INTERNATIONAL REMITTANCES AND INTERNATIONAL TOURISM DEVELOPMENT IN SOUTH ASIA: THE MODERATING ROLE OF POLITICAL STABILITY

Muhammad Amin Hasan [a,*], Abdullah [a], Muhammad Arsalan Hashmi [b], Ali Sajid [a]

[a] *College of Management Sciences, Karachi Institute of Economics & Technology, Karachi 75190, Pakistan*
[b] *Institute of Business and Health Management, Dow University of Health Sciences, Pakistan*

ARTICLE INFO

ABSTRACT

The increasing dependence of South Asian countries on international remittances (IRM) and international tourism development (ITR) in the presence of political uncertainties has attracted scholars' attention. Although the largest receiver of IRM, South Asia fails to channel these funds to the tourism industry, which continues to operate below its potential. This study estimates the impact of IRM, political stability (PS), and their interaction with foreign direct investment (FDI) and relative price (RP) on ITR in South Asia. We used a balanced panel dataset of six South Asian countries from 1996 to 2020. We applied the pooled ordinary least squares (POLS), fixed effects (FE), feasible generalized least squares (FGLS), and Prais-Winsten regression with panel-corrected standard errors (PCSE), to estimate the results. The study discovered quite interesting and surprising results between IRM and ITR. The results suggest a statistically significant negative impact of IRM on ITR in South Asia, implying that the recipients of IRM tend to spend most of it on their basic level consumption needs and do not have incentives to save and invest. Further, the results suggest that PS positively moderates the relationship between IRM and ITR, suggesting that IRM will be channelized to the tourism sector if domestic investors expect low political risks in the region. In addition, the results indicate that PS and FDI have a statistically significant positive effect on ITR in South Asia. Moreover, RP has a negative and significant impact on ITR, implying that international tourists prefer cheaper destinations. This study provides crucial implications for South Asian economies. First, effective public policies are specifically designed for channelling IRM and FDI, focusing on enhancing the tourism industry's infrastructure. Second, PS is necessary for ITR and domestic investors to invest IRM in the tourism sector. Thus, policymakers must consider political factors while designing tourism policies and strategies. Third, the findings highlight the significance of price competitiveness for developing the tourism industry. Hence, we argue that policymakers should implement effective economic policies to stabilize regional prices to attract international tourists.

INTRODUCTION

International remittances (IRM) and international tourism development (ITR) contribute to the economic growth (EG) and foreign exchange earnings of developing countries. Past studies argue that there is a significant role of ITR in stimulating employment and economic growth (EG) in a country (Adedoyin et al., 2021; Briedenhann and Wickens, 2004; Mazzola et al., 2019; Paramati et al., 2017; Seetanah, 2011). Similarly, IRM is an important driver for the tourism sector, specifically for developing countries (Mora-Rivera and García-Mora, 2021). The Asian Development Bank (ADB) reported that South Asian countries received USD 139.8 billion from IRM in 2019 (Asian Development Bank, 2020). In addition, ITR contributes significantly to developing countries economic development, having a 10% share in the global GDP and generating approximately 330 million jobs in 2019 (World Travel and Tourism Council, 2019). Although few studies have

examined the role of IRM in promoting domestic tourism-related spending by recipient households (Bassey et al., 2019; Mora-Rivera et al., 2019; Mora-Rivera and García-Mora, 2021), the literature on the relationship between IRM and ITR remains inconclusive.

For developing countries, IRM has become a significant driver for economic development. Therefore, IRM has gained the attention of scholars as they examined its effects on the economic and social development of both the recipient and remitting countries (Adams, 2011; Lim and Basnet, 2017; Sokhanvar and Jenkins, 2021; Taylor and Castelhano, 2016). Several studies have reported IRM's positive impact on recipient countries' economic development (Adams, 2011; Eggoh et al., 2019; Qutb, 2021). However, few studies have reported an insignificant relationship between IRM and the economic development of the recipient country (Su et al.,

2021; Yang, 2011). These studies argue that households utilize their domestic and international remittances to finance their basic consumption expenditures and do not use them for investment purposes. Moreover, Su et al. (2021) argue that higher inflows of IRM lead to higher consumption and cause private investment to fall (a concept known as the Dutch disease). IRM has great potential due to its multiplier effects on the economy and its ability to attract international tourism (Mora-Rivera et al., 2019).

Further, prior studies indicate that international tourism has become a vibrant and growing sector in the global economy (Manzoor et al., 2019; Rasool et al., 2021). According to the World Travel and Tourism Council (2019), tourism grew by 3.5% in 2019, which is higher than the growth rate of the world economy. In fact, this sector has produced nearly one in five new formal jobs over the previous five years, particularly in developing countries (World Travel and Tourism Council, 2019). Several studies have also found a significant influence of ITR on EG in South Asian economies (Abbas et al., 2022; Mishra et al., 2021; Mohapatra, 2018).

