IMPACT OF TERRORISM IN THE BUSINESS OF THE DEVELOPING COUNTRIES THE CASE OF KENYA

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ABSTRACT

The purpose of the study was to examine the impact of terrorism in the business of the developing countries the case of Kenya. The researcher employed descriptive survey analysis using both qualitative and quantitative approach. Sample population of 100 respondents was selected through cluster sampling comprising of the trade Ministry. The validity of the questionnaires was ascertained by reviewing the questionnaires. The questionnaires were analyzed using both descriptive and inferential statistics and presented in form of tables, and graphs. It was concluded that the effects of terrorism have an adverse effect on the economy of that country as seen with Kenya such as deaths of dozens of people, destruction of properties paralyzing and economic activities in the country. The situation is made worse by the travel advisories that ensues such attacks which makes tourists to opt for other secure destinations. Majority of the respondents indicated that the cost of doing business had gone up due to the need to improve security measures. The attacks also reduced the staff productivity due to fear of attacks and uncertainty of job security thus compromising their ability to provide for their families. The study recommended that there is need for policy shifts to enable the security arms to pay greater attention to security matters to boost business confidence and also to avoid unnecessary travel advisories; there is a need to improve business strategies and also to lobby the Government to re-focus on the security issue to make the country more competitive and marketable and the policy in the management of security systems should be enforced.

INTRODUCTION

Terrorism is the premeditated use or threat of use of violence by individuals or sub national groups to obtain a political or social objective through the intimidation of a large audience, beyond that of the immediate victim. Although the motives of terrorists may differ, their actions follow a standard pattern with terrorist incidents assuming a variety of forms: airplane hijackings, kidnappings, assassinations, threats, bombings, and suicide attacks. Terrorist attacks are intended to apply sufficient pressures to a government so that it grants political concessions. If a besieged government views the anticipated costs of future terrorist actions as greater than the costs of conceding to terrorist demands, then a government will make some accommodation. Thus, a rational terrorist organization can, in principle, reach its goal quicker if it is able to augment the consequences of its campaign. These consequences can assume many forms including casualties, destroyed buildings, a heightened anxiety level, and myriad economic costs. Clearly, the attacks on September 11, 2001 (henceforth, 9/11) had significant costs that have been estimated to be in the range of $80 to $90 billion when subsequent economic losses in lost wages, workman's compensation, and reduced commerce are included (Kunreuther, Michel-Kerjan, and Porter, 2003).

Terrorism can impose costs on a targeted country through a number of avenues. Terrorist incidents have economic consequences by diverting foreign direct investment (FDI), destroying infrastructure, redirecting public investment funds to security, or limiting trade. If a developing country loses enough FDI, which is an important source of savings, then it may also experience reduced economic growth. Just as capital may take flight from a country plagued by a civil war (Collier et al., 2003) a sufficiently intense terrorist campaign may greatly reduce capital inflows (Enders and Sandler, 1996). Terrorism, like civil conflicts, may cause spillover costs among neighboring countries as a terrorist campaign in a neighbor dissuades capital inflows, or a regional multiplier causes lost economic activity in the terrorism-ridden country to resonate throughout the region.1 In some instances, terrorism may impact specific industries as 9/11 did on airlines and tourism (Drakos, 2004; Ito and Lee, 2004). Another cost is the expensive security

measures that must be instituted following large attacks – e.g., the massive homeland security outlays since 9/11 (Enders and Sandler, 2006, Chapter 10). Terrorism also raises the costs of doing business in terms of higher insurance premiums, expensive security precautions, and larger salaries to at-risk employees.

The size and the diversity of an economy have much to do with the ability of a country to withstand terrorist attacks without showing significant economic effects. Yemen's shipping industry suffered greatly after the terrorist attacks on the USS Cole and the Limburg diverted half of Yemen's port activities to competitive facilities in Djibouti and Oman due to a 300% increase in insurance premiums (US Department of State Fact Sheet, 2002). In a more diversified and developed economy, such losses may have a temporary influence as resources are reallocated to other sectors or better security measures are deployed to allay concerns. Moreover, developed economies have better monetary and fiscal capabilities to limit macroeconomic impacts of terrorist attacks than small developing countries. Thus, we should anticipate that developed countries are more likely to display sector-specific reactions to terrorism attacks, while developing countries are apt to exhibit some macroeconomic consequences to a particularly vicious attack or a sustained terror campaign.

