A historical survey of hotel services in Bahir Dar Town Since 1930s: Challenges and prospects

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The development of tourism sector was essential in the socio-economic development of nations. In a developing country like Ethiopia, the development of tourism industry is closely linked with the development of hotel sector because the majority of customers of this sector come from international tourists. Bahir Dar located along the Historic Route', the town and its environ are endowed with both natural and cultural heritages. In this regard, the Blue Nile falls, the Lake Tana and its island monasteries have been potential attractions for the tourism industry. This potential was not yet fully exploited partly due to the low development of accommodation and hospitality services to the tourists in the hotel sector. Recently, even though the tourism industry began to win scholarly attention from various disciplines, nonetheless, the hotel sector still given little focus. Therefore, the major objective of this article is to examine the historical developments of hotel services in Bahir Dar town. The paper is done after consulting both written secondary and archival sources, and interviews made with key informants. So, this paper provides a bird's eye view on the historical survey of hotel services in Bahir Dar town since 1930s.

Key words: Bahir Dar, hotels, tourism, accommodation.

INTRODUCTION

Ethiopia has much to offer to international tourists. It has a unique historical and cultural heritage, magnificent scenery, a surprisingly cool climate, rich flora and fauna, important archaeological sites and hospitable people. The northern tourist circuit known as the “Historic Route” comprises the most important tourist sites in the country. The country is a strategically located in the Horn of Africa and therefore, many international meetings and conferences are held in Ethiopia. This creates a huge demand for accommodation at an international standard and even an increase in such a demand is expected in the future because the importance of Ethiopia in Africa has been growing and as a result, many international organizations have been continuously strengthening their institutions and augmenting their personnel in Ethiopia. A relative increase of investment is recently observed in the
hotel and tourism sector. The hotel industry consists of many different services, including accommodation, restaurants, cafes and catering. The market for the hotel industry, especially classified hotels in a developing country like Ethiopia, is closely linked to the tourism industry, because a majority of consumers for the sector services come from international tourists. According to the United Nations Statistical Commission, tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year and staying at least 24 hours in the country visited. The total number of international tourists arriving in Ethiopia is steadily increasing. As the gateway of all international inbound, outbound and transit tourists/ passengers, Addis Ababa has been taking the lion’s share in the country’s tourist arrivals hosting an estimated 95-99% of the total international tourist arrivals (Ebisa and Andualem, 2013). Ethiopia has a small number of hotels which are, generally, of poor standard. For instance, when we compare the number of international standard hotels in Ethiopia with hotels in countries like Egypt, Morocco and Kenya we notice a big difference in number. According to The Embassy of Japan in Ethiopia (2008), even by 2004 data the hotel stock amounted to more than 140,000 in Egypt, in Morocco 80,000 and more than 65,000 in Kenya. The international hotel classification system is adopted in Ethiopia and hotels are classified into categories with stars from one to five and hotels without stars. According to Ministry of Culture and Tourism (MOCT) Tourism Statistics Bulletin of 2009, the total number of hotels in Ethiopia in the year 2009 was 426. Recent data on the number of hotels in the country was unavailability. As a result, to estimate the total number of hotels in 2012, we can take a 20% growth rates over 2009 making it 511 hotels in the country. This number includes all five stars, four stars, three stars, two stars, one star and not classified categories of hotels (Ebisa and Andualem, 2013).

The beginning of the twentieth century witnessed the foundation of different modern institutions in Ethiopia. Among these developments was the establishment of the first modern hotel in Ethiopia, “Etegue Hotel,” in 1907 (Pankhurst, 1963; Bahru, 2002). The development of the hotel industry was tied with the rising number of travels, both by internals and outsiders. (Pankhurst, 1968). The development of hotels in Ethiopia was hindered not only by low economic development of the country but also by the hospitals provided by Ethiopian people's. In those early days the Ethiopians did not have the habit of eating in hotels as this was regarded as a shameful act. In 1907, there seen the establishment of another modern hotel in Ethiopia called Hotel de France, owned by a French man, M. Terras. The establishment of these two hotels was followed by several restaurants and bars, which were mostly run by Greeks (Alemayehu, 2003).

The period of Italian occupation (1936-1941) of Ethiopia saw the development of hotel business in Ethiopia. The Italian company, Immoiolare Albergo Africa Orientale undertook the task of constructing hotels and restaurants in different parts of Ethiopia such as in Addis Ababa, Bishoftu, Karan, Dessie, Jijiga, Jimma, Gondar, Harar, Massawa and Quiha (Alemayehu, 2003). In 1947, Ras Hotel was built in Addis Ababa. The 1950s and 1960s became a major breakthrough in the history of hotel services in Ethiopia due to the birth of hotels of international standards in Addis Ababa. In 1953, Ghion Imperial Hotel was established. Subsequently in the next decade, there was the establishment of Wabishebelle Hotel and Addis Ababa Hilton Hotel, in 1968 and 1969, respectively. Along the Historic Route, the construction of two hotels, Tana in Bahir Dar and Goha in Gondar was started during the Imperial period but only completed after the overthrow of the Emperor in 1974 (Alemayehu, 2003).

