

THE IMPACT OF POLITICAL INSTABILITY AND TERRORISM ON THE EVOLUTION OF TOURISM IN DESTINATION ISRAEL

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Abstract

Considering the extent of terrorism and its impact on tourism destinations and flows, Israel, by its geo-political positioning represents a major current topic. This paper highlights the consequences of political instability and terrorism on Israel tourism activities. Acknowledging these by the society and the government has led to developing strategies for tourists' protection and security, new tactics of attracting Arab and Palestinian tourists and sustainable programs of destination. The analysis of economic performance determined by the main macroeconomic indicators and tourism flows are showing Israel as a model destination for tourism development for countries affected by political instability and terrorism.

Keywords: terrorism, tourism, political instability.

1. Tourism

Tourism is a highly competitive industry and due to the desire to compete effectively, destinations must deliver an excellent value among visitors¹. From the moment visitor reach the destination, until they leave, their perception is affected by several services and experiences, including a series of public services, private, products from different areas of interaction, community and/or hospitable². The idea of creating rich and memorable experiences for consumers is a key component of the development of the tourism industry. With the proliferation of choices for destinations and the increase in competition, they have become critical points for destinations, so it is necessary to deal with the various innovative ways to differentiate the goods and to create experiences that provide value to the tourist³.

It is vital that favorite activities for guests to be managed and coordinated by the specialized entities to maximize the value of the services throughout their

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¹ Kumar Suresh, *International tourism and hospitality in the digital age*, Edit. Business Science Reference.

² <http://www.cerere-turism.ro/doc/en/5.pdf>

³ Barbara Neuhofer, Dimitrios Buhalis, Adele Ladkin, (2012), *Conceptualising technology enhanced destination experiences*, Vol. 1, p. 36-46.

visit. Efficient management allows destinations to maximize the touristic value for visitors, ensuring at the same time benefits as local and sustainable development.

At the same time, tourism is one of the most complex industries in the world, as the entire society is involved. Reflecting the activity of a society as a whole, can be considered a true barometer.⁴ Among the determinants of tourism we can include political factors, they must be looked through the prism of political ideologies and practices, but also by the so-called peace situations favorable (peace and understanding between people) or unfavorable (wars, armed conflicts, international tensions). Political instability, terrorism, economic recessions, the crisis of natural resources (energy, food, water etc.) determine the restriction of tourism activities and reduce the intensity of the phenomenon. By placing tourism in the context of other activities and models to promote peace, it can be said that tourism contributes to the enhancement of peace in a destination.⁵

2. Israel - an important tourism destination of the world

One of the most sought-after and controversial tourist destinations internationally is considered to be Israel. It is recognized as a top tourist destination not only because it is a huge realm in which religion has its foundations, hence the name of "The Holy Land" that hosts the three great religions Judaism, Christianity and Islam, but also because it is a tourist destination extremely controversial in the media plan. The media often portrays Israel as a country divided which is constantly in a state of alert because of the extremism, political instability and terrorism. What is true, and so without hesitation we can say that Israel is a country that still writes history with blood.

However, Israel is a place where many technological innovations are being developed, in which rich biblical history can be explored, in which young and vibrant cities can be experienced and in which breathtaking views can be explored for a long time.

Israel is a young State which impresses tourists with its developed scientific, economic and cultural aspects. It has a lot to offer and even if it is perceived as a dangerous destination, many tourists are interested in travel within the State. Religious pilgrims, relatives of Jewish families or simple travelers, eager for rich experiences, return each year to Israel, and the touristic circulation indicators provided by the Ministry are clear proof.

A fascinating tourist destination for many reasons, Israel has the highest concentration of museums per capita in the world and is brimming with history and

⁴ Firoiu Daniela, (2008), *Industria turismului și a călătoriilor*, Editura Pro Universitaria, p. 9.

⁵ Cordula Wolhmueller, Werner Wintersteiner, *International Handbook on tourism and Peace*, Centre of peace research and peace education of the Klagenfurt Austria in cooperation with World Tourism Organisation, pag. 31.

religious significance for many people⁶. Compared to the previous year, 69% more Chinese tourists arrived in 2016, and Chinese tourists spend more in Israel on average than tourists from any other country. Tourism is important to Israel's economy.

3. War and violence and their impact on tourism

Israel is a country that had encountered many intercultural conflicts. Since its confirmation as a State, it has become a focal point for wars and violent attacks and that due to its geo-strategic location, the Middle being famed for its rich history in cold blooded conflicts and struggles.

