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Terrorism and Its Impact on Foreign Economic Activity in Sub-Saharan Africa

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Abstract: It was anticipated that terrorism incidents would have a negative impact on foreign investment and tourism in the sub-Saharan African countries. At the aggregate level, however, such was not the case. The lack of support for the basic hypothesis could reflect data limitations in the terrorism database, the initially low levels of tourism and foreign investment in sub-Saharan Africa, and the potential for dissidents to use other forms of violence against the governments in power. A country analysis for South Africa, however, did provide support for the idea that terrorism had negative effects on investment and tourism.

Key words: terrorism; foreign investment; tourism; Africa
JEL codes: F21, F29

Terrorism is a significant threat to peace, and even security, of countries and their populations. The presence of terrorism can destabilize countries and lead to political changes and has even contributed to changes in governments. Further, terrorist activity can have significant negative economic consequences for countries. Previous studies have found indications that there have been negative economic effects for states facing terrorism. To date, however, the costs of terrorism on countries in sub-Saharan Africa have remained under-analyzed. As a consequence, the current study will determine if terrorist incidents and the resulting fatalities have had the expected negative impact on foreign direct investment (FDI) and on the flow of visitors to the countries in the region.

1. Terrorism and Economic Effects

One of the characteristics of terrorism is that the groups using this type of violence have political objectives (J. Lutz & B. Lutz, 2013, p. 9). As part of the effort to achieve these goals, organizations can use individual attacks or campaigns of attacks that are intended to damage the economic base of the state. Attacks on economic targets can be adopted as a basic strategy by particular terrorist groups as a means of creating change (Harmon, 2001; J. Lutz & B. Lutz, 2006b). Terrorist attacks can have both direct costs that reflect the damage that is done and indirect costs that reflect the price of avoiding future terrorist attacks (Bruck, 2007, pp. 265-271; Czinkota et al., 2010, p. 827). More broadly, attacks on economic targets can be part of an attrition strategy that is designed to

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wear down a government and reduce public support. The attacks are intended to force the government to see that changes in policy will be easier than absorbing the damage that results from the terrorism—the costs of the terrorism will lead to the desired changes (Kydd & Walters, 2006). If national economic assets can be successfully targeted, it will reduce the resources available to the government. Reduced resources will mean lower levels of revenues for the security forces or less funding for programs that might address the legitimate grievances of the population. The absence of funding for these programs might increase dissatisfaction with the government. Economic attacks can also force the government to divert resources to protecting a much wider group of targets. There will be opportunity costs for using resources for other purposes (J. Lutz & B. Lutz, 2013, p. 276). Government funds may also be diverted to less productive investments such as counterterrorism efforts or greater funding for security forces (Gaibulloev & Sandler, 2008, p. 411). The diversion of resources to guard additional facilities can also make it more difficult to protect the most valuable targets and limit the number of security forces available to track down and deal with the terrorist groups.

A variety of economic activities have become targets for terrorist attacks. Foreign aid agencies and programs can become targets. Foreign aid can contribute to the resources available to the government thereby increasing funds available to deal with domestic problems. Even non-military aid provided by non-governmental organizations or multilateral aid agencies can free up other government recourses for weaponry or additional security forces. For example, attacks against the UN facilities in Iraq after the US invasion in 2003 were clearly an eminently logical—and successful—choice. The attacks led to the withdrawal of the UN personnel and programs, removing one positive source of support for the new government in Iraq (J. Lutz & B. Lutz 2013, pp. 268-269; Rabasa et al., 2006, p. 138).

Foreign business activities have become very attractive targets (Czinkota et al., 2010). They have become targets in part because they are easier to attack, partially because of the economic benefits they can bring to the local economy. Foreign investments have been a logical target since it can contribute to employment, tax revenues, and an improved economy. Terrorist attacks have led to declines in foreign investment levels (Enders & Sandler, 1996). Perhaps the most obvious was a downturn in overall foreign investment on a global level in the aftermath of the attacks of September 11th in the United States in 2001. Global FDI declined noticeably in 2002 compared to 2001 (Anyanwu, 2006, p. 52; J. Lutz & B. Lutz, 2006a, p. 326). While foreign investment eventually recovered, the shock waves from the attack had obvious and significant impacts in the immediate aftermath. Basque nationalists targeted foreign investors in their region of Spain. One analysis indicated that investment in the region was 10% lower as a result of this campaign (Abadie & Gardeazabal, 2003). An analysis of foreign direct investment in Latin America between 1969 and 1988 provided limited negative impacts from levels of terrorist violence in the region (J. Lutz & B. Lutz, 2006a). Further, foreign investment has been the target of terrorist campaigns by separatist in Aceh in Sumatra in Indonesia (Schultze, 2003, p. 260), in Brazil by leftists (Beckett, 2001, pp. 175-176), in Northern Ireland (Drake, 1998, p. 57), and in Colombia (Nitsch & Schumacher, 2004, p. 425n).