After the 1974 revolution, hotel services continued to flourish under strict government regulation and ownership than independent private sector. Thus, the Ethiopian Tourism Commission was authorized to reorganize the newly nationalized and existing government hotels under an independent enterprise called Ethiopian Hotels and Spas Corporation (Solomon, 1982). In 1991, with the downfall of military regime, the Ethiopian People's Revolutionary Democratic Front (EPRDF) government took a counter measure in privatization of earlier nationalized and government owned hotels. Then after the construction of different tourist standard and star hotels continued to bloom under private sector (Henze, 2003). The main purpose of this paper is to assess the historical development of hotel services and its contribution to tourism sector in Bahir Dar town.

MATERIALS AND METHODS

This study is conducted through a systematic collection of available written and oral sources both from primary and secondary sources of information. Unlike the political themes, works on the socio-economic and infrastructural history found to be meagre. As a result, this paper is done by knitting together these dearth of literatures mainly senior essay and thesis by cross examining with oral testimonies and archives. For this study, the key informants are purposively selected and interviewed through a purposive sampling method on the basis of their age and possession of a bountiful knowledge on the issue studied. The researcher purposively selected 12
key informants. Two of them were employers of Bahir Dar town Culture and Tourism Office, while the remaining ten were knowledgeable elders from the town. The age of informants ranges from 45 to 82. The researcher has used unstructured interview to collect the data from the key informants. Finally, the collected data was critically analyzed and cross examined with written sources, and presented in narration.

**Historical background**

The development of Bahir Dar as a modern urban centre was associated with the period of Italian occupation of Ethiopia. In May 1936, the Italians entered Bahir Dar and set up their military base. They subsequently replaced the church administration by a secular one. Italians reconstructed the town by destroying older houses, and upgraded the drainage system by drying up the swampy areas. The period of Italian occupation also witnessed some important new developments in Bahir Dar. The Italians bettered the water transportation system on the lake Tana, they introduced a motor road transport and built a bridge along the exit of Blue Nile from lake Tana called Kanfaro Abbay. They also introduced modern communication infrastructures like telegram and post office though it was entirely confined to the Italian zone of settlement (Seltene, 1988).

The Italians established their quarter of settlement from St. Gorge to today’s Tewodros stadium which the people call Yatalian Kambo (Italian camp). The nigid safar or commercial quarter began to appear adjacent to the Italian quarter with the birth of various shops, tailor shops and tea rooms predominantly run by Arabs and Somalis. The first bars and restaurants, which are the forerunners of the现代酒吧 and hotels because of their still lively existence though pushed to outskirts of the town.

**Developments after liberation (1940s to early 1970s)**

The foundation for the development of modern hotel services in Bahir Dar town was laid down during the period of Italian occupation. However, in a decade after liberation from the Italian occupation, the pace in expansion of this sector remained at its infant stage. It was in the 1950s and 1960s that a number of hotels began to appear in the town. The first modern hotel in Bahir Dar town began its work in the Italian building which earlier served as a residence of Italian governor, Colonel Corbo. After liberation this building was repaired and made the first hotel which provided meal and bedroom services in the town. Initially this hotel was named as Bete Mengest (Palace) Hotel. In fact, this building also temporarily served as a palace for emperor Haile Silassie until the construction of Bezawit Palace in the hill tops of the northern outskirts of the town. Later it was renamed as Ras Hotel Bahir Dar, when it was taken by Ras Hotel Share Company in 1961.

In the 1950s, a number of bars and hotels were opened in Bahir Dar town. For instance, 1955 three bars were opened in the town by Khasay Oqbagari, Araga Workinah and Yayahyirad Merid. In the late 1950s, a bright prospect was seen for the tourism sector with the improvement of Ghion Hotel in accommodation and the lake port facilities by Navigatana Company. Soon the town began to host a growing number of new buildings which served as bars, hotels, night clubs and shops. The bar of Khasay Oqbagari and hotel of Abba Araga were transferred to the new buildings. In addition, the government took the initiative of promoting Bahir Dar town through a documentary film showed in cinema halls of Addis Ababa and Asmara. One of its immediate impact was attracting businessmen from different parts of the country to invest in the hotel sector in Bahir Dar town. Farada Zerihun, who came from Gondar attracted by government promotion, constructed Abbay Minch Hotel in Bahir Dar. Similarly, Taklu Hagos and Yamana Birhana were attracted to Bahir Dar by a documentary film seen in Asmara and both of them engaged in bar business. In late 1960s Netsanet Hotel was opened by Gebre Medhin Gebre Silassie (Seltene, 1988).