The Israeli Government and the Ministry of tourism in collaboration with the security forces always devise defensive and safety solutions, both for the people of Israel and for tourists who spend their time and vacations in the Israeli State. Strict security systems and defensive strategies, implemented by the authorities always help, but these should be constantly reinvented or replaced.

The tourism industry has suffered badly after the beginning of the Second Intifada, year 2000. Even if in the following years they have generated large flows of foreign tourists, the decline continued. Perpetuating a state of insecurity and exaggerated panic led to the most disastrous effects over the tourism sector.

It has been proven that tourists who travel for purposes other than those for leisure are less concerned by the terrorist attacks and most of the time those who wish to spend their vacations there, cancel trips during periods of conflict. Close collaboration between the Ministry of tourism and the Israeli intelligence service for the development of improved strategies for national security for both residents and tourists; increased involvement of partners in the tourism industry in informing and training employees in terms of terrorism and taking measures for a more extensive protection for tourists, have boosted confidence of travel agencies and tourists to come or come back to this destination. Bringing low-cost airlines, as well as encouraging the development of investment in the construction of springs along the Dead Sea were considered components of the strategic policy of tourism development, based in the first place, on ensuring the safety of tourists and visitors, of which the destination has so much need to reposition themselves as a top destination.

In addition to the security measures, the Israeli Government has also invested in promotional campaigns on media channels. If we see the promotion spots on media channels, all of them present peaceful and wonderful tourist destinations. In the last years, many tourists ask, why look for problem when I can choose from so many other wonderful spots that are completely peaceful? "Problem," it is understood, is perceived only when dramatically reported by the media channels. The problem for tourists is, "problem" now seems to be everywhere, even in such exotic spots as Bali, Indonesia. The specialists of

⁶ <http://www.jewishvirtuallibrary.org/tourism-in-israel>

tourism field told that in our days Israel suffers a 0.8% decline in gross domestic product following a 10% increase in the probability of terrorism. Worldwide the perception over Hamas, Hezbollah or ISIS are dramatic, lethal and, therefore, highly publicized with a strong impact over people⁷. In many other countries terrorists wreak havoc in the local economies, Egypt, for instance. As the world's oldest travel destination, from the enduring pilgrims of the Jewish, Muslim and Christian faiths to the sun-worshipping holidaymakers that flock to the Red Sea coastline, no other place can invoke quite the kind of emotion as **Israel**.⁸

A Bank of Israel study in 2014 showed, in general, how sensitive inbound tourism is to war and violence. Tourist arrivals fell 30%, from 110,000 a month to 70,000, after the first intifada broke out in 1987. They recovered sharply during Operation Desert Storm, then fell again in March 1996 after a Gaza war (Operation Grapes of Wrath). The outbreak of the second intifada in September 2000 had a disastrous effect – tourist arrivals fell from 200,000 a month in the summer of 2000 to 45,000 at the outbreak of the second Iraq war in March 2003. Again, sharp declines occurred during and after the Second Lebanon War, which began in July 2006, and Operation Cast Lead, at the end of 2008⁹.

The latest wave of terrorism peaked in the winter of 2016, when there were almost daily attacks, then subsided and rose again during the month of Ramadan. Nevertheless, 4.5% more American tourists arrived in 2016, and in the last four months of 2016, at the peak of the new terrorism wave, the Ministry of Tourism reported all-time high figures for the incoming tourism. Potential tourists learn about terrorist attacks through the media. Highly dramatic attacks – burned and blown-up buses or strewn bodies after a truck runs over victims – are shown vividly worldwide on TV news and social media. The enormous impact of the second intifada on Israel from September 2000 to February 2005, which slashed tourist arrivals by half¹⁰.

April 2017 set an all-time record high for tourism in Israel, with 349,000 foreigners travelling to the country. This number is a 38% increase from April 2016's tourism total. Israel experienced a general boom in tourism during 2017, hosting 2.3 million tourists between January and August compared to 1.8 million during the same period in 2016.¹¹

Tourism to Israel in 2016 rose by 3.6% compared to 2015, as the country welcomed 2.9 million tourists, Israel's Minister of Tourism, Yariv Levin, attributed the rise in visitors to the Tourism Ministry's increased marketing

⁷ <http://www.jpost.com/In-Jerusalem/Tourists-vs-terrorists-499371>

⁸ <https://www.shuttledirect.com/blog/country-profile-israel/>

⁹ Idem.