Studies over the last decade have established that internal conflicts can have significant economic consequences in terms of reduced growth within a conflict-ridden country (e.g., Collier and Hoeffler, 2004; Collier et al., 2003; Collier and Sambanis, 2002) and in neighboring countries (Murdoch and Sandler, 2002, 2004). But a civil war is a broader conflict than terrorism, since the former usually involves a minimum of 1000 deaths and may result in tens of thousands of casualties, while a terrorist incident results, on average, in a single death (Sandler, 2003). Thus, a country may be plagued with terrorism in, say, ten of ten years, but experience relatively few deaths and modest property damage. Civil wars may stem from an insurrection that tries to overthrow the government. In other cases, civil wars can erupt from grievancesbetween groups with deep-seated differences (hatreds). Terrorism is a tactic that may or may not be associated with a civil war, insurrection, or other form of political violence. As such, terrorism typically involves little loss of life and property. Naturally, there are exceptions, such as the March 11, 2004 Madrid train bombings or the December 21, 1988 downing of Pan Am flight 107, where two to three hundred people perished, respectively. But even in these

cases, the loss of life, though tragic, is trivial compared with most internal conflicts so that the likely macroeconomic impact of terrorist events is not anticipated to rival civil wars.

This prediction may change under a few scenarios: a large-scale attack like 9/11, a protracted terrorist campaign with many deadly incidents, or some devastating attack on a developing country's primary sector (recall the Yemen shipping example). One should not expect that a modest number of terrorist incidents in most countries will affect the countries' income growth. This is an essential insight, because it indicates that indices of risks that include internal conflicts and terrorism may be merely picking up significant disruptions associated with the former. Additionally, sector-specific microeconomic influences are often the most likely consequences from terrorism.

Growth of terrorism

Since the 1990s the world has witnessed an increase in terrorist attacks culminating in the September 11 bombing of the Twin Towers (9/11). 9/11 changed the world outlook on terrorism by demonstrating that it can have devastating and profound consequences on a large section of the population. The technological advances have also made it possible for terrorists to operate on a larger scale than they did before. The impact of the internet on terrorist activities can no longer be ignored as they have given terrorists a more effective means of reaching a large population. Since 9/11, there have other attacks especially in developing countries which are mostly in retaliation to those countries alliance to the Western powers (Worrell, 2013).

LITERATURE REVIEW

Terrorism has been a difficult concept to define given the social complexities involved. Definitions can legitimize repressive state power and delegitimize peaceful struggles for justice and peace. Interpretations may justify violence that would never be acceptable in normal circumstances, or they may encourage actions from a violent group that randomly murders innocent victims under the banner of political revolution. Terrorism has changed over the course of history where violent activity called terrorism at one point in time is called war, liberation, or crime in another period of history. Terrorism is not a physical entity that has dimensions to be measured, weighed and analyzed but it's a social construct defined by different people within vacillating social and political realities (White, 2012).

Globally, modern terrorism originated from the French Revolution (1789-1799) used to describe the actions of the French government. By 1848 it was employed to describe violent

revolutionaries who revolted against governments and later on it was used to describe several groups like labor organizations, anarchists and nationalistic groups revolting against foreign powers. After World War II (1939-1945) the meaning of terrorism changed again as nationalistic groups revolting against European domination of the world (White, 2012). According to Worrell, 2013 the modern age of Terrorism began in 1972 at the Munich Summer Olympic games when a group of Palestinians called Black September murdered 11 Israeli athletes and one German police officer. Black September marked the forcible intersection of political terrorism with the information revolution, ushering in what was to be known as the age of terrorism.

An estimated international television audience of some 900 million from more than 100 countries looked on, transfixed, as the violent drama played out. The Palestinian cause was squarely on the map, demonstrating the power of the media to propagate the violent message of terrorism to a worldwide audience.