It is quite apparent that terrorists regard foreign investment as an important target. Analyses of the effects of stability on levels of foreign investment, however, have found mixed results. One study of investment in 101 developing countries found that investors restricted investments levels in the countries with higher political risk (Vadlamannati, 2012, p. 133). Other analyses discovered that global conditions can influence foreign investment within the context of levels of risk. Political risk had a lessened impact on investment when global levels were greater (Meon & Sekkat, 2012). Increases in the costs for access to foreign capital can limit the availability of investment funds and actually increase the changes of conflict in developing countries, which would indicate that lowered levels of investment funds increases the chances of political violence rather than political violence leading to lower levels of investment (Chapman & Reinhardt, 2013). Other studies have found that instability was not a factor in explaining foreign investment or that the results were inconsistent (Bollen & Jones, 1982; Kolstad & Villanger, 2008a; Kolstad & Villanger, 2008b, p. 82). One additional difficulty may be that political risk is quite difficult to quantify accurately (de Moura & Filipe, 2012, p. 19). Overall, there is limited evidence that political instability and terrorist violence has consistently had the anticipated negative effects on foreign investment.

Tourists have also been frequent targets of terrorism. Tourists are soft targets for terrorist groups and in many cases they are easily accessible. It is also difficult to vary the travel routes to and from hotels and obvious tourist sites, making the planning of attacks easier for the terrorists. Tourists bring in foreign currencies and can generate significant revenues for the government and the local economy. Attacks on tourists had led to significant downturns in the number of visits and therefore revenues. The 1997 attack on tourists in Luxor in Egypt was followed by a 53% decline in tourist revenues (Gurr & Cole, 2000, p. 88). Attacks on tourists in Greece, Israel, and Turkey led to redirections of visits from countries experiencing the attacks to other tourist destinations (Drakos & Kutan, 2003). The deadly attack against the Western tourists in Bali in 2002 had major economic consequences. The anticipated drop in revenues from declining tourism led to a 10% loss of value on the Jakarta stock exchange and a drop in overall GDP (Abuza, 2003, p. 3). The Basque nationalists launched a concerted campaign against the Spanish tourist industry to demonstrate to the Spanish government that they could damage the national economy by driving away visitors. In the final analysis the attacks were successful in hurting the Spanish tourist industry (Chalk, 1998, p. 380; Enders & Sandler, 1991). The tourist sector in Latin America was also negatively affected by terrorist attacks—even more so than foreign investment (J. Lutz & B. Lutz, 2006a).

What is notable from the above discussion is the lack of detailed analyses of the effects of terrorism on foreign investment and tourism in Africa (beyond events in the Arab north). While tourism is less significant for this region of the world, the impacts should be similar. Overall foreign investment in Africa is low, and the majority of the inward flows do go into natural resources such as oil and gas (Anyanwu, 2006, p. 54; Huchet-Bourden, Lipshitz, & Rousson, 2009, p. 249; Kolstad & Villanger, 2008b, p. 87). The limited foreign investment has been important for virtually all the countries in the region, and it has been very significant for at least those states with important natural resources (oil in Nigeria, Gabon, and Angola, copper in Zambia and the Democratic Republic of the Congo, and diamonds in Angola, South Africa, and Botswana for example). As a consequence, an analysis of the economic effects of terrorism in the area is overdue.