¹⁰ note the Bank of Israel economists

¹¹ <http://www.jewishvirtuallibrary.org/tourism-in-israel>

efforts. During 2016, 60% of tourists visited Israel independently instead of with a group trip, reversing a trend from previous years.¹²

The tourism industry in Israel is quite large, employing over 200.000 people (about 6% of Israel's work force). Israel experienced record tourism numbers in 2013, with 3,54 million visitors total (including daily visitors from neighboring countries). While it comprises only 4% of gross domestic product, it employs about 8% of the labor force – mainly in low-paying service jobs, but nonetheless vital for those without higher education¹³.

4. Awareness of Government-wide phenomenon of political instability

The official website of tourism in Israel presents the fact that "Israel is a highly secure traveling spot. In the year 2008, 3 million travelers have traveled to all the locations in Israel and more than that they were all returned safely home. We will not encourage tourists to come, as long as we cannot provide safe stays." It can be seen that the scale of terrorism is not presented as extremely dangerous, while the Government encourages the traveling to Israel.

According to Tucker, the counter terrorism Bureau officer from Ministry of Israel, terrorism is like boxing and you can only win on points. Namely the fight against terrorism will be solved only when the counter strategies against terrorism are developed according to new tactics of terrorism.

Tucker also describes the fact that the Ministry of internal and external information of Israel is interconnected with the National Security Agency. The latter has a department that oversees Arab terrorist attacks and cooperates with the Agency of internal and external intelligence and with Military service information.

This great collaboration to develop annual strategies, which are then checked and approved by the Israeli Prime Minister, and the annual costs of the prevention of terrorism rises to extremely large amounts.

The Israeli airline El Al has a budget for security estimated at \$80 million, covering other airlines and including Ben Gurion International Airport. Passengers are directed to go through strict security systems when they arrive at the airport, armed officers verify them in the minutest detail at both the entrance and the exit. Security guards not only do baggage screening, they also observe psychological profiles. In conclusion, the Israeli security system is extremely strict and well-developed. In addition, the Israeli Government has tried to include in schools, techniques for young people how to recover from the psychological effects through vitalization of the adaptation abilities with the support from experts specializing in terrorism.¹⁴

¹² Idem.

¹³ <http://www.jpost.com/In-Jerusalem/Tourists-vs-terrorists-499371>

¹⁴ Nawara Nina, (2011), *Political Violence and its consequences for tourism in Israel*.

Boaz Ganor, Director of the International Institute Against Terrorism from Israel said that familiarizing those concerned in connection with terrorism, with all its aspects, will cause a low level of anxiety and fear of terrorists, whose main purpose is to instill among citizens the feeling of fear and insecurity at any step.

Counter-terrorism forces have never been as effective as nowadays and that was due to the fact that they have learned from their mistakes and have improved tactics¹⁵.

Israel intended to counter terrorism by separating the Palestinian areas of the Israel areas through the West Bank barrier, and this proved to be a savior.

Obviously not only tourists travelling inside Israel are exposed to the phenomenon of terrorism, its own people are just as well.¹⁶ Even though the official website of the Ministry of Tourism in Israel ensures safety trips for tourists inside the country, it cannot guarantee that there will be no incidents at all. Israelis who come to visit relatives in Israel are less affected by terrorist incidents than leisure tourists coming to spend their free time in the territory. Many specialists, as well as Fielding and Shortland (2008) emphasize the idea that Israeli tourists may be less affected by terrorism due to family responsibilities, the latter attending and less crowded places, and most of the spare time they stay inside the houses of relatives.

4.1. Strategies for attracting Arab and Palestinian tourists

The constant war between Israelis and Palestinians is well known. However, despite the two political, social and cultural conflicts, there is still a need for the exchange of values and the desire to experience opposite places. After the beginning of the first Intifada, many Israeli travelers eager to spend their free time and to visit the historic buildings, ceased to visit the Palestinian territories. Also, Jerusalem's old city was searched for its culinary culture by the Palestinians, as well as the Sinai area, sought after for its splendid landscapes and Bedouin culture, shops and restaurants in Bethlehem and Ramallah to offer cheap products, and with the beginning of the first Intifada these visits were no longer possible, leading to a decline of tourism in Israel.

After the Oslo Agreement from 1993, there was a shift in thinking from the inhabitants, Arabs and Israelis that they have always coexisted together. Changing perceptions has led to transformations in the tourism industry, many travel agencies have entered the Palestinian cultural sites in the proposed tours to be visited. So, the Palestinians have been invited to participate actively in the tourism market of Israel and to show its authenticity, and Israeli tourists were interested to know more and more about Palestinian culture.

