The Egyptian travel and tourism industry:
Recovering from terrorism.

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Abstract

Egypt has been a popular destination beginning about two hundred years ago when Napoleon’s expedition of 1798 opened a road to Egypt, attracting numerous archeologists and other travelers who rushed into this ancient and fascinating civilization. However, some recent adverse terrorist events such as an attack on tourists at Luxor in 1997, the 911 terrorist attacks in the United States, and the most recent Palestinian Intifada have affected the Egyptian tourism industry causing some fluctuations in travel flows. This study will focus on how the 911 attack has influenced Egyptian tourism growth and some of the remedies that the Egyptian government has taken to overcome these obstacles. Finally, it will forecast the development and future planning of the Egyptian travel and tourism industry.
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Introduction

Some of the factors contributing to Egypt as a modern travel and tourism destination are its history, language, and climate, its population concentrated in the Nile Valley and Delta, and its transportation facilities. The national territory of Egypt is mostly desert, which is an intrinsic part of the popular image of Egypt, and the official language of Egypt is Arabic although French and English are widely understood by educated classes. When you decided to come to Egypt you must know that south of Cairo is uncomfortably hot in the summer months (June-August), especially Luxor and Aswan, so winter (December-February) is definitely the best time to visit these areas. According to the Table 1 in Appendix A, summer is also the time when the Mediterranean coast is at its most crowded, but winter in Cairo can get pretty cool and much better. It is the best time to enjoy the warm days and to avoid the midday heat of high summer in March to May or September to November. Cairo is dominating Egypt’s geography and history is the Nile River and Nile Delta; north of the capital where almost 99 percent of Egypt’s populations live there today and where most of ancient Egypt’s kingdoms were located. Cairo is the hub for modern Egypt’s transportation network that follows the pattern of settlement along the Nile. There is reliable domestic air service to major tourist destinations from Cairo as well as international air service.

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1 Only for percent of the country’s total land area of 1 million km is arable.
And we also know about Egypt’s flag is three equal horizontal bands of red (top), white, and black with the national emblem (a country in Arabic) center in the white band. (See Table 2 in Appendix A)
6 The Old and the Middle kingdoms and the New Empire.
The Safety of Destinations

People go to Egypt for many different reasons and for many different types of vacations. And vacations to Egypt do not have to follow a specific type of travel, as many visitors mix and match various types of travel. The classic tour of Egypt is mostly including some religious and Islamic sightseeing. The most common classic tour is usually 10 to 14 days, and generally includes Cairo, Luxor and Aswan, though not particularly in that order.\(^7\)

The tour usually begins in Cairo because most tourists enter Egypt from Cairo airport. Egyptian tour might visit the Giza Pyramids and the historical sites around Cairo on the first day or second day. Then, tours often move on to Luxor or Aswan, usually by train or bus. Luxor is often arranged two day tour to visit West Bank, next day will visit East Bank where the Luxor and Kamak temples are located. After traveling Luxor will visit Aswan may include Elephantine Island, the High Dam and Philae Island. If the time permit you may bus to Abu Simbel, possibly with a stay in a local hotel there.\(^8\)

Because the traveling destinations spread in Egypt, the demanding of hotel is getting increase. According to the Table 3 and Chart 1\(^9\) provide information on the number of hotels, tourist villages (including the number of rooms in them), the number of tourists and tourist nights in Egypt for the years 1981/1982 and 2000/2001, we can see the number has been increase twice. Chairman of the Egyptian Tourist Authority Ahmed Al Khadem announced that about 7.5 million tourists visited Egypt from January to November 2004 and figures showed that the number is expected to

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\(^7\) Jimmy Dunn, “Types of Travel to Egypt,” Tour Egypt Monthly Magazine, August 1, 2001, Volume II Number 8
\(^8\) Holiday Tours agency, “Tour Description,” Tour Egypt Online, December 26, 2004, http://www.touregypt.net/egypttouragents.htm
\(^9\) See table 3 and chart 1 in Appendix A- II
hit 8million by late December.\textsuperscript{10} Minister of Tourism Ahmed A1-Maghrabi recently also said “The tourist boom which Egypt, is currently enjoying requires a review of the national strategy for tourist development for the upcoming ten years, a matter that needs time.”\textsuperscript{11} The Ministry gives priority to the creation of the new international tourist community on the Mediterranean coast he stated, adding that this requires attracting investors to develop this region. Egypt has the potentials that could qualify it to have bigger share, it depends on many determinant factors, the Minister said. He said tourist development encourages the development of different sectors and industries and helps create new communities. In addition, the Ministry has already started to contact giant investors and big world companies dominating the hotels industry and tourism movement, A1-Maghrabi disclosed.\textsuperscript{12}