2. Methodology

In order to determine the effects of terrorism on foreign economic activity, data on terrorist occurrences were correlated with later changes in foreign investment and tourism. It was assumed that greater levels of terrorist actions would have negative effects on both tourism and levels of foreign investment. The data on terrorism incidents in the countries of sub-Saharan Africa were available from the Global Terrorism Database. This database contains information beginning in 1970 and continuing on through 2011. The data is a continuation of previous databases and includes information on both domestic and international terrorism (Global Terrorism Database, 2012). It is possible that data on domestic terrorism may be less complete for some of the earlier years. The earliest data initially only included international events, and while domestic incidents were added later, some may have been missed. The data included information on the number of incidents, fatalities, and injuries that occurred with the attacks. This information was aggregated into yearly totals for the number of incidents and deaths. Information on injuries was frequently incomplete. The data base relied on media reports, and obviously in many cases there were no totals for the number of persons injured. As a consequence, the analysis only included the total number of incidents and fatalities. The data were standardized by population since all other things being equal, terrorist activity would be somewhat more likely in larger countries; therefore, fewer incidents in smaller countries would have the same impact as a larger number of incidents in more populous countries. Population figures for countries in the region were somewhat inconsistently reported. As a consequence, figures from the World Bank (2012) were used for consistency. All data for the 1970s were divided by the population in 1975, figures for the 1980s by the population in 1985, terrorism figures for the 1990s by 1995 population, and figures for the 21st century years by the population in 2005. Zero entries were actually recorded as .01 incidents so that an absence of attacks or deaths in larger countries would have reflected a more positive lack of terrorist activity (J. Lutz & B. Lutz, 2006a, pp. 327-328n).

Data on foreign investment levels was derived from an UNCTAD (2012) database on national levels of foreign investment. The data was more complete from 1980 and later years. Data was less consistent for many of the sub-Saharan African countries in earlier years. The data on tourism was obtained from the United Nations Statistical Yearbook (various years). This data was also inconsistently reported in the 1970s. From the latter part of the 1970s onward the data was much more complete. The information on the number of tourists visiting the various countries every year was more technically a total for the number of visitors that entered each country on business, to visit relatives, as actual tourists, or for other reasons. Increased number of visitors could reflect tourism in those countries with a tourist industry or more business opportunities for international investors. In both cases, the totals for foreign investment and foreign visits were standardized by the total population for 1975, 1985, 1995, and 2005. The data were then used to calculate the change in per capita visits and per capita levels of investment between time t and times $t+1$ and $t+2$. Using changes, rather than absolute values, for one or two years controlled to some extent for factors such as a developed tourist industry, such as photo safaris to wildlife parks or the Victoria Falls on the Zambezi River, or for countries with natural resources that attracted higher absolute levels of foreign funds.

With the basic data it was possible to determine if the number of terrorist incidents or the number of fatalities in one year (for example 1970) had any effect on changes in tourism or foreign investment between year one and year two (1971) or year three (1972). The analyses were undertaken beginning in 1970 through the first decade of the 21st century. It was anticipated that incidents or fatalities would be negatively associated with increases in tourist visits and levels of foreign investment in the following year or two years.

3. Results

Correlations were run for the changes in foreign investment and tourist visits in a year or two years after incidents of terrorism and fatalities for the years beginning in 1970. While the vast majority of the correlations between terrorist activity and foreign investment were negative as anticipated, almost none of them were significantly so. In fact, out of 162 correlations between fatalities and incidents and the changes in time $t+1$ and $t+2$ only one was significant at the .10 level. Neither the number of incidents nor the number of fatalities provided much in the way of prediction for downturns in either investment levels or tourism. The results were only slightly better with the connection between tourist visits and the earlier terrorist actions. Between 1970 and 1996 there were a half dozen negative correlations that were significant, but that number is hardly large enough to be supportive of the general hypothesis that foreign visits would be negatively affected by terrorism. What was also obvious from the data analyses is that there were many cases in which high levels of terrorism were actually associated with increases in the number of visits at very high levels. From 1997 on, the correlations were likely to be positive and high, and there were occasional incidents of similar positive correlations in earlier years. What these results would suggest is that terrorist violence led to more foreign visitors, at least after 1996. Of course, such a link is possible if the incidents of terrorism was leading to more attention from foreign governments and organizations that these increased visits were an effort to offset the consequences of the violence.