¹⁵ <https://www.modul.ac.at/uploads/files/Theses/Bachelor.pdf>

¹⁶ Israel 2016 Crime&Safety Report valabilpe [https://www.osac.gov/pages/ContentReport Details.aspx?cid=190](https://www.osac.gov/pages/ContentReport%20Details.aspx?cid=190)

It was concluded that although both cultures had intentions to know each other's values, it seems that Governments have not agreed on the matter, but there is still a desire for exploration, during times of peace, a great number of Arab tourists and Palestinians alike, transcend the barriers of Israel.

4.2 Planning and implementing the programs aimed to increase the number of tourists

Planning and implementing a strategy for managing crises before they occur, can lead to diminishing the effects of future crises and improve the methods of recovery. The entire tourism industry, and the Government alike had to coordinate their efforts to develop plans for immediate reaction and the preparation of a marketing plan for long-term development, for potential investments during crisis but also after that.

In July 2007, Ministers from Israeli Government started the approval process and the development of a crisis management center, which became a new sub-branch of Prime Minister Office and its purpose was to inform in real time on the situations of emergency and to aid in the management of the security crisis¹⁷ economic, diplomatic and social.

The Government, through the Ministry of tourism, has also taken a series of measures to develop the tourist industry and promoting travel to Israel. In August of the year 2007, the Ministry of tourism, begins working with the Vatican and initiates charter flights between the Vatican and Israel's cities, in order to increase the number of Catholic pilgrims who want to visit Israel, it targeted in particular the young Italians eager to visit the holy sites.

Israeli Ministry has developed tours who combined visits to religious sites with the attractions of modern Israel.

In addition, the Ministry of tourism in Israel was interested to introduce on tourism market, advertising and public relations campaigns, in order to encourage non-religious young Italians to visit Israel.¹⁸

Also, in August 2007, the Ministry of tourism of Israel launched the biggest advertising campaign in North America, with a budget of \$11 million that were spent on media, including television, magazines, newspaper travel sections and had channels dedicated to tourism but also the religious channels, billboards and ads¹⁹ on New York City's buses.

¹⁷ Prime Minister's Office, *PM Olmert Convenes Ministerial Committee on Implementing the Winograd Committee Recommendations*, available from <http://www.pmo.gov.il/PMOEng/Communication/Spokesman/2007/07/spokewino250707.htm>

¹⁸ Ynet News, *Tourism Ministry, Vatican Sign Deal*, available from <http://www.ynetnews.com/articles/0>

¹⁹ Israel Ministry of Tourism, *Israel Launches Largest Ever Tourism Advertising Campaign*; available from <http://206.251.241.46/pressroom/newsTopics.asp?actiontype=show&id=241425>

Marketing campaigns were targeted on countries which offer Israel the majority of tourists and which have the greatest touristic potential i.e. United States of America, France, Russia, England and Germany.²⁰

In addition to these efforts, the Ministry of tourism is currently determined by the Prime Minister to step up efforts to encourage capital investment in the tourism industry and also to speed up the building of additional hotel rooms to meet demand, those costs reaching approximately \$40 million.²¹

In 2008 there was a video-sharing campaign on YouTube, which portrayed Israel in a positive light, as a safe haven and a welcoming destination for tourists.²² The videos that were posted were an effort to combat violent images in the media, which create fear and harm Israel's tourism industry. Moreover, the Ministry has asked web users to upload their own videos with Israel, directly on YouTube so that people find a collection of videos showing Israel in real time and who lead tourists to visit Israel.

Also, the Tourism Ministry has lobbied for the development of the first casino in Eilat, Israel, and has signed an agreement with the Israel Land Administration to allocate 12 acres of land on the north shore of the Eilat²³.

This move was vital for the tourism industry and the economy of Eilat because of the loss of tourists, who traveled in Egypt and Jordan, countries which had already opened the casino industry. Legally opening a casino represented also a reduction in illegal gambling, which was estimated at more than \$3.6 billion per year²⁴. The success of this first casino paved the way for the development of other casinos in other parts of Israel.

In 2010 the Ministry of tourism adopted three new political measures:

- Introduction of a new classification system compatible with the European system for classifying stars for hotels.
- Up to 20% of the cost for hotel renovation because hotels are compatible with the new classification
- Up to 28% for that entrepreneurs to convert existing buildings into hotels.

