encyclopedia*: [http://en.wikipedia.org/wiki/Metro Manila](http://en.wikipedia.org/wiki/Metro_Manila).

Wilks, J and Page, S. 2003. *Managing Tourist Helath and Safety in the New Millenium*. Amsterdam: Pergamon.

World Tourism Organization. 1995. *Yearbook of Tourism Statistics*. Madrid: WTO.

World Tourism Organization. 1996. *Tourist Safety and Security: Practical Measures for Destinations*. Madrid: WTO.

World Tourism Organization. 1998. *Tourism: 2020 vision: executive summary*. Madrid: WTO.

World Tourism Organization. 2001. *Tourism after 11 September 2001: Analysis, remedial actions and prospects*. Madrid: WTO.

World Tourism Organization. 2002. *Special Report Number 21 - 2002: Climbing towards recovery?* Madrid: WTO.

World Tourism Organization. 2004. *Global troubles took toll on tourism in 2003, growth to resume in 2004*: <http://www.world-tourism.org/newsroom/Releases/2004/janvier/data.htm>.

World Tourism Organization. 2004. "Safety and Security." in 31 May 2004: <http://www.world-tourism.org/quality/E/safety2.htm>.

World Travel and Tourism Council. 1997. *Travel and Tourism: The World's Largest Industry. The World Travel and Tourism Council Report 1992*. Brussels, Belgium: World Travel and Tourism Council.

Wyllie, R. 2000. *Tourism and Society: A Guide to Problems and Issues*. Pennsylvania: Venture Publishing, Inc.

Yuan, M. S. and Christensen, N.A. 1994. "Wildland-influenced economic impacts of non-resident travel on portal communities: The Case of Missoula, Montana." *Journal of Travel Research*: 26-40.