The events of 11th September 2001 (9/11) served as a wake-up call to the world that transnational terrorism poses grave risks. The four simultaneous hijackings represent watershed terrorist incidents for a number of reasons. First, the deaths associated with 9/11 were unprecedented whose human toll was equal to the number of deaths from transnational terrorism from the start of 1988 through the end of 2000. Second, the losses associated with 9/11 topped $80 billion and caused insurance companies to end automatic coverage of terrorist induced losses. Third, 9/11 showed that ordinary objects can be turned into deadly weapons with catastrophic consequences. Despite the huge carnage of 9/11, the death toll could have been higher had the planes struck the towers at a lower floor. Fourth, 9/11 underscored the objectives of today's fundamentalist terrorists to seek maximum casualties and to cause widespread fear, unlike the predominantly left –wing terrorist campaigns of the 1970s and 1980s that sought to win over a constituency. Fifth, 9/11 mobilized a huge reallocation of resources for fighting terror worldwide. Sixth, protective actions taken by rich developed countries have transferred some attacks against these countries" interests to poorer countries for instance the post 9/11 attacks in Indonesia, Morocco, Kenya, Saudi Arabia, Turkey and elsewhere (Sandler, 2012).

The September 11 attacks in the United States and the subsequent world of international terrorism have ushered in a new style of conflict. Religious extremists are not attacking state power; they are attacking the idea of Western particularly American culture. This war is with a global system that they fear and hate and they resist being included in an economic arrangement

they resent. When the ideology of domestic terrorism is examined, similar types of concerns emerge. Modern terrorism is aimed at the infrastructure of everyday life and the symbols that define that structure (White, 2012).

Since the 9/11 terror attacks in the US the famous assertion that „you are either with us or you are with the terrorists" being seen to be joining the US alliance on GWOT has become an important part of gaining or retaining Western support for many developing states (Fisher, 2013). The effect of this kind of donor attitude was best exemplified when the US Government was applying pressure on Kenya to pass the Anti-Terrorism Bill back in 2006 which had been rejected by parliament. The bill was largely rejected on the basis of lacking religious and cultural sensitivities and its failure to respect human rights. This was largely seen as a lack of willingness on the part of the Government to cooperate with its Western allies to fight terror leading to reinforced positions and perceptions of lack of capacity to guarantee security to foreign tourists resulting in travel advisories (Fisher, 2013).

Global outlook on Terrorist Attacks

Various writers have written on the subject of the impact of terrorism on tourism all over the world. This can be partially attributed to the surge in terrorism over the past 2 decades thus increasing interest on the subject.

It is during this time that the first ever attack using weapons of mass destruction was recorded in Japan, in the year 1995. According to Sonmez, the rush hour attack, otherwise known as the "sarin" gas attack, killed 12 persons and injured 5,550 others.

A direct link has been found between terrorism and tourism by observing that such acts create fear and impact on regul (Baker & Coulter, 2007). Others argue that such acts lead tourists to continually ask themselves how safe they feel about their travel arrangements and may delay trips for long periods or stop them altogether if the risk levels rise (Henderson, 2008). He further argues that since terrorism is a crime like any other, it may be impossible to completely eliminate it and that there may not be enough funds to go all over the world in an attempt to bring terrorists to book. The effect of this is that although significant strides have been made in the fight against terrorism, the threat of repeated attacks is still rife.

Edmonds examines the impact of terrorism on the Asia Pacific tourism industry arguing that the industry is quite fragile and tourism has a profound effect (Edmonds & Mak, 2005). Karagoz on the other hand finds that the effects of terrorism on Turkish tourist arrivals were trend

transitionally with known structural break points. This is to say that there are two periods of terrorism in that country during which there is a negative impact on the arrival of tourists (Karagoz & Murat, 2005). According to Thompson, the effect of terrorism on developing countries differs significantly from its effect on developed countries. He argues that the effect of terrorism on the economies of developed countries is cushioned by economic diversity and resource availability (Thompson, 2008).