The Fluctuation of Terrorism - Tourism

The Egyptian tourism seems to be getting well, but the Egyptian government still need to take time to consider the terrorist attacks. However, the terrorist attacks used to take place on traveling destination and cause tourist number decreasing. For the recent decades of Egypt, the tourism – terrorism conflicts are the same old story. The Egyptian is one of the most work hard Islamic countries against Islamists, besides Syria. However, Abdel Menem Said (2001), the director of the Al Ahram center for strategic studies once said “Egypt has suffered for years from terrorists attacks like no other country in the Middle East.”\textsuperscript{13} For a country like Egypt, “tourism” is the biggest employer and earner of foreign currency. As John C. Cross (1996) wrote, the

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assistant professor of sociology of American University in Cairo, “This is truer as terrorist groups change their strategy.”

The Islamist terrorists used to put their focus on the government officials and local dignitaries. Over time, the terrorist groups wanted to get people’s panic and attention, attack the economic systems of the society. Besides the religious mission of what they called the “holy war”, and also they might can negotiate with the government and get what they want.

Under the circumstances, tourists are perfect targets. Firstly, the tourists have a kind of “flocking” pattern that can be predictable, means the terrorists can hiding back and waiting for the chance to shot or attack the passing innocent tourists. Secondly, once the terrorists begin the mission, it’s easily to discover tourists in a crowd and attack them. And finally, for a tourism-dependent country like Egypt, the withdrawal of mass cancellation of package tours and the decision of the potential tourists to seek for another destination is a hard-beaten.

In the November 1997, the massacre of Luxor attack happened in southern Egypt. Islamist militants fired a tourists’ bus when they visited Queen Hatshepsut Temple in Luxor, more than sixty tourists and two policemen died. Most of the tourists are Swiss and Japanese. The Egyptian government said that they believed this case was carried out by the members of the Egyptian Islamic extremist group al-Gamma al-Islamiya, and financed by Osama Bin Laden and his al-Qaeda network. Moreover, a fight back happened a month later. In mid-December 1997, the Egyptian security forces stormed the hideout of Munir Mustapha Mohammed Abdul-Hafiz, the leader of al-Gamma al-Islamiya. Abdul-Hafiz was killed, and 10 of his followers arrested.

To the Egyptian government, the Luxor attack devastated the tourism industry and the Egyptian economy. And since the Luxor attack in 1997, the Egyptian government began the road

of travel and tourism recovery. The Egypt president Mohammed Honsi Mubarak (2000), points out that “We have to foster that stability in order to encourage investment and tourism. Tourism and peace are intertwined.”17 The president Mubarak knows that clearly, the foundation of Egypt is largely dependent on tourism, and the local citizens incomes are mostly from the expenditures of tourists. As Mounir Ghabbour (2001) indicates, the owner of Egypt’s Sonesta Hotels, Resorts, and Nile Cruises, “I believe that the tourism business can solve all of Egypt’s financial problems. If we concentrate our resources and build the right infrastructure to serve the tourists well, we can reach 15 to 20 million a year.”18

Therefore, in order to protect tourists from terrorism, the Egyptian government created defensive mechanisms and screening procedures to build fortress against terrorists. But, on the other hand, this policy not only increases the direct and indirect costs, it also adds the time and inconvenience of the tourists, police officers and local citizens. Not only that, the most important thing is it caused “vicious cycle”, it deteriorated the relationships between the foreigners to local citizens, and the government to local citizens.

Remedial Actions to 911

After the terrorism attack U.S. in September 11th 2001. The travel and tourism industry of Egypt is really affected by this event; it is because of the geography position and religion of Egypt. “Today, tourism is the top earner of foreign exchange, a major GDP19 contributor, an important employment provider, and principal generator of tax revenues in Egypt.”20 Therefore, when the biggest income suddenly decrease due to this event, the government of Egypt should great concern about it, and make some actions to solve this problem; otherwise, Egypt would

19 Gross Domestic Product; the total value of all the goods and services produced in a country, usu. In a single year, except for income received from abroad-compare GNP.
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lose the major GDP, especially the event not only effect about the travel and tourism industry but also concern about the hole Egyptian economy. “The resulting slowdown of tourism investment and employment and the dispersion of induced effects across other sectors largely contribute to the exacerbation of the economic recession and the destabilization of fiscal and monetary policies.” Accordingly, remedial actions should be as soon as possible to save the Egyptian economy.