Tourism and foreign investment levels could be affected by other events. A number of countries in the region suffered from major, long continuing conflicts. The analyses were re-run to exclude states that were sites of such major conflicts for much of the period (Angola, Chad, Democratic Republic of the Congo/Zaire, Eritrea, Ethiopia, Guinea, Liberia, Sierra Leone, Somalia, and Uganda). In some cases data on either investment or tourist visits was absent or inconsistent reflecting the unrest in these countries. The correlations for the smaller set of data were similar to the original correlations. These results suggested that the absence of the expected negative associations was not due to downturns in investment and visits due to violence that was at higher levels than that which occurred with terrorist attacks.

Table 1 Index of Stability: Correlations with Terrorism, Investment, and Tourism

Year	Incidents	Fatalities	Investment *t + 1*	Investment *t +2*	Tourists *t + 1*	Tourists *t +2*
1996	-0.432***	-0.272	-0.158	-0.138	0.040	0.038
1998	-0.496***	-0.467***	0.097	0.221	-0.172	-0.035
2000	-0.165	-0.478***	-0.048	-0.001	-0.437**	-0.107
2003	-0.405**	-0.374*	0.006	-0.254	-0.430**	-0.453**
2004	-0.039	-0.204+	0.161	0.314	-0.188	-0.149
2005	-0.174	-0.248*	-0.179	-0.178	-0.111	-0.089
2006	-0.415**	-0.342**	0.004	-0.184	-0.182	-0.099
2007	-0.452***	-0.510***	-0.178	-0.142	-0.022	. . .
2008	-0.434***	-0466***	0.059	-0.037	. . .	. . .
2009	-0.523***	-0.561***	-0.126	-0.264	. . .	. . .

Note: $^{+}$ $\alpha = 0.10$, * $\alpha = 0.05$, ** $\alpha = 0.01$, *** $\alpha = 0.001$

Another check on the reliability of the results was run based on an index of political stability and lack of terrorism creased by the World Bank (2012) for 1996, 1998, 2000, and 2003-2011. This index of stability was correlated with both the number of terrorist actions per capita and fatalities per capita and the measure for changes in FDI and tourist results. Logic would suggest that the lack of political stability should have led to reductions in both investment and foreign visits. The results of the current analyses, however, indicate that stability and terrorism were indeed negatively linked as would be expected, and usually at significant levels (see Table 1). Even so, stability was influenced by other factors given the amount of unexplained variation. In addition, it was expected that countries with greater stability would have had corresponding increases in investment and tourism levels, but such was not the case. While the index was only available for a limited number of years, the results paralleled the analyses based on the terrorism data. The associations between the stability index and changes in tourism and investment were negative instead of positive, even if at low levels. Political instability, which did reflect levels of violence of all types, like terrorism, did not have the expected results. Foreign investors and tourists interested in sub-Saharan African societies did not appear to have been reacting to events in this region as they have in other parts of the world—terrorism and political instability did not lead to downturns in foreign economic activity.

There is another possibility that remains to explain the lack of anticipated effects due to terrorism in many of the countries in sub-Saharan Africa. The media in these countries is not as well established as the media in the developed world, and they also have fewer resources for reporting news of any type. In addition, it can be very dangerous to collect data on terrorist incidents in societies where there are much higher levels of violence (B. Lutz & J. Lutz, forthcoming). As a consequence, an incomplete data set could compromise the results. Given this possibility, the individual country data for South Africa and Nigeria were analyzed separately. South Africa has a much stronger media sector than many other countries, and the data in the Global Terrorism database seem to capture the types of activities that occurred in that country. Nigeria, because of its size and oil revenues has received more media attention than many of the smaller African states. Also, the appearance of Boko Haram (Western Civilization is Forbidden), a local Islamic extremist group, has spurred greater media attention in the country. Umar Farouk Abdulmutallah—the "underwear bomber", who attempted to blow up a plane as it was landing in Detroit—was also Nigerian, focusing greater attention on events in that country. Boko Haram has undertaken attacks against government officials, local police, and Christians (Forest, 2011, p. 69; Sampson & Onuoha, 2011, p. 44). While Boko Haram is not considered a part of Al Qaeda, there are indications that more recently the group has developed links with other extremist Islamic organizations that are of the global jihad movement (Forest, 2011, p. 69).