A number of factors help explain why Kenya has been a victim of past terrorist attacks. The main factors are geography, ethnic composition, political stability, unstable neighbors, poverty, Islamic fundamentalism, and lax law enforcement. Kenya's geography and geographic location contribute to making Kenya an attractive terrorist target. Kenya's strategic location makes it a significant gateway from the Middle East and South Asia to East Africa and the Horn of Africa. Because it is a geographic gateway, Kenya has developed a major seaport at Mombasa, international airports in Mombasa and Nairobi, and extensive rail, road, and communications infrastructure throughout the country. In addition, Kenya is relatively easy to enter and travel within undetected, because of its porous borders shared with its five neighbors, and its long, largely unmonitored coastline. This combination of infrastructure and porous borders makes Kenya an attractive target and an easy conduit for terrorist-related materiel, activities, and transit points. (Hared, 2013) Because of its wildlife and well developed tourism sector, Kenya is also a significant tourist destination for Westerners. The many tourist's resorts, diplomatic missions, and business investments in Kenya present attractive terrorist targets because they are seen as soft targets. Political instability in the neighboring country of Somalia enables expansion of terrorist interest into Somalia and, thus, into Kenya. For example, Somalia's collapse in 1991 tremendously affected Kenya's security. The lack of a government in Somalia for the last 14 years has allowed unimpeded movement of terrorists across the common border. Somalia's collapse brought an influx of Somali refugees into Kenya, allowing terrorists to blend in with the refugees, move freely across the border, and easily import terrorism into Kenya. Poverty and widespread unemployment have made Kenyan youths vulnerable to indoctrination and recruitment for terrorist activities. (Hared, 2013) Kenya experienced two terrorist incidents within a five-year span: the 1998 US Embassy bombing and in 2002, the terrorist attack at an Israeli-owned hotel and the surface-to-air missile attacks on an Israeli airliner taking off from the Mombasa airport. These incidents brought the problem of transnational terrorism to the attention

of the Kenyan government (GoK). The pattern of incidents indicated that the primary terrorist targets were US and Israeli interests. The 2002 terrorist incident in Mombasa, masterminded by Fazul Abdullahi Mohammed (alias Abdul Karim), the East African Al Qaeda cell leader, was considered a failure because it did not achieve the high number of casualties the terrorists desired, but there still existed a terrorist threat instigated by Al Qaeda against US interests in Kenya. (Hared, 2013). Kuto finds that tourism has so affected tourism in Kenya that hotels are on the brink of closing and several employees have been laid off. Acknowledging the effort put by the government to rehabilitate the industry, Kuto suggests that this would be more effective if a comprehensive crisis management plan were executed (Kuto, 2004). Otiso argues that in fact tourism has impacted on terrorism as well observing that one of the major reasons that Kenya has found itself on the receiving end of terrorist attacks is the vibrant tourism industry. He suggests that tourism has actually made it easier for Al-Qaeda affiliated terrorists to infiltrate the locals who abhor the erosion of their local culture by terrorists (Otiso, 2009). He further argues that terrorism has cost the country the loss of workers and undermined the country's economy especially tourism. It has also forced the government to reinforce security and so led to higher spending on security.

Effects of Terrorist Threats in Kenya

Kenya has a country has suffered more than its fair share of hard times, the nation is braced for another attack at the hands of al-Qaeda associated Al-Shabab, the Somali based Islamic militant group. According to Forrester 2012, the main reason for this state of affair is that Kenya is affluent enough by African standards to have Western investments and interest, but it is without enough money to buy worldwide security. It is sufficiently democratic and sufficiently corrupt to allow the terrorists and their equipment to move around. Kenya's political stability since independence, combined with its geostrategic importance, has led it to be recognized by Western countries as a major hub for economic, diplomatic, and humanitarian activities for the East African and Horn of Africa region. The United States has maintained military access agreements with the Government of Kenya that have permitted the US military use of Kenyan sea and air bases for the past several decades. These facilities helped provide humanitarian assistance in the early 1990s to Somalia and Sudan and to Rwanda after the 1994 genocide and served as a power-projection platform to the Persian Gulf region. (Hared, 2013). In the midst of the worst drought to hit the Horn of Africa in the recent years, the terrorism threats have only made things worse.