Institutional quality is another crucial driver for attracting international tourism. From a demand-side perspective, a country's low institutional quality results in a negative worldwide image and adversely affects international tourism (Ghalia et al., 2019). According to Chawdhury (2016), political instability, terrorism and violence in the economy reduce international tourism. A similar study by Neumayer (2004) concluded that international tourists avoid visiting destinations having political instability, and subsequent studies also report similar findings (Khan et al., 2020, Llorca-Vivero, 2008; Saha and Yap, 2014). Furthermore, several researchers suggest that political stability is also necessary for an economy to develop and sustain its tourism sector (Arana and Leon, 2008; Chawdhury, 2016; Eilat and Einav, 2004; Hyndman, 2015). Moreover, strong institutions and political stability create a favourable environment for tourism-related investment by remittance-receiving households. Therefore, countries having political stability and strong financial mechanisms could channel their remittances into productive sectors of the economy (Su et al., 2021). Despite the significant impact of political stability on international tourism and the remittance-tourism nexus, only a few studies have examined the effect of political stability on international tourism (Ghalia et al., 2019; Habibi, 2017; Ingram et al., 2013; Khan et al., 2020). However, to our knowledge, previous studies have not examined the moderating role of PS on the IRM-ITR nexus.

This study addresses these knowledge gaps and contributes to the literature by analyzing the impact of IRM on ITR in South Asia and incorporating PS as a moderating variable. This research focuses on two main research questions. First, how does IRM affect ITR in South Asia? Second, does PS moderate the relationship between IRM and ITR in South Asia? Thus, this study would contribute to the scarce literature on the IRM-ITR nexus in the presence of PS in South Asia.

The rest of the paper is organized as follows. Section 2 provides a brief review of the relevant literature, followed by the methodology in section 3. Subsequently, the statistical results are reported along with their discussion in section 4. The conclusion and policy implications are presented in section 5, while the limitations and future research suggestions are outlined in section 6.

LITERATURE REVIEW

This section provides a review of the relevant literature analyzing the impact of IRM and PS on ITR. Although a few studies have analyzed the association between IRM and domestic tourism growth (Cerón and Mora, 2014; Mora-Rivera et al., 2019; Mora-Rivera and García-Mora, 2021), the empirical literature on the association between IRM and ITR remains inconclusive, especially in the context of South Asian countries.

International Remittances (IRM) and International Tourism Development (ITR)

Domestic and international remittances positively impact Domestic Tourism Expenditure (DTE). For instance, using household-level data, Mora-Rivera et al. (2019) documented significant positive effects of both domestic and international remittances on DTE in Mexico. Similarly, Mora-Rivera and García-Mora (2021), re-evaluated the IRM-DTE relationship using Mexican household-level data and found the same results. In addition, they claim that DTE is likely to increase when households receive greater IRM. The results of their research support the findings of Cerón and Mora (2014) for the Mexican economy. The study's findings show that around six percent IRM is spent on DTE. Further, Bassey et al. (2019) report a positive association between private-sector cash transfers and ITR in Calabar, Nigeria. The study suggests that high taxes significantly reduce remittances and lower ITR. The study recommends that the government lower taxes to promote the tourism industry and increase ITR.

IRM also promotes economic development in the recipient country. According to Orozco (2003), economic and non-economic factors connect countries globally. The study claims that this economic interconnectedness (foreign investments, international remittances, tourism, trade, etc.) plays a vital role in the economic development of the country. For example, IRM receiving rural and backward areas get developed through these financial inflows. In addition, IRM creates the need for communication services such as the internet and telephone. However, South Asian countries are facing enormous economic challenges such as high inflation, low productivity, high unemployment, and balance of payment issues. Therefore, approximately 75% of IRM received by households is spent on basic needs and only 25% of IRM is saved or invested depending upon the country and household profile (World Bank, 2020).

Foreign Direct Investment (FDI) and International Tourism Development (ITR)

FDI is a significant driver of ITR, especially in developing countries. Previous studies have offered three hypotheses related to the nexus between FDI and ITR. First, the FDI-led tourism growth (FLTG) hypothesis states that FDI enhances ITR. Several studies support this hypothesis (Al-Hallaq et al., 2020; Bezuidenhout and Grater, 2016; Ravinthirakumaran et al., 2019; Tang et al., 2007). However, few studies did not support the FLTG hypothesis, such as Khan et al. (2020) for

Vietnam, Sokhanvar (2019) for selected countries in Europe, and Fauzel (2020) for 17 small islands. Second, the Tourism-led FDI growth (TLFG) hypothesis states that ITR promotes FDI growth (Katircioglu, 2014; Tomohara, 2017). Third, the feedback hypothesis states that both FDI and ITR affect each other. Several prior studies provide support for this hypothesis, for instance, Bezic and Radic (2017) for Croatia, Samimi et al. (2013) for 20 developing economies and Selvanathan et al. (2012) for India.

Relative Prices (RP) and International Tourism Development (ITR)

RP is considered a significant variable in the literature of tourism economics. For example, Seetanah et al. (2015) found that international tourists are sensitive to changes in price levels in Mauritius. According to Forsyth and Dwyer (2003), the competitiveness of the tourism industry is significantly dependent on RP. The study suggests that while choosing their destinations, international tourists consider the cost of living at the destination relative to their country and other substitute destinations. As a result, international tourists respond to changes in the price level of the destination country. However, the price elasticity may be low for popular tourist destinations worldwide compared to other tourist destinations. RP is an important determinant of international tourism demand commonly used in prior studies (Chao et al., 2013; Wamboye et al., 2020; Saayman and Saayman, 2013). Generally, RP is calculated as the ratio of domestic price level to foreign price level, proxied by the consumer price index (CPI). Since most rational tourists are price sensitive, they will prefer to travel to destinations that offer the best value for money. Thus, RP is likely to have a negative effect on ITR (Martins et al., 2017; Uysal and Crompton, 1984; Salleh et al., 2007). For instance, Martins et al. (2017), estimated the RP using CPI of the US and found that a decline in the domestic RP enhances tourism. However, a few other studies found that relative prices do not play a significant role in determining international tourism demand (Deluna and Jeon, 2014; Naudé and Saayman, 2005).