Israel found itself in a shortage of 16,000 hotel rooms because of a stagnation in hotel building over the last decade and explosive growth of foreign

²⁰ Ynet News, *Putting Israel on the Map*, available from <http://www.ynetnews.com/articles/0,7340,L-3530714,00.html>

²¹ Prime Minister's Office, *The Director General of the Ministry of Tourism Reports to the Prime Minister, the Acting Minister of Tourism*"; available from <http://www.sela.pmo.gov.il/PMOEng/Communication/Spokesman/>

²² Ynet News, *Israel Broadcast Live on YouTube*; available from <http://www.ynetnews.com/articles/0,7340,L-3526580,00.html>

²³ Ynet News, *Israel's First Casino to be Built in Eilat*, available from <http://www.ynetnews.com/articles/0,7340,L-3491987,00.html>

²⁴ Idem.

tourists that have visited Israel in recent years, which has been surveyed to be about 5 million tourists annually. This could be solved by making more than 2,000 new rooms, in a way faster and cheaper by harnessing existing buildings²⁵.

To support tourism, an Israeli organization Taglit Birthright proposed decreasing growth division between Israel and Jewish communities around the world by strengthening the sense of solidarity among youth from Israel and Jewish communities around the world and promoting the idea of a trip to Israel for all Jews in the diaspora as a critical part of Jewish life outside of Israel²⁶.

The efforts of the Government and organizations such as Taglit, who supported and promoted the increase in Israeli tourism, are currently considered to be a success.

4.3. Policies for sustainable development of the destination Israel

The Israeli Tourism Ministry has adopted a policy of sustainable development in current conditions of instability, aimed to ensure future tourism and which to operate in accordance with the principles of territorial continuity, development tourism in conserving the environment, landscape integration, encouraging the use and utilization of existing structures and the ecological rehabilitation and care of rivers, as well as preparing strategic plans for sustainable, encourage investment in green hotels, giving priority to these hotels when considering the eligibility of their subsidies.

From a cultural standpoint, the Ministry promotes the conservation of archeological and cultural sites through their rehabilitation, encourages and assists businesses that exhibit the full range of existing cultures in Israel.

From a social point of view, the Ministry assists residents of peripheral area in the development of small tourism enterprises and in encouraging them to develop agricultural tourism.

Another important project is the Israeli program RESSAC which was designed primarily for Regional Activity Center MAP for remote sensing (ERS/RAC) which was officially launched in the framework of the European Commission on the environment and climate. It has sought to demonstrate the usefulness and cost-effectiveness of multi-satellite data in assessing and monitoring coastal erosion phenomena²⁷.

²⁵ <https://books.google.com.ph/books?id=lh4E3UUpzlcC&pg=PA420&lpg=PA420&dq=central+organisations+tourism+israel&source=bl&ots=uRs739RQJJ&sig=QFePYhkg8MPc26GZ7oV47BdH304&hl=en&sa=X&ved=0ahUKEwiXh8S8zKnMAhWIYJoKHVzka0YQ6AEISDAF#v=onepage&q=central%20organisations%20tourism%20israel&f=false>

²⁶ Taglit Birthright Israel, *FAQs*, available from http://www.birthrightisrael.com/site/PageServer?pagename=about_faq#40

²⁷ Agenda 21 – Economic aspects of sustainable development in Israel, Decision Making, International Cooperation.

All of these programs to develop tourism and to counter a dangerous destination, traditional Palestinian attacks and disturbed by an intense political instability, must take into account the increase in tourist's profile visiting Israel. Thus, the tourists have an average 8.2 nights of stay, are staying longer at hotels or resorts (71%) in the State, 41% were aged between 25 and 44 years and 22% are over 55 years old, 58% are Christian (mostly Catholic) and only 25% Jews on average, spend 142 USD/day, 49% come to visit families, 27% to inform about Israel on the internet and 39% of the travel agencies²⁸.

CONCLUSIONS

Israel, as a tourist destination, is trying to create a new image among tourists, one in which conflict and bloodshed are to be left behind and instead to be regarded as a destination with important touristic resources, intensely sought after in the international touristic market.

The Israeli Government and the Ministry of tourism in collaboration with the security forces always devise defensive and safe solutions, both for the people of Israel and for tourists who spend their time and their holidays on the Israeli territory.

Israel has a lot to offer to its tourists, and even if it is perceived as a dangerous destination, many tourists are interested in traveling within the state. Religious pilgrims, relatives of Jewish families or simple travelers, eager for rich experiences, return each year to Israel, and the touristic circulation indicators provided by the Ministry are clear proof.

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²⁸ <https://igoogledisrael.com/a-profile-of-the-average-tourist-to-israel-do-you-break-the-mold/>.

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