**Last Burst of Summer Fun for Tunisia's Doomed Beach Hotels**

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By PAUL SCHEMM Associated Press

The jet skis roar by the shore and the water is full of splashing children along the Tunisian Riviera, where despite the deadly attack that killed 38 tourists in June, the beaches are still full — for now.

Europeans have abandoned this North African country, leaving just local Tunisian beach-goers and visiting Algerians. But they will be gone by month's end, and then the real pain for the country's all-important tourism industry will begin.

Attracted by deep price cuts, Tunisians have flocked to the beaches for their summer vacations, but reservation books are empty for the fall as the school year starts.

"We are full for the next three weeks and then we will be empty," said Abdelhamid Zaraga, owner of the Atrium Hotel in Hammamet, as he sat in the cavernous hotel lobby bustling with Tunisians in beach gear. "We've been full since three days ago because we dropped our pants to be cheaper than our neighbors."

While tourism officially only makes up 7 percent of Tunisia's economy, industry experts estimate its real contribution is closer to 19 percent. And the decision by Britain and some other European countries to warn away their travelers has devastated the sector. The travel guidance was prompted by security concerns after the June attack and another deadly attack in March on the country's leading museum, both by Islamic extremists.

Zouhair Mbarek, owner of Batouta Voyages travel agency in Tunis, said no amount of price cutting or other promotions was having any impact in attracting budget-conscious foreigners back to [Tunisia](http://abcnews.go.com/topics/news/tunisia.htm) — at least in the foreseeable future.

"In the current situation, the issue is not price," he said. "The issue is whether people feel safe enough to come to Tunisia."

Tunisia depends on tourism to earn hard currency and its revenue covers 60 percent of its commercial debt payments, according to Radhouane Bensalah, the president of the hotel association and the owner of the Saphir Palace in Hammamet.

He said the government is scrambling to save the industry as hotels around the country close up, and has said that loans, taxes and utility payments for hotels will all be delayed until the situation improves.

The government is also working with hotels that are temporarily closing to pay at least partial salaries to their employees, to avoid the devastating consequences of laying off large sections of the workforce in a country already ravaged by 15 percent unemployment.

Some 400,000 people are employed directly and indirectly in the industry and they support 2 million family members — no small number in a country of just 11 million.

Since Tunisia's 2011 revolution, which inspired democracy advocates around the world but scared away many tourists, the whole sector has been struggling, and the national economy along with it. The two deadly attacks this year came just as hopes for an economic turnaround were emerging at last. GDP growth for the year is now expected to sink to 1 percent.

On a bright August morning in Hammamet, however, the beaches were filling up and the sidewalks choked with cars bearing Algerian license plates.

"We decided to come to help the Tunisians," said Rafiqa Mishri, an Algerian woman with oversize sunglasses and a headscarf walking along the beach with her husband. "We have experience with terrorism, we aren't afraid."

The seasonal influx of Algerians to Tunisian beaches has been hailed in the media as an example of neighborly support. But the 4,000 people crossing the borders every day are typical for this time of year.

Nearby, tour guide Abdessalam Trabelsi tries to interest people in rides on camels, quad bikes or even a pirate ship. He admits it's good to have the Algerians, but says they don't make up for the absence of Europeans.

"The Algerians don't think like the Europeans. They aren't interested in handicrafts, so all those shops are empty," he said gesturing to a row of forlorn shops selling kaftans, leather bags and jewelry.

He also lamented the tendency of Algerians and Tunisians to bargain hard for everything.

"The best customers are the English," he said. "They pay for activities without complaining because they know it's much more expensive where they come from."

This, however, may be the future of an industry that will have to rely more and more on its local market. The country's 2016-2020 tourism development plan seeks to expand Tunisian clients from 14 to 25 percent of the total.

Tourism authorities are hoping the industry can survive a lean winter and see the Europeans return by April, though that will depend on intense negotiations between the Foreign Ministry and foreign embassies to convince them that security has been restored.

Each hotel now has a uniformed policeman with an assault rifle at the door and armed plainclothes officers are scattered around the beaches. Hotels are also working with police to install cameras, metal detectors and train security teams.

"We will shift all our efforts to public relations with sports and political figures and those in show business to bring people to Tunisia and show them the country and that life goes on and people are enjoying themselves," said Bensalah of the hotel association.

The local press is already hailing Miss Belgium's Aug. 18 visit for a week's vacation to the island of Djerba — where some 35 hotels have already shut down.

Back in Hammamet, Mohammed Daya, who owns the Dar al Olf hotel, expresses doubt about the government's promises of help.

"We are pessimistic. We don't know what to do — and what's worse is that our government doesn't know how to find the solution," he said, bemoaning recent renovations on his hotel that have left him deeply in debt.

"In September, if I don't have customers," he said, "I will close down."