Between August and September of 2011, Somali militants raided Kenyan coastal resorts and a refugee camp, purposely targeting foreigners. Barely two months later, Kenyan troops entered Somalia in retaliation against the rebels they accused of being behind the kidnappings. Kenyan is fighting the militant group Al-Shabab which is backed by al-Qaeda with an estimated 7,000 to 9,000 active fighters and in one form or another, have posed as a vicious force in East Africa for 15 years. It was in 2006 that al-Shabab, as they operate today, formed as the youth wing of the now non-operational Union of Islamic Courts. Compared to the average Kenyan individual, this group is relatively well-off since they are fully funded and financed, generating millions of dollars of income each year. Naturally, being so well disposed only increases their ability to target innocent people and exercise their reign of terror. Political instability in the neighboring country of Somalia enables expansion of terrorist interest into Somalia and, thus, into Kenya. For example, Somalia's collapse in 1991 tremendously affected Kenya's security. The lack of a government in Somalia for the last 24 years has allowed unimpeded movement of terrorists across the common border. Somalia's collapse brought an influx of Somali refugees into Kenya, allowing terrorists to blend in with the refugees, move freely across the border, and easily import terrorism into Kenya. (Hared, 2013).

Economic Effects of Terrorism Threats

Crucially, the tourist industry on which so many Kenyan's depend for their livelihood, has suffered a blow as a direct result of terrorism; regardless of whether a threat is broadcast, or an actual attack occurs. Fear is often enough to make holidaymakers cancel their much-anticipated safari or beach holiday. It follows therefore that people involved in volunteer projects and international development aid work may also deter from travelling to the country. Many Western Governments have warned their citizens visiting as tourists amid fears of an imminent attack on the capital city, Nairobi. Tourists are discouraged from travelling to certain areas of East Africa. These advisories suggest that tourists should avoid all but essential travel to Kenya, and the Kenya/ Somali border is usually categorized as out of bounds. The attacks are usually labeled as indiscriminate and target Kenyan institutions as well as places where expatriates and foreign traveler's gather, such as hotels, shopping centres and beaches. Foreign nationals are often advised to exercise extra vigilance and caution in public places and at public events consequently labeling the entire country insecure. (Forest, 2012). Acts of terrorism have had grave economic, political, and social implications in Kenya. Human lives, tourism, agriculture, and the

transportation sectors have been severely affected. Tourism, which is the driving force of the economy, accounts for 25 percent of the GDP and has been paralyzed because of on-again/off-again travel bans imposed by the United States, Germany, Great Britain, and other countries since 11 September 2001 . Germany and Great Britain have lifted the ban completely, but the United States continues to issue advisories periodically. Because of the travel bans, many Kenyans have lost their jobs, which directly affect the economy. The government also has lost a major source of revenue from its formal sector of the economy (Hared, 2013).

Security is the foundation of good governance, individual social welfare and economic development. Insecurity increases the cost of doing business which makes a country unattractive for foreign investments even as local investors shy off from new ventures (Kenya Vision 2030, 2012). As aforesaid, tourism contributes substantially to the GDP of the country and as such negative impacts on it will adversely affect the Kenyan economy. There are a number of reasons for this. First, tourism benefits the economy in many ways through increasing the revenue that governments derive from taxes, providing the local population with employment and providing the economy with diversification. Due to the limited resources in developing countries, there is often imperative to constrict the sectors in the economy. Agriculture is usually the largest income earner and since it is labour and capital intensive, it may be promoted at tourism's expense. Indeed, agriculture has been substituted for tourism in developed nations such as Canada and so it follows that developing countries will be more highly impacted by this phenomenon (Easton 1998). Also, due to the fragility of rain dependent agriculture and the spate of natural disasters that has rocked such countries in recent years, tourism provides the much needed diversity that keeps their economies afloat. However, tourism is not free from fragility itself; the location for a holiday may be influenced by natural disasters, exchange rate fluctuations, political instability, domestic prices, terrorism and price volatility.

Influence of Religion

Elements of Islamic fundamentalism have been invading Kenya from the east through Somalia and along the Kenyan coast. This encroachment has resulted in a growing dissent among the Muslim population, making them easy recruits for terrorist activities. In Kenyan mosques, individual Imams preach about perceived injustice to their Muslim brothers in Afghanistan, the unresolved Israeli-Palestinian conflict, and the ongoing war in Iraq. Aided by technology, in the form of the Internet, satellite TV, and Kenyan's increased travel and employment around the

globe, Muslims in Kenya are becoming more globally aware. Individual Imams are using this increased global awareness to encourage Kenyan empathy with more extreme views of the needs, hardships, and philosophies of their core religion worldwide (Hared, 2013).