The results for South Africa are interesting. The correlations for all of the years were essentially zero, but when the correlations are done by individual decades the results are more in keeping with the expectation of a negative influence on changes in investment and tourism. The results indicate that especially in the 1970s and in the 2000s, foreign direct investment was indeed negatively linked with previous levels of terrorism (see Table 2). The correlations for the 1990s are also supportive, albeit at lower levels. In the 1980s, however, foreign investment was higher when terrorism was greater in the preceding year or two years in the past. The results for tourism are different. There were no data for the 1970s reported. Terrorist actions clearly led to declines in tourism in the 1980s and the 2000s. In the 1990s, there were no links. In the 1980s, foreign investment and visitors were constrained by the international situation. In these years there were increasing international pressures on South Africa as a consequence of its policies of apartheid. These policies interfered with both investment flows and foreign visits as governments and private groups attempted to limit contact (and economic benefits) with South Africa. In the 1990s, circumstances had begun to change when the transition to majority rule in South Africa occurred. Foreign investors could now supply funds in the area without domestic protests, boycotts, and public demonstrations (and the corresponding negative public relations effects). This was also a period in which foreign direct investment in Africa was on the increase (Huchet-Bourdon, Lipchitz, & Rousson, 2009, p. 250). By the 21st century, when South Africa was being treated like other nations by the world community, the correlations between terrorism and investment and visitors were negative as anticipated.

Table 2 South African Terrorism and Foreign Investment and Tourism: Correlations

Time Period	Foreign Direct Investment *t+1*	Foreign Direct Investment *t+2*	Tourism *t+1*	Tourism *t+2*
All Years				
Incidents	-0.051	-0.093	0.016	0.135
Fatalities	-0.003	-0.010	0.135	0.131
1970s				
Incidents	-0.506^{+}	-0.867^{***}	(1)	(1)
Fatalities	-0.585*	-0.936^{***}	(1)	(1)
1980s				
Incidents	0.341	0.549	-0.799^{*}	-0.651^{+}
Fatalities	0.194	0.233	-0.697^{*}	-0.860^{**}
1990s				
Incidents	-0.133	-0.288	0.199	0.282
Fatalities	-0.119	-0.226	0.130	0.142
2000s				
Incidents	-0.444^{+}	-0.346	-0.506^{+}	-0.423
Fatalities	-0.424^{+}	-0.399	-0.609^{+}	-0.386

Note: (1) No data on tourism available for 1970s

n = 10 for foreign direct investment (11 for 2000s), 7 for tourism in 1980s, 10 in 1990s, and 8 in 2000s.

$^{+}\ \alpha = 0.10$, $^{*}\ \alpha = 0.05$, $^{**}\ \alpha = 0.01$, $^{***}\ \alpha = 0.001$

The results for Nigeria are much less in keeping with expectations. For all the years, greater levels of terrorism were positively linked to more investment and tourism! The same relationships held true to the individual decades, contrary to expectations (see Table 3). There are two possible explanations—one common to data on terrorism in sub-Saharan Africa and one somewhat more specific to Nigeria. The more general possibility is that the data for terrorism in Nigeria appears to be incomplete. Nigeria did not have a single recorded terrorist incident in the 1970s. This result is highly unlikely, especially in the aftermath of the 1967-1970 civil war and ethnic tensions between the north and south that have continued to the current time (J. Lutz & B. Lutz, 2013, pp. 213-214). Incidents of communal violence that are not directed against a government but other ethnic or religious groups are often excluded, even when they constitute examples of local attempts at ethnic cleansing. The city of Jos has seen frequent conflicts between the local population and migrants from the north, which are not contained in the database. Attacks by Boko Haram in Jos in support of northerners, however, have been included. The incomplete database, which is not unique to Nigeria, may help to explain the results. The second factor, which is more unique to Nigeria, is that much of the foreign investment and foreign visits are linked to the petroleum industry. The importance of the oil exploitation and the profits to be made in the industry can negate any effects that prior terrorist actions could have had as long as profits to be made from investment were still high (Obi, 2010, pp. 64-65). Foreign investors were apparently not even dissuaded when the oil industry itself became a target for attacks from groups unhappy with the company policies that ignored impacts on the local populations (J. Lutz & B. Lutz, 2013, pp. 214-216). In some cases, the companies did indeed modify their policies or arrange to pay for local programs as a means of responding to the violence (Watts, 2004, p. 63). In these cases, the terrorism could have actually played a role in increasing investment. The results for tourism for Nigeria were also largely contrary to the expectations, although not quite as much as was the case for foreign investment levels. In any event, terrorism clearly did not have any negative effects on foreign activities for whatever reason.