Political Stability (PS) and International Tourism Development (ITR)

Recently, the concept of PS has received significant attention in the literature of tourism economics. Several recent studies have examined the impact of institutional quality on ITR. For instance, Demir et al. (2019) for 18 developing countries, Tang and Lau (2021) and Tang (2018) for Malaysia; Mushtaq et al. (2020) for India, Osinubi et al. (2022) for African countries, Zhao (2021), Nadeem et al. (2020) and Meo et al. (2018) for Pakistan, Senadeerage (2020) for Sri Lanka and Balli et al. (2016) for 52 developing countries. These studies found a significant effect of institutional quality on ITR in these countries. Although there is plenty of research on the nexus between institutional quality and tourism, some previous studies have explored the relationship between political stability, economic factors and ITR. For example, several studies provided empirical evidence on the effect of PS on ITR (Kim et al., 2018; Manuela and Vera, 2015; Neumayer, 2004; Roxas and Chadee, 2013; Tosun and Timothy, 2001; Yap and Saha, 2013). Fletcher and Morakabati (2008) found that

international tourists prefer safe destinations even if they belong to risky countries. In addition, it gives a sense of protection and confidence to international tourists (Roxas and Chadee, 2013). Likewise, Kim et al. (2018) claimed that countries with stable law and order conditions attract tourists worldwide. According to a few recent studies, a stable institutional environment and law and order condition leads to an increase in tourism receipts and foreign remittances (Ghalia et al., 2019; Mushtaq et al., 2020).

The Worldwide Governance Indicators (WGI) constructed by Kaufmann et al. (2010) are generally used to capture the different aspects of governance and institutions. Therefore, many studies have used these indicators of governance quality to explore tourism demand (Habibi, 2017; Liu et al., 2018; Saha et al., 2017; Poprawe, 2015; Seetanah et al., 2010). These studies argue that PS plays a significant role in attracting international tourists and maintaining tourism competitiveness. Therefore, efficient public institutions and PS are critical for the development of international tourism. The performance of the tourism industry largely depends on political risk and the quality of public institutions. Furthermore, political instability and disputes within and between countries harm the global image of a country (Ankomah and Crompton, 1990; Fletcher and Morakabati, 2008). According to Neumayer (2004), political violence also adversely affects international tourist arrivals.

Economic Growth (EG) and International Tourism Development (ITR)

In the literature on tourism economics, several studies have focused on analyzing the relationship between ITR and EG (Kim and Chen, 2006; Lee and Chang, 2008; Oh, 2005; Po and Huang, 2008; Shahbaz et al., 2018). However, these studies report mixed results despite using similar statistical techniques. There are three hypotheses on the nexus between ITR and EG. First, the tourism-led growth hypothesis states that ITR enhances the EG of a country (Adnan Hye et al., 2013; Dritsakis, 2004; Gunduz and Hatemi, 2005). Second, the economic-driven tourism hypothesis states that higher EG will enhance ITR in a country (Oh, 2005). Third, it is hypothesized that ITR and EG affect each other (Kim and Chen, 2006; Lee and Chang, 2008; Demiroz and Ongan, 2005).

Real Exchange Rate (RER) and International Tourism Development (ITR)

The role of the exchange rate in the development and sustainability of ITR is discussed in the literature on tourism economics. Several studies found the exchange rate's significant and positive impact on tourism development. For instance, Athari et al. (2021) found that ITR and exchange rate are positively correlated for 76 tourist destinations. Similarly, Işık et al. (2020) claimed that tourism demand is more sensitive to economic uncertainties such as exchange rate volatility than other factors. In another study, Işık et al. (2019) found that the depreciation of the Euro positively affects tourist arrivals in Spain. Also, Dogru et al. (2019) report a significant relationship between exchange rate fluctuations and tourism growth in Canada, Mexico, the United States and the United Kingdom. The study's findings suggest that the

depreciation of the US dollar increases tourism in these countries.

Irandoust (2019) analyzed data from ten European countries and found that exchange rate significantly affects the tourism development in these countries. The exchange rate influences tourism in two ways (Akar, 2012; Webber, 2001). First, the depreciation or appreciation of the exchange rate affects the number of tourism arrivals. Second, it affects the foreign reserves of the host country. Therefore, tourists are believed to prefer destinations with favourable exchange rates (Wang et al., 2008). In a study conducted by Ongan et al. (2017), the results suggest that international tourists are more sensitive to changes in the real exchange rate (RER) than changes in income. Similarly, Xue et al. (2018) report similar results for tourists' responsiveness to the RER. Therefore, the variable of RER is a significant determinant of international tourism development.