In line with the development of hotels in Bahir Dar, the number of mashata (local beverage) houses was increased. This was due to the fact that the people customarily used the mashata (local beverage) houses to sell food and local beverages such as tella (local beer), tej (local liquor made from honey) and araqi (local alcohol). The low habits of the people to be served in the newly established modern hotels were considered as challenge to this sector. This was due to eating meals in the hotels especially may lead to negative stereotype in the society. In those early days most of the hotels known as Buna Bet (bars). This was because of it was their bar service that excelled the provision of meals and bedroom accommodations.

**Developments from 1970s to early 1990s**

The overthrow of imperial regime in 1974 was followed by a declaration of a command economic system and nationalization of private firms. Moreover, engaging in
more than one kind of occupation was legally outlawed and restrictions were put that the maximum amount of each private business should not exceed five hundred thousand Ethiopian birr. This government restrictions stalled the establishment of tourist standard private hotels in Bahir Dar. But there could be witnessed the development of smaller new privately owned hotels and continuation of some private hotels that spared nationalization.

In the 1970s new hotels were opened both through government and private investments in Bahir Dar. Some of earlier established hotels were spared the military junta's nationalization partly due to the nationalization of their owners extra houses as a substitution for these business institutions. For instance, Abba Araga and Netsanet Hotels both lost extra houses nationalized as a substitute of these hotels. On the other hand, one of the newly emerging hotels, Amsal Addis began its work in one of the nationalized extra houses in July 1974.

In the mid 1970s, the earliest Italian built one star and the only tourist standard hotel in Bahir Dar changed its name from Ras Hotel to Ghion Hotel Bahir Dar. This name is said to have been given after the Biblical name of Abbay River or the Blue Nile. At the same time the ownership of the hotel was changed from Ras Hotel Share Company to Ghion Hotel Enterprises, who administers hotels along the Historic Route.

The growing number of tourist flow to Bahir Dar and lack of tourist accommodation services in the town led to the establishment of Tana Hotel in 1974. It was the first three star hotel in Bahir Dar located on the shores of Lake Tana. The foundation for the construction of Tana Hotel was laid down during the reign of Imperial Majesty in 1971. The construction was completed in 1974 by Hilton International, which took the contract following the liquidation of WANZA Construction Company. Even though its construction was completed in 1974, it however, served as a prison camp until 1981 particularly for those peoples hunted through the Red Terror by the Derg regime. In 1981, the hotel was gave up its prison service and repaired by the Ghion Hotel Enterprise. Tana Hotel began to offer hotel services in 1982 and became the second tourist standard hotel in Bahir Dar, next to the Ghion Hotel (Alemayehu, 2003).

Moreover, in the late 1970s and early 1980s a number of small private hotels were established in Bahir Dar. Amsal Addis Hotel was one of these group, which was named after its owner and began to operate in 1975 in a rented house that was nationalized by the Derg. Others include Waliya Hotel established in 1976, Hahu Hotel in 1979 recently renamed Abugida Hotel, King Fisher, Shebelle and Fasil Gimb hotel in 1979, Megenagna Hotel in 1981, and Dej Yetnu Hotel in 1984. Towards the end of Derg regime, Tikur Abbay (Blue Nile) Hotel and Semen Terara Hotel were established in 1988 and in 1990, respectively. Most of these hotels were confined to a provision of bar and meal services, and have no sufficient bedrooms. In fact, currently they are almost entirely only running the bar services and were overshadowed and dwarfed by the newly tourist standard hotels. Though the tourist flow to Bahir Dar was increased from time to time, tourist accommodation was mainly provided by two tourist standard hotels, Ghion and Tana Hotel until the downfall of military regime (Fesseha, 1988).

Prospects after 1991

The downfall of military regime in 1991 opened a new chapter in the development of hotel services in the town. The economic sanctions on the private sectors that limited both the ceiling of their capital and their ability to engage in more than one kind of business was lifted following the market liberalization policy of the new government. The EPRDF government took measures in privatizing the previously nationalized business institutions including hotels. Moreover, the relative peace achieved after 1991 created a conducive environment for the development of hotel industry in Bahir Dar. In the decade after the fall of Derg regime, there emerged not only a large number of hotels, but also the establishment of three star tourist standard hotels in the town. The paper tried to address the prospective developments of hotel services quantitatively, their numerical growth as well as qualitatively, the establishment of tourist standard and star hotels.

The number of hotels built in Bahir Dar town became twofold in the two decades that followed the demise of the military regime. To speak statistically, from the total number of eighty two service providing institutions recorded in the name of hotels, half of them began to operate after 1991. Between 1993 and 1999 alone, more than ten hotels were constructed in Bahir Dar town. These includes Nile and Guna Terara Hotel in 1993, Tekle and Alazar Hotel both named after their owners in 1994, Abyssinia, Belay Zeleke and Gojjam Hotel in 1996, Dib Anbessa Hotel in 1997, Lemlemitu Gojjam Hotel in 1998 and Enkutatash No. 2 Hotel in 1999. Of these Dib Anbessa was a tourist standard hotel built along the major road near St. George church on the view of lake Tana.

In the post 1991 period the number of modern three star hotels that were able to accommodate an ever growing number of tourists to the Bahir Dar town were increased. The government improved the infrastructure of the town by repairing as well as constructing new asphalt roads. In 2004, the town hosted four tourist standard hotels such as Tana, Dib Anbessa, Ethio-Star and
Papyrus Hotel. However, within few years their number was growing to seven with establishment of three new hotels, Bahir Dar Resort Hotel, Kuriftu Resort Hotel and Bahere Genet Hotel. The first decade of 21st century also witnessed the fastest growth of hotel services. Most of the hotels established in this period were of tourist standards and resorts along the Lake Tana. To cite some them were Blue Nile Hotel, Kuriftu Resort and Spa Lake, Azwa Hotel, Abbey Minch Lodge, Homeland Resort and Summer Land Hotel. These tourist standard hotels provided such services as meals both local and international dishes, bars, bedrooms with hot and cold shower, Satellite TV, Swimming pool by some of them, billiards, multipurpose conferencing hall and tour and travel services.

Bahir Dar’s potential as a centre of tourism industry is swiftly growing in the recent decade which was more demanding to the development of hotel sector. This was mainly due to its natural location with Lake Tana view and surrounded by natural tourist attractions like the Blue Nile and Tissat Issat waterfalls, and the lake Tana island monasteries combined with its location along the Historic Route, a leading tourist destination in the country. In addition to foreign tourist inflow, recently the town began to attract both national and international conference tourism. Though statically not supported the number of national tourists is recently growing (Shegaw, 2006). Moreover, recently Bahir Dar began to attract the tourism conference and sport tourism which inevitably demands a mass hospitality. Bahir Dar becomes the second next to Addis Ababa, in hosting international conferences. The sport tourism particularly with completion of Bahir Dar International Stadium began to host national tournaments, it was about sixty to eighty thousands of insiders from the capital and different nearby towns such as Gondar were flow to Bahir Dar. Currently judging by the country standard, the town possesses a large number of hotels but still not sufficient to accommodate the growing demand of the tourism sector. Furthermore, lack of professional hotel staff also affects the development of hotel services and tourism sector in general in the town.

**Conclusion**

The history of modern hotel services in Ethiopia was traced back to the first decade of twentieth century, with the establishment of the first modern hotel by Empress Taytu. But the period of Italian occupation was regarded as a turning point in the history of hotel industry in Ethiopia. This was mainly because the establishment of hotels in the capital as well as in different regional towns of the country. International standard hotels were established in Ethiopia for first time during the Imperial majesty in the 1950s and 1960s in response to shortage of accommodations for the growing number of international tourists. In 1974, with the coming to power of Derg regime the existing hotels were nationalized and put under the chain of administration from the centre under Ethiopian Hotels and Spas Corporation. Nonetheless, after 1991 these nationalized hotels again shifted hands to the private sector with market liberalization and privatization policy of EPRDF government.

The beginning of modern hotel services in Bahir Dar town goes back to the period of Italian occupation. In fact, the birth of Bahir Dar as a modern town was associated with this period of occupation. The first hotel in Bahir Dar begun to operate in the Italian building which primarily served as a residence of Italian administrators. However, a large number of hotels which was primarily provided bar services began to flourish in the late 1950s and in the 1960s. In 1974, the construction of the first three star hotels, Tana Hotel was completed. The demise of the Derg regime was followed by a prospective decades in the development of tourist standard hotels in the town. Not only an astonishing advance was made in terms of number but also in the quality of hotels that were able to accommodate international tourists. Nevertheless, Bahir Dar as a town located along the Historic Route, which was found on the top of tourist destination, the number of its tourist standard hotels is still found to be insufficient.

**Conflict of Interests**

The author has not declared any conflict of interests.

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**Conflict of Interests**

The author has not declared any conflict of interests.

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