Counterterrorism policies

In an attempt to eliminate or at least reduce the incidences of terrorism, states have taken a number of measures. These measures range from the national front to the international arena. Various states have enacted legislation that provides for protective measures and post-attack measures in a bid to fight the vice.

However, the internet gives terrorists access to people who may not always be within the country's borders and so somewhat unconventional measures have had to be taken. Such measures as development of sophisticated tools in the prevention, detection and deterrence of internet terrorist activity show a shift to a more effective way of combating terrorism. Traditional means have also been expanded to identify potential attacks in a timely manner. Also due to the trans-border nature of terrorism, the international community has developed various universal legal instruments to prevent such acts under the auspices of the United Nations and its specialized agencies (United Nations Counter-Terrorism Implementation Task Force, 2012). Some elements of an effective counterterrorism strategy relevant to this research, cited by various authors, are public diplomacy and information campaigns; legislation; financial controls and socioeconomic development; use of military force; and creation of a specialized judicial system for terrorism suspects. Money is the lifeblood for terrorist groups and without it the likelihood that they could sustain transnational attacks is remote. However, unlike narcotics smuggling or money laundering, the salient characteristic of terrorism is that it is cheap (Hared, 2013).

Military action is one of the tools available to counterterrorism and is the most effective measure to physically eliminate terrorists, as witnessed in Operation Enduring Freedom in Afghanistan where Al Qaeda structures were dismantled and many terrorists were killed or captured. However, those military actions were at times actually counterproductive. Far from serving as deterrents, such strikes served to further some of the political and organizational purposes of terrorist leaders; increase publicity for their cause; bolster their sense of importance; and reinforce the message that the United States is an evil enemy that knows only the language of

force. In the final analysis, such strikes are almost always message-sending exercises rather than a means of significantly crippling terrorist capabilities. (Hared, 2013).

Summary of Findings

The objective of the study was to examine the impact of terrorism in the business of the developing countries the case of Kenya. From the study findings the study established that 56% of the respondents knew of terrorist attacks in the area through the media. If a host country has had widespread media attention to a tourist event, tourism may drop from selected areas. Low level terrorism gradually reduces business over a period of time and sudden, vicious attacks have an immediate negative impact. The study also established the perpetrators of terrorists" attacks as militants from the Mombasa Republican Council and the Al- Shabaab group. The study sought to find out whether the respondents were aware of any imminent terrorist activities in their area and 75% indicated that they were aware of the imminent terrorist activities especially through the media. The researcher also wanted to find out from the respondents on the number of tourist attended per month before, after and presently. The study found out that currently the county has not experienced major terrorist attacks and security has been enforced in the coastal region hence the tourist sector is in top shape. It follows that Kenya and many other developing countries are dependent on tourism since it forms a substantial part of their GDP and anything that impacts on tourism will have a profound impact on their economies. The study also determined that respondents strongly agreed that there is increase in business costs due to terrorism. The high cost is associated with the high security measures put in place to guard the tourist sector in Kenya.

The study sought to determine the influence of the terrorist threats on tourism business strategies in Kenya town by determining whether terrorist threats result in travel advisories. The study established that terrorist threats consequently attract travel advisories from the Western countries hence Kenya ends up on the losing end because tourism is an economic activity that boosts the Kenyan economic growth. The respondents were asked if they were aware of any terrorist threats issued in the last one year in the area and they indicated yes they knew of any terrorist threats issued in the last one year in the area accounting for 85%. The study deduced that information of terrorist threats was issued in the last one year especially in the recent attacks that occurred in Malindi on the 24th March, 2013 where at least eight people were killed during a raid on a

casino by a machete-wielding gang. The study sought to establish the efforts of stakeholders in preventing terrorist attacks. The study deduced that the efforts by the stakeholders in preventing future attacks from occurring in future were in place.

The study also sought to establish the effects of terrorist kidnappings on tourism business strategies in Kenya by determining terrorist kidnappings. From the findings, the majority of the respondents indicated 55% indicating that they were aware of any terrorist kidnappings that have occurred in this area recently this is in line with Silke, 2012 the media attention certainly fosters a widespread belief that terrorist attacks are both more common and more dangerous than is actually the case. The study also sought to determine how kidnappings were resolved and from the findings, the respondents indicated that the kidnappings were resolved by rescue missions that take years to be completely resolved. The majority of the respondents accounted for 45%. The study deduced that kidnappings are resolved through rescue missions that are led by the Anti-Police Terrorist Unit (APTU) and the department of criminal investigations (CID) in Kenya. The study also established how frequent tourist kidnappings were in the area. The study deduced that tourist kidnappings were moderate in the area. The study is in line with Yun 2011 in discussing hostage taking and kidnapping has become one of the most valued weapons in the modern terrorist arsenal. Terrorist hostage taking and kidnapping has become an international concern in recent years.

The study established that the police officers from the APTU were in the best position to participate in the study because the field of terrorism was in their specialty. This particular group of officers proved difficult to interview and the Administration Police were very helpful. The other participates also gave relevant information in terrorist attacks. The study found out particular information about terrorist attacks in the area.

The study deduced that from the terrorist attack in Kenya on the 28th of March 2013, the attack left at least eight people dead including two policemen and many injured in the event. The terror attacks are meant to spread fear and illegally taking possession of guns. The police too also put their lives on the lines to save and manage terrorist activities in the area. The police officers characterized the risk of another terrorist attack occurring within the based on the measures put in place to curb terrorist attacks in the area. Security has been enforced both on land and on water and the borders have been enforced with rules and regulations that create a strict environment tolerating zero terrorism.

Conclusions

Tourism requires security and insecurity harms tourism (Leigh, 2013). Terrorism attacks have changed over the course of history from violent activities to threats and kidnappings. Terrorism attacks are not only global or regional but it has also its effects locally. Terrorism respects no boundaries and the perpetrators of terrorist attacks are wide spread from one part of the country to the other. Media plays a huge role in influencing the tourism industry, especially by giving in-accurate or biased information by exaggerating the violent activity and in the worst case highlighting false impression of the country. Kenya attracts international media coverage and its liberal media regulations have left the country exposed to biased coverage. The negative coverage from the media has contributed to huge losses of jobs in tourism and hospitality industry and also huge cancellation of tourist's hotel bookings especially in the coastal region.

Travelling to Kenya is risky and many foreign governments have advised their citizens not to travel to Kenya or at least have warned of all the possible risks. This has influenced tourists because safety is important when choosing a destination. Tourism in Kenya recorded a huge decrease because of terrorism. The Kenyan crisis has also hurt the neighboring countries.

It is undeniable that the effects of terrorism in tourist areas have an adverse effect on the economy of that country as seen with Kenya. However, after an initial drop in tourist number things eventually return to normal. This can be seen with Kenya and in a global sense with people's attitudes towards flying especially after the 9/11 attacks. This may be due to efforts to reinforce security in attacked areas or maybe because the possible threats of terrorism cannot cancel out the thrills of visiting foreign areas and being an international tourist.

In the case of the United States of America the terrorist attacks of September 11th did not stop people from flying even though in the short term there was a decrease. This is because in the modern era people need to fly to reach different destinations.

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

Recommendations

The study arrived at the following recommendations which if implemented effectively they will ensure a drastic improvement in security to attract investors in Kenya.

1. The study recommends that the government should have to deployedAPTU and anti-shifta administration police at every county in the country to quell terrorism in the country.

2. The study recommends that both domestic and foreign tourist's policies should be reinforced to discourage accommodating terrorist in their premises.

3. The study recommends that policy in the management of security systems should be enforced.

4. The study recommends security arms involved in fighting terrorism should be equipped with modern weapons and surveillance systems for counter-terrorism efforts.

5. The study recommends that there is need for policy shifts to address emerging terrorism trends to enable the security arms to pay greater attention to security matters. Extra diligence should be exercised at entry points and close monitoring of suspicious characters in the country.

6. The study recommends that there is a need to improve business strategies and also to lobby the Government to re-focus on the security issue to make the country more competitive and marketable.

7. The study also recommends that the citizens, the business operators and the police need to work more closely to forestall any future terrorist attacks.

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