CONCEPTUAL FRAMEWORK
The study's conceptual framework is based on the theoretical and empirical literature in the domain of international tourism (Figure 1). ITR is explained by three independent variables: IRM, FDI, and RP. Two major sources of foreign capital inflows are FDI and IRM, which diminish the financial constraints of a recipient country, leading to higher ITR. Similarly, RP plays a vital role in the price-competitiveness of a tourist destination affecting tourists' arrivals. In addition, PS moderates the relationship between IRM and ITR, as shown in Fig.1 below. Furthermore, EG and RER are included as control variables in the model.
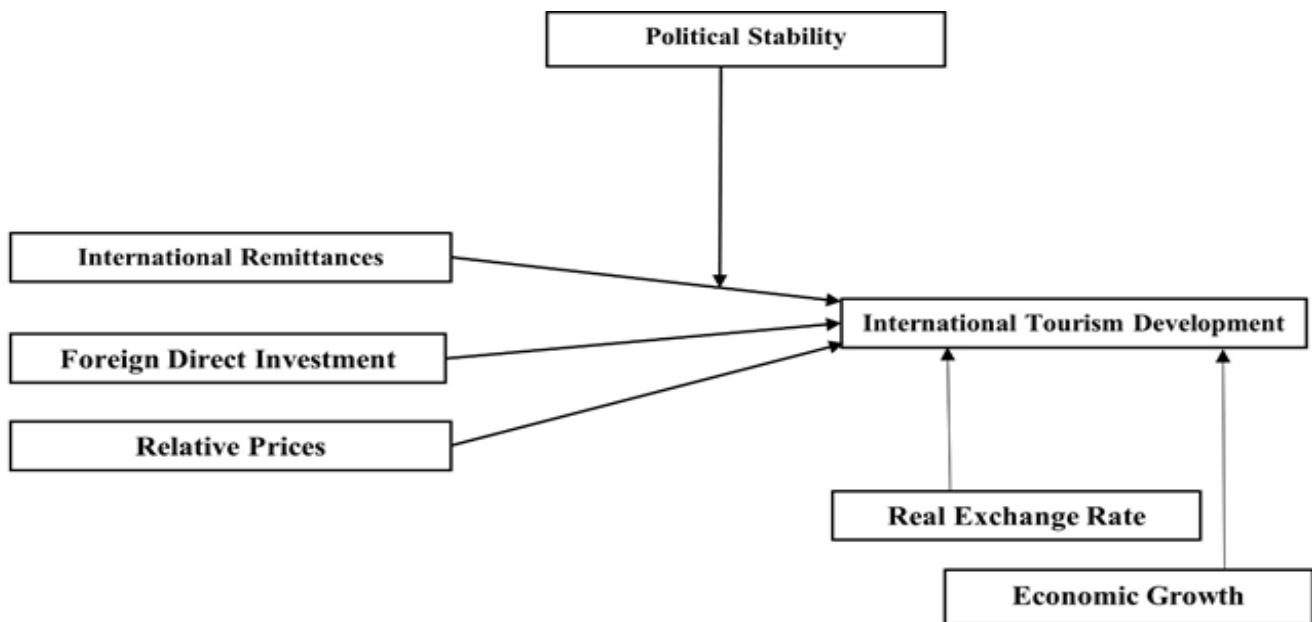

Figure 1. Conceptual framework of tourism development.

METHODOLOGY
Data and Measurement of Variables
This study used a balanced panel dataset from six South Asian economies, i.e. Bangladesh, India, Maldives, Nepal, Pakistan, and Sri Lanka, for the period 1996 to 2020. Several factors, including the availability of data, primarily influenced the selection of sample countries and the time duration of the study. International tourism development (ITR) is a dependent variable, while international remittances (IRM), foreign direct investment (FDI), and relative prices (RP) are explanatory variables. In addition, political stability (PS) was used as a moderating variable. Further, economic growth (EG) and real exchange rate (RER) were used as control variables. The measurements of all the variables are consistent with the existing literature. Following Kumar et al. (2015), ITR is measured by the

natural logarithm of international tourism receipts. Similarly, personal remittances received data from WDI was used as a proxy for measuring IRM. FDI was measured as the total net inflows of foreign direct investment, while RP was measured as the ratio of the domestic price level to the world price level as reported by WDI. The data for PS was retrieved from the World Governance Indicator (WGI) website, which represents the likelihood that the government will be destabilized or toppled through non-violent or non-constitutional means. Further, RER data was retrieved from UNCTAD and measured as the nominal exchange rate multiplied by the ratio of domestic to foreign prices. Finally, EG data was retrieved from WDI and measured using the growth in real gross domestic product per capita for the country. Table 1 presents the research variables, symbols, definitions and data sources.

Table 1. Definitions of variables and sources of data.

Variable	Symbol	Definition	Data Source
International Tourism Development	ITR	Natural logarithm of international tourism receipts	WDI
International Remittances	IRM	Personal remittances received	WDI
Foreign Direct Investment	FDI	Total net inflows of foreign direct investment	WDI
Relative Prices	RP	Ratio of domestic price level to world price level	WDI
Real Exchange Rate	RER	The nominal exchange rate multiplied by the ratio of domestic to foreign prices	UNCTAD
Economic Growth	EG	It is the growth in real gross domestic product per capita for the country	WDI
Political Stability	PS	It shows the likelihood that the government will be destabilized or toppled through non-violent or non-constitutional means	WGI

Note: WDI is the World Development Indicators, UNCTAD represents United Nations Conference on Trade and Development, and WGI is the Worldwide Governance Indicators.