The government endorsed remedial actions are classified into two major sets; one set is relating Egypt’s tourist destination as well as security and the second setoff actions relates to policy measures for increase the Egyptian travel and tourism industry competition ability, and calling for the creation of new risk hedging mechanisms. According the following content, rates the degree of effectiveness of the adopted remedial actions in attaining set objectives. The basic objective of the relevant set of policy measures, such as the security component, communication, promotion, and product/service diversification are to restore visitors’ confidence in Egypt as a safe tourist destination, and hence stimulate inbound tourism.

The security component, increased security measures by law enforcement groups have been a source of harassment for visitors, particularly when they cause delays or major amendments to travel or tour programs. As for communication the Ministry of Tourism (MOT) has adopted a proactive approach, stressing safety, security and familiarity based on the honest and transparent flow of information with the purpose of maintaining the credibility of the Egyptian tourism industry. The endorsed Tourism Promotion Plan for 2002 has proved to quite successful in restoring tourism flows and market positions. In addition, the budget for the 2003 promotion plan as approved by the Supreme Committee for Tourism Promotion has been almost

22 See the table 4 in Appendix A-III
doubled to a total of $80 billion in order to meet fierce competition from neighboring countries. Emphasis has been placed on new products/services such as golf, diving, spas, safaris, and ecotourism. Given the small size of these newly emerging activities in comparison to cultural and beach tourism.

**Forecast**

Cairo Air improvement project, and antiquities development project including about site development in the Red Sea area, wall painting conservation and museum development.

The program aims to foster opportunities for Egypt’s private sector and non-governmental organizations to play a more active role in improving and protecting the environment. We think that development of a monitoring system for sensitive coral and mangrove areas in the Red Sea tourism properties leading to environmental improvements. Environment awareness campaigns in supports of these efforts are under way.

In order to reduce the attention of airborne lead in and near lead smelters and moving these industrial plants away from popular areas is a major initiative to protect the health of Egyptians. The government efforts to improve and protect the environment will to increase public awareness that depend on effective programs. Public awareness campaigns have been carried out, particularly with school-aged children that to illustrate the importance of taking care of the environment. As we can know about that public campaigns have also been launched more broadly to promote the use of fuel. This project has also promoted municipal buses’ use of cleaner and to get more efficient compressed natural gas in place of diesel fuel. It will effect of both reducing emissions and improving overall vehicle efficiency of this step. There are forty-four of 50-prototype natural gas buses in revenue service with Cairo’s municipal to fleets.

It is intended to strengthen the region’s cultural tourism to complement the rapid growth of hotel of hotels along the coast and going to development of a monitoring system for sensitive coral and mangrove areas in the Red Sea. Then, the Antiquities Development Project will create
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a prototype for proper analyses to prepare for tourist presentation.

The government and international community considering mitigate economic fallout and recent evidence of financial distress further underscores the delicate social balance within Egyptian society. Over the next five months, the government is considering swift and aggressive action to mitigate this economic fallout that includes about granting an interest-free loan of $24 million per month to tourism companies. We can know about history shows an inverse relationship connecting Egypt’s economic well-being and respect for human rights, and recent events are no exception to this pattern.

Finally, we forecast the Egyptian environmental, antiquities development, Cairo air improvement, transport and communication should be improved for tourism quality. The Egyptian environmental will become a major element for development of tourism. Cairo air improvements also need to pay much attention to increase the tourists. The transportation facilities in Egypt are centered in Cairo and largely follow the Nile. Therefore Egypt air service to major tourist destinations from Cairo will be thinking more important. However, antiquities development projects are intended for the cultural tourism and rapid growth of hotels along in the Red Sea. The antiquities development project will attract tourists’ attention.

Conclusion

Following September 2001, there was a large fall-off in tourist numbers. However, in part due to a severe price reduction policy and partially because of the increase in intra-regional tourism, it recovered much quicker than had been expected. Long-term prospects are good for the tourism industry in Egypt. With its long history and extra-ordinary legacy of monuments, Egypt will always attract visitors and most analysts say that tourism still has a huge potential for growth. The major industry players who are continuing to invest in Egypt. Tourism infrastructures reflect this optimism. Hotel and resort construction continues to be strong; although many projects have been delayed because of the attacks in September.
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Appendix A:

**Table1: The weather in Cairo**

<table>
<thead>
<tr>
<th></th>
<th>Sunday, Jan 2</th>
<th>Monday, Jan 3</th>
<th>Tuesday, Jan 4</th>
<th>Wednesday, Jan 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forecast</td>
<td>Sunny with cloudy periods</td>
<td>Cloudy</td>
<td>Sunny with cloudy periods</td>
<td>Cloudy with showers</td>
</tr>
<tr>
<td>High</td>
<td>20 °C</td>
<td>13 °C</td>
<td>16 °C</td>
<td>12 °C</td>
</tr>
<tr>
<td>Low</td>
<td>10 °C</td>
<td>10 °C</td>
<td>10 °C</td>
<td>11 °C</td>
</tr>
</tbody>
</table>

Source: The Weather Network

**Table2: The flag of Egypt**

Source: Greenwich Mean Time (GMT)
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Table 3:

<table>
<thead>
<tr>
<th>Item</th>
<th>81/82</th>
<th>2001/2002</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of hotels, touristic villages and floating hotels (hotel &amp; village)</td>
<td>243</td>
<td>1030</td>
<td>More than 4 fold increase compared to 81/82</td>
</tr>
<tr>
<td>Number of rooms in hotels, touristic villages and floating hotels (thousand)</td>
<td>18.1</td>
<td>117.3</td>
<td>About 7 fold increase compared to 81/82</td>
</tr>
<tr>
<td>Number of tourists (million)</td>
<td>1.4</td>
<td>5.3</td>
<td>About 4 fold increase compared to 81/82</td>
</tr>
<tr>
<td>Number of touristic nights (million)</td>
<td>9.6</td>
<td>32.7</td>
<td>More than 3 fold increase compared to 81/82</td>
</tr>
</tbody>
</table>

Source: Ministry of Egyptian Tourism

Chart 1:

Source: Ministry of Egyptian Tourism
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Table 4: Extent of Effectiveness of Mitigation Measures

<table>
<thead>
<tr>
<th>Mitigation Measures</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Demand Restoration</td>
<td></td>
</tr>
<tr>
<td>1. Security</td>
<td>Very High</td>
</tr>
<tr>
<td>2. Communications</td>
<td>Very High</td>
</tr>
<tr>
<td>3. Promotion</td>
<td>High</td>
</tr>
<tr>
<td>4. Product Diversification</td>
<td>Moderate</td>
</tr>
<tr>
<td>5. Destination Selectivity</td>
<td>Considerable</td>
</tr>
<tr>
<td>6. Market Segmentation</td>
<td>High</td>
</tr>
<tr>
<td>7. Price Cuts/ Travel Incentives</td>
<td>Very High</td>
</tr>
<tr>
<td>(2) Business Support and Compensation Schemes</td>
<td>Low/Moderate</td>
</tr>
</tbody>
</table>

Source: International Tourism Volatility with Special Reference to Egypt
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References

Professor Cross refers the effects and dilemmas caused by terrorism, and his initial experience of doing research by escorted by a number of polices in Southern Egypt.

Dunn, J. “Types of Travel to Egypt,” Tour Egypt Monthly Magazine, August 1, 2001, Volume II, Number 8
Dunn refers that there are many various type of travel including some religious, Islamic sightseeing and holiday tour. The tours usually include Cairo, Luxor and Aswan.

This article discussed about what Egypt’s facts for the travelers and must attention about something.

This article discussed about Egypt’s tourism to slump and government must do something about this situation.

Executive Briefing let us to know about Egypt’s trip market profile and industry forecasts.

The article related to Egypt’s economic problems and unemployment issues.

Egyptian Government needs a national strategy for tourist development for the next few years.
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Egyptian Ministry has already started to contact giant investors dominating the tourism industry.

Greenwich Mean Time report about Egypt background and introduce all-important things in Egypt.

This article briefly introduced the general background, economic overview and the population growth of Egypt.

This article discussed about what the Egyptian government do to let Egypt get rid of the threats of terrorism.

They offer many kinds of tour packages and the order of traveling schedules.

Chairman of the Egyptian Tourist Authority announced that about 7.5 million tourists visited Egypt from January to November 2004.

It reported the slaughter of Luxor in 1997, and the further actions of Egyptian authorities.

Mohamed F. S. & Nada M. “International Tourism Volatility with Special Reference
The Egyptian travel and tourism industry: Recovering from terrorism.

This article is related Egyptian economy and attacked in travel industry.

Egyptian President Mubarak talked about government cannot develop Egyptian economy, investment and tourism without social stability.

This article is related about the Egyptian’s tourism sector’s information.

This article discussed about Egypt Guide for Travel, Ancient, recent feature stories and modern Egypt.

Canoe reported about weather and some information in Egypt.