Table 3 Nigerian Terrorism and Foreign Investment and Tourism: Correlations

Time Period	Foreign Direct Investment *t+1*	Foreign Direct Investment *t+2*	Tourism *t+1*	Tourism *t+2*
All Years				
Incidents	0.225	0.185	0.589	0.655
Fatalities	0.190	0.242	0.035	0.642
1970s				
Incidents	(1)	(1)	(1)	(1)
Fatalities	(1)	(1)	(1)	(1)
1980s				
Incidents	0.267	0.230	-0.178	0.352
Fatalities	0.714	0.581	0.167	0.463
1990s				
Incidents	-0.352	-0.348	0.014	-0.058
Fatalities	0.159	-0.019	0.646	0.649
2000s				
Incidents	0.646	0.638	0.300	0.124
Fatalities	0.433	0.594	0.380	0.618

Note: (1) No variation for 1970s as no terrorist incidents reported
n = 10 for foreign direct investment (11 for 2000s), 8 for tourism in 1980s, 10 in 1990s, and 7 in 2000s
$^{+}$ $\alpha = 0.10$, * $\alpha = 0.05$, ** $\alpha = 0.01$, *** $\alpha = 0.001$

4. Conclusions

The above analyses have indicated that terrorism did not have the expected effects on international economic activities in sub-Saharan Africa. For the region as a whole, there was very little indication that terrorism, either in terms of incidents or fatalities had the anticipated negative effects on foreign investment and foreign visits. In fact, both measures performed equally well or equally poorly as the case may be. The data for South Africa, however, indicated that data for individual countries could be in keeping with the expected hypotheses. South Africa is more advanced than other countries in the region and is a source for growth for its regional neighbors (Huchet-Bourdon, Lipchitz, & Rousson, 2009, p. 271). As a consequence, its experiences might be dissimilar from the other countries in sub-Saharan Africa. There is at least a possibility that sub-Saharan African states followed a different pattern in this regard than some other areas of the world while others may have been more similar in their experiences to other regions. Another possibility is that the initial levels of foreign investment and foreign visits in sub-Saharan Africa started out at quite low levels. Sub-Saharan Africa has been much lower than other regions as Africa has lagged behind other regions of the world (Anyanwu, 2006, p. 53). Foreign investment has been low because of limited domestic resources, economic and political uncertainty, poor governance and corruption, weak physical and regulator infrastructure, small markets, a reliance on primary commodities as exports, debt, and weak capital markets (Anyanwu, 2006, pp. 58-62; Busse & Hefeker, 2007). As a consequence, changes in levels of both investment and tourism would have been very changeable and overly sensitive to changes—small changes would have led to exaggerated percentage changes in both measures. What does appear to be true, whatever the reason, is that the sub-Saharan African countries did not have a consistent pattern.

The different patterns could reflect some additional possibilities beyond the fact that linkages between terrorism and foreign economic activities were different in this part of the world. As noted, there was at least some possibility of incomplete or poor data quality. Admittedly, this possibility would have been somewhat more likely in the earlier years, but as global attention on terrorism increased, especially in the aftermath of 9/11 it should have been less likely. An alternate explanation would be that the effects of terrorism is different in Africa since there are other mechanisms available to dissidents that can be used to bring about changes in governments, including military coups e'etat, guerrilla activity, insurgencies, and civil wars. These methods of dissident challenges can be more effective than terrorist campaigns; thus, limiting the use of terrorism (B. Lutz & J. Lutz, forthcoming). These types of actions to challenge governments are less frequently available in other parts of the world leading to dissidents using terrorism instead as a means of challenging governments. Another possibility is that the levels of terrorism did not vary tremendously or that many countries did not reach a level to have any significant impact. Isolated terrorist incidents are probably less likely to influence foreign investment than more concerted campaigns. Isolated incidents might have a greater impact on tourist visits, but it is likely that many of the foreign visitors to most sub-Saharan African countries were conventional tourists; thus, foreign visits would not be affected by such isolated incidents or perhaps even higher levels. In the cases where there were more terrorist incidents there could have been a similar lack of variation in the levels; therefore, variations on levels of foreign activity would have fewer effects. Regardless of exact causes for the different patterns, the sub-Saharan African region does appear to have had a different experience in regards to the economic effects of terrorism.

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