Econometric Models and Estimation Techniques
This section presents the model specifications and discusses the estimation techniques used in the study. First, we specify the overall model, which examines the impact of IRM, FDI, RP on ITR in the presence of control variables, i.e. EG and RER. The overall model is presented below:

$$ITR_{it} = \gamma_i + \beta_1 IRM_{it} + \beta_2 FDI_{it} + \beta_3 RP_{it} + \beta_4 RER_{it} + \beta_5 EG_{it} + \beta_6 country\_dummies + \beta_7 year\_dummies + \varepsilon_{it} \quad (1)$$

Second, we also present the baseline models for IRM, FDI and RP in models (2), (3) and (4), respectively.

$$ITR_{it} = \gamma_i + \beta_1 IRM_{it} + \beta_2 RER_{it} + \beta_3 EG_{it} + \beta_4 country\_dummies + \beta_5 year\_dummies + \varepsilon_{it} \quad (2)$$

$$ITR_{it} = \gamma_i + \beta_1 FDI_{it} + \beta_2 RER_{it} + \beta_3 EG_{it} + \beta_4 country\_dummies + \beta_5 year\_dummies + \varepsilon_{it} \quad (3)$$

$$ITR_{it} = \gamma_i + \beta_1 RP_{it} + \beta_2 RER_{it} + \beta_3 EG_{it} + \beta_4 country\_dummies + \beta_5 year\_dummies + \varepsilon_{it} \quad (4)$$

where i represents the number of countries, t represents the time periods of the study, γ_i is the unobserved individual-specific heterogeneity, ITR denotes the international tourism development, IRM denotes the international remittances, FDI denotes the total net foreign direct investment, RP denotes the relative prices, PS represents the political stability, EG denotes the economic growth, RER denotes the real exchange rate and ε_{it} represents the stochastic error term. Further, in order to assess whether PS moderates the association between IRM and ITR, we specify the following interaction model:

$$ITR_{it} = \gamma_i + \beta_1 IRM_{it} + \beta_2 PS_{it} + \beta_3 IRM_{it}*PS_{it} + \beta_4 EG_{it} + \beta_5 RER_{it} + \beta_6 country\_dummies + \beta_7 year\_dummies + \varepsilon_{it} \quad (5)$$

We estimated models 1-5 using the pooled ordinary least squares (POLS) and fixed effects (FE) regression technique. The POLS technique is based on the assumption that there is homogeneity among cross-sections. In addition, the fixed effect regression was applied to account for country-specific heterogeneity. The previous literature suggests that autocorrelation, heteroscedasticity and cross-sectional dependence are common

in panel data and require using other robust panel regression techniques (Kmenta, 1986; Parks, 1967). Therefore, to cross-validate our empirical results, we applied two robust panel regression techniques, i.e. Feasible Generalized Least Squares (FGLS) and Prais-Winsten with Panel-Corrected Standard Errors (PCSE). The FGLS regression provides efficient and consistent estimates when the residuals are characterized by autocorrelation, heteroscedasticity, and cross-sectional dependence (Greene, 2012). Further, it has been argued that the PCSE regression provides more consistent and efficient estimates than the FGLS regression (Beck and Katz, 1995).

RESULTS AND DISCUSSION
Descriptive Statistics and Correlations
The descriptive statistics of the variables are presented in Table 2. The mean value of the dependent variable ITR is -0.51 (SD=1.472). Further, the mean value of the independent variable IRM is 0.594 (SD=3.061), FDI is 4.120 (SD=9.145), and RP is 0.941 (SD=0.308). In addition, the mean value of the moderating variable PS is -0.886 (SD=0.883). Lastly, the mean value of the control variable RER is 0.023 (SD=0.023), and EG is 7.383 (SD=0.868). Table 3 presents the correlations of the research variables. The previous literature suggests that if the correlation coefficients are less than 0.85, then there is unlikely to be a multicollinearity problem (Krammer, 2010; Lee, 2006). Table 3 indicates that the coefficients of all the variables are less than 0.85, which suggests that multicollinearity is not a problem.

Panel Regression Results
The overall model and the baseline models were estimated through the POLS, FE, FGLS and PCSE techniques. The results are reported in Table 4. The results suggest that IRM has a statistically significant negative impact on ITR in models 1 and 2 for the sample countries. Further, FDI has a positive and significant impact on ITR in model 3, which indicates that FDI promotes ITR in the region. In addition, the results indicate a significant negative association between RP and ITR in models 1 and 4, which suggests that international tourists will prefer to visit relatively cheaper tourist destinations. Moreover, the results from models 1-4 suggest that EG has a positive and significant association with ITR while RER remains statistically insignificant in all the models.

Table 2. Descriptive statistics.

Variable	Obs.	Mean	SD	Min	Max
ITR	144	-0.051	1.472	-2.580	2.918
IRM	144	0.594	3.061	-5.987	4.129
FDI	144	4.120	9.145	-0.010	53.400
RP	144	0.941	0.308	0.381	1.610
PS	144	-0.886	0.883	-2.810	1.179
RER	144	0.023	0.023	0.006	0.082
EG	144	7.383	0.868	6.230	9.230

Note: Obs. represents the number of observations; Min and Max denote the minimum and maximum value of all variables; SD represents the standard deviation.

Table 3. Correlation matrix.

Variable	ITR	IRM	FDI	RP	RER	EG	PS
ITR	1.00						
IRM	0.16*	1.00					
FDI	0.67***	0.42***	1.00				
RP	0.04	0.04	0.12	1.00			
RER	0.09	-0.78***	-0.08	0.17**	1.00		
EG	0.25***	-0.71***	-0.11	0.28***	0.79	1.00	
PS	-0.01	-0.75***	-0.16*	0.05	0.68	0.53***	1.00

Note: ***,** and * denotes the statistical significance at the 1%, 5% , and 10% levels, respectively.

Table 4. Tourism, International Remittances, Foreign Direct Investment and Relative Prices.

	Panel Ordinary Least Squares (POLS)				Fixed Effects (FE)			
Variables	Model 1	Model 2	Model 3	Model 4	Model 1	Model 2	Model 3	Model 4
IRM	-0.185***	-0.350***			-0.185***	-0.350***		
	(0.039)	(0.066)			(0.044)	(0.067)		
FDI	0.002		0.015***		0.002		0.015*	
	(0.003)		(0.005)		(0.005)		(0.008)	
RP	-3.195***			-3.508***	-3.195***			-3.508***
	(0.256)			(0.240)	(0.252)			(0.254)
RER	-1.234	-7.091	-23.141	-3.470	-1.234	-7.091	-23.141	-3.470
	(14.148)	(21.396)	(26.308)	(13.393)	(10.596)	(16.111)	(18.100)	(10.914)
EG	2.174***	1.359***	1.201**	2.328***	2.174***	1.359***	1.201***	2.328***
	(0.245)	(0.421)	(0.497)	(0.226)	(0.243)	(0.343)	(0.397)	(0.241)
Intercept	-14.194***	-10.647***	-9.779***	-15.175***	-13.624***	-9.691***	-8.174***	-14.431***
	(1.506)	(2.671)	(3.184)	(1.389)	(1.674)	(2.383)	(2.793)	(1.646)
Observations	144	144	144	144	144	144	144	144
R^2	0.981	0.951	0.941	0.977	0.783	0.453	0.342	0.748
Country Dummies	Included	Included	Included	Included	Included	Included	Included	Included
Year Dummies	Included	Included	Included	Included	Included	Included	Included	Included
	Feasible Generalized Least Squares (FGLS)				Prais-Winsten Regression (PCSE)			
Variables	Model 1	Model 2	Model 3	Model 4	Model 1	Model 2	Model 3	Model 4
IRM	-0.175***	-0.168**			-0.209***	-0.221***		
	(0.060)	(0.072)			(0.070)	(0.084)		
FDI	0.003		0.007**		0.003		0.007**	
	(0.003)		(0.003)		(0.003)		(0.003)	
RP	-2.640***			-2.751***	-2.446***			-2.632***
	(0.338)			(0.342)	(0.374)			(0.406)
RER	6.654	-4.539	0.326	9.312	-3.744	-16.115	-16.400	-3.318
	(11.954)	(13.976)	(14.792)	(12.275)	(14.121)	(16.263)	(18.169)	(14.633)
EG	1.634***	1.147***	1.318***	1.720***	1.469***	0.919**	0.899**	1.482***
	(0.269)	(0.361)	(0.362)	(0.269)	(0.320)	(0.390)	(0.422)	(0.343)
Intercept	-11.180***	-9.519***	-10.849***	-11.938***	-10.042***	-7.825***	-7.934***	-10.260***
	(1.687)	(2.292)	(2.280)	(1.689)	(2.024)	(2.473)	(2.672)	(2.153)
Observations	144	144	144	144	144	144	144	144
R-squared	N/A	N/A	N/A	N/A	0.919	0.806	0.816	0.906
Country Dummies	Included	Included	Included	Included	Included	Included	Included	Included
Year Dummies	Included	Included	Included	Included	Included	Included	Included	Included

Note: Standard errors are given in parentheses. ***, **, & * indicates statistical significance at the 1%, 5% and 10% levels, respectively.

Table 5. Tourism, International Remittances, and Political Stability.

Variables	OLS	FE	FGLS	PCSE
	Model 5	Model 5	Model 5	Model 5
IRM	-0.189***	-0.133***	-0.188***	-0.221***
	(0.050)	(0.041)	(0.064)	(0.074)
PS	0.104	0.139**	0.157**	0.152*
	(0.092)	(0.061)	(0.071)	(0.080)
IRM*PS	0.136***	0.065***	0.057***	0.0671***
	(0.015)	(0.015)	(0.018)	(0.021)
RER	4.588	1.079	0.470***	-9.629
	(16.371)	(9.596)	(13.838)	(0.781)
EG	0.875**	1.443***	0.970***	0.781**
	(0.376)	(0.280)	(0.334)	(0.352)
Constant	-7.561***	-8.754***	-8.213***	-6.796***
	(2.426)	(1.942)	(2.130)	(2.239)
Observations	144	144	144	144
R-squared	0.971	0.826	N/A	0.9119
Country Dummies	Included	Included	Included	Included
Year Dummies	Included	Included	Included	Included

Note: Standard errors are in parentheses. ***, **, & * indicates statistical significance at the 1%, 5% and 10% levels, respectively.

IRM has always been a major source of economic progress for developing countries. India is the world's largest remittance-receiving country (USD 83.1 Billion) as per the Asian Development Bank (2022). In addition, Pakistan, Bangladesh, and Nepal are ranked fourth (USD 26.1 Billion), fifth (USD 21.7 Billion) and ninth (USD 8.1 Billion), respectively, in the list of remittance-receiving countries in the Asia and Pacific region. As discussed earlier, the major share of IRM is used to pay for basic needs and the rest is saved or invested. Therefore, such contributions would not only enhance consumption spending at the household level but also increase investment which may improve the tourism infrastructure in the country. As a result, we expect that IRM would positively contribute to tourism development in South Asian countries. However, the findings show IRM's negative and statistically significant impact on ITR in these six South Asian countries for two main reasons. First, most households receiving IRM from rural areas that provide goods and services to tourists and tend to switch to other industries in the expectation of higher returns, thus reducing services available to tourists. Second, the tourism industry is capital-intensive, and the lack of infrastructure in the country discourages recipients to invest their IRM in the sector. The above discussion implies that inflows of IRM reduce tourism development and economies channelize the IRM into other industries, which are a substitute for the tourism sector.

Due to the capital-intensive requirements of the tourism industry, developing countries often rely on FDI to develop infrastructures such as transportation, hotels, and communication (Khoshnevis Yazdi et al., 2017). In the tourism industry, FDI plays a critical role in sustaining the industry (Tang et al., 2007). The empirical findings show that FDI has a positive and significant impact on ITR in South Asian countries. Our findings are consistent with the previous research that supports the FLTS hypothesis implying that FDI enhances tourism development (Al-Hallaq et al., 2020;

Bezuidenhout and Grater, 2016; Ravinthirakumaran et al., 2019).

Crouch (1994) reviewed 80 studies on tourism demand and concluded that RP is an important determinant of tourism demand. In general, international tourists strongly respond to changes in the price level, and they are less likely to travel to a destination that have relatively higher prices. The findings of our study indicate that RP is a significant determinant of ITR in South Asian countries. This finding is consistent with earlier studies (Rodríguez et al., 2018; Seetanah and Fauzel, 2018).

The literature on tourism development (ITR) also provides evidence of the significant role of political stability (PS) on ITR. In South Asia, political instability and bureaucracy are major reasons for the low development of the tourism industry (Rasul and Manandhar, 2009; Hall and Page, 2012). Our findings in Table 5 show a positive and significant impact of PS on ITR in South Asian countries, indicating the significance of maintaining PS for higher growth of the tourism industry. The results of this study are consistent with previous studies (Aydin, 2022; Bayar and Yener, 2019; Habibi, 2017). The coefficient of the interaction term (IRM*PS) is positive and statistically significant. This indicates that PS moderates the association between IRM and ITR. This implies that countries with PS and IRM tend to have greater ITR as compared to other countries.

CONCLUSION AND POLICY IMPLICATIONS
The study analyzes the impact of IRM, FDI and RP on ITR in South Asia. Further, it investigates whether PS moderates the association between IRM and ITR. The panel regression results indicate that IRM has a significant negative impact on ITR while FDI has a positive effect on ITR. In addition, RP has a negative and significant effect on ITR. We also find that PS moderates the association between IRM and ITR. Based on the empirical findings of our study, we provide some significant policy implications for the development of the tourism industry in six South Asian

countries. First, the government should channel IRM to the tourism-related public and private investment projects. Also, households receiving IRM should be guided and facilitated to encourage investment in the tourism industry. Further, the government should build infrastructure to provide a favourable investment climate. Moreover, the findings suggest that simply increasing IRM will not help the country enhance ITR unless it is utilized wisely. Therefore, we suggest that governments and policymakers formulate and implement effective remittance-led-tourism policies for the betterment of the economy. Second, price competitiveness in the global tourism industry is critical for sustainable tourism development. We suggest that the governments of South Asian countries provide incentives such as subsidies and tax relief to investors in the tourism industry. Third, a well-coordinated tourism-related FDI policy should be planned and executed. It would be possible by creating an enabling macroeconomic environment and targeted investment incentive policies for the tourism industry. This approach would help South Asian countries to improve their ability to compete in the global tourism market and develop sustainably. Further, cross-border travel infrastructure such as rail, road and airline networks should be improved to increase both regional and international tourism in South Asia. Fourth, PS is a prerequisite for economic growth and development in a country. Authorities should focus on improving PS as it has the greatest impact on tourism demand compared to other indicators. In South Asia, policymakers should enhance PS through transparent legislation and good governance whilst reducing ethnic tensions between communities.

Limitations and Future Research Directions
Our study has some limitations which may be addressed in future research. This study has adopted a macroeconomic and institutional perspective to examine whether the ITR responds differently to IRM, FDI and RP in South Asian countries. Therefore, future studies can utilize household-level data of these countries to examine the role of IRM in investment-decision making. In addition, the present study focuses on six South Asian developing economies, and the results may not be generalized in the context of developed economies. Future studies may also consider the determinants of ITR through a comparative study focusing on developed and developing economies.

REFERENCES
Abbas, S., Sohag, K., Suleman, S., 2022. Income from international tourism and domestic investment in South Asia: evidence from heterogeneous panel econometrics. Curr. Issues Tour. 1–16.

Adams Jr, R.H., 2011. Evaluating the economic impact of international remittances on developing countries using household surveys: A literature review. J. Dev. Stud. 47, 809–828.

Adedoyin, F.F., Nathaniel, S., Adeleye, N., 2021. An investigation into the anthropogenic nexus among consumption of energy, tourism, and economic growth: do economic policy uncertainties matter? Environ. Sci. Pollut. Res. 28, 2835–2847.

Adnan Hye, Q.M., Ali Khan, R.E., 2013. Tourism-led growth hypothesis: A case study of Pakistan. Asia Pacific J. Tour. Res. 18, 303–313.

Akar, C., 2012. Modeling Turkish tourism demand and the exchange rate: The bivariate GARCH approach. Eur. J. Econ. Financ. Adm. Sci. *50*, 133-144.

Al-Hallaq, S.S., Athamneh, A.B., Suleiman, H.M., 2020. The impact of foreign direct investment on the growth of the tourism sector in Jordan (1980–2016). J. Public Aff. 20, e2005.

Ankomah, P.K., Crompton, J.L., 1990. Unrealized tourism potential: The case of sub-Saharan Africa. Tour. Manag. 11, 11–28.

Araña, J.E., León, C.J., 2008. The impact of terrorism on tourism demand. Ann. Tour. Res. 35, 299–315.

Asian Development Bank, 2020. Asian Economic Integration Report 2019. Asian Development Bank.

Asian Development Bank, 2022. Asian Economic Integration Report 2022: Advancing Digital Services Trade in Asia and the Pacific-Main Report. Asian Development Bank.

Athari, S.A., Alola, U.V., Ghasemi, M., Alola, A.A., 2021. The (Un) sticky role of exchange and inflation rate in tourism development: insight from the low and high political risk destinations. Curr. Issues Tour. 24, 1670–1685.

Aydin, M., 2022. The impacts of political stability, renewable energy consumption, and economic growth on tourism in Turkey: New evidence from Fourier Bootstrap ARDL approach. Renew. Energy 190, 467–473.

Balli, F., Balli, H.O., Louis, R.J., 2016. The impacts of immigrants and institutions on bilateral tourism flows. Tour. Manag. 52, 221–229.

Bassey, F.O., Arrey, M.-E.V., Ibe, C.E., 2019. Private sector remittances and tourism development in Calabar, cross river state. Eur. J. Hosp. Tour. Res. 7, 1–16.

Bayar, Y., Yener, B., 2019. Political stability and tourism sector development in Mediterranean countries: a panel cointegration and causality analysis. Eur. J. Tour. Res. 21, 23–32.

Beck, N., Katz, J.N., 1995. What to do (and not to do) with time-series cross-section data. Am. Polit. Sci. Rev. 89, 634–647.

Bezić, H., Nikšić Radić, M., 2017. Tourism foreign direct investment led tourism gross value added: a co-integration and causality analysis of Croatian tourism. Econ. Res. istraživanja 30, 1443–1460.

Bezuidenhout, H., Grater, S., 2016. The dimensions of FDI in the tourism sector in Africa. J. Appl. Bus. 32, 1115-1136.

Briedenhann, J., Wickens, E., 2004. Tourism routes as a tool for the economic development of rural areas—vibrant hope or impossible dream? Tour. Manag. 25, 71–79.

Cerón, H., Mora Rivera, J., 2014. El Impacto De Las Remesas Internacionales Sobre El Consumo Turístico Interno De México, Un Análisis Econométrico Con Encuestas a Hogares (The Impact of International Remittances on Domestic Tourism Consumption in Mexico: An Econometric Household Survey Analysis). Anu. Tur. y Soc. 15, 75-99.

Chao, C.-C., Lu, L.-J., Lai, C.-C., Hu, S.-W., Wang, V., 2013. Devaluation, pass-through and foreign reserves

dynamics in a tourism economy. Econ. Model. 30, 456–461.

Chawdhury, J., 2016. Political instability a major obstacle to economic growth in Bangladesh (PhD thesis, Centria University of Applied Sciences).

Crouch, G.I., 1994. Demand elasticities for short-haul versus long-haul tourism. J. Travel Res. 33, 2–7.

Deluna Jr, R., Jeon, N., 2014. Determinants of international tourism demand for the Philippines: an augmented gravity model approach. MPRA Paper No. 55294.

Demir, E., Gozgor, G., Paramati, S.R., 2019. Do geopolitical risks matter for inbound tourism? Eurasian Bus. Rev. 9, 183–191.

Demiroz, D.M., Ongan, S., 2005. The contribution of tourism to the long-run Turkish economic growth. Ekon. časopis 9, 880–894.

Dogru, T., Isik, C., Sirakaya-Turk, E., 2019. The balance of trade and exchange rates: Theory and contemporary evidence from tourism. Tour. Manag. 74, 12–23.

Dritsakis, N., 2004. Tourism as a long-run economic growth factor: an empirical investigation for Greece using causality analysis. Tour. Econ. 10, 305–316.

Eggoh, J., Bangake, C., Semedo, G., 2019. Do remittances spur economic growth? Evidence from developing countries. J. Int. Trade Econ. Dev. 28, 391–418.

Eilat, Y., Einav*, L., 2004. Determinants of international tourism: a three-dimensional panel data analysis. Appl. Econ. 36, 1315–1327.

Fauzel, S., 2020. FDI and tourism futures: a dynamic investigation for a panel of small island economies. J. Tour. Futur. 7, 98–110.

Fletcher, J., Morakabati, Y., 2008. Tourism activity, terrorism and political instability within the Commonwealth: The cases of Fiji and Kenya. Int. J. Tour. Res. 10, 537–556.

Forsyth, P., Dwyer, L., 2003. Foreign investment in Australian tourism: a framework for analysis. J. Tour. Stud. 14, 67–77.

Ghalia, T., Fidrmuc, J., Samargandi, N., Sohag, K., 2019. Institutional quality, political risk and tourism. Tour. Manag. Perspect. 32, 100576.

Greene, W.H., 2012. Econometric Analysis, 7th ed., Prentice Hall, New York, NY.

Gunduz*, L., Hatemi-J, A., 2005. Is the tourism-led growth hypothesis valid for Turkey? Appl. Econ. Lett. 12, 499–504.

Habibi, F., 2017. The determinants of inbound tourism to Malaysia: a panel data analysis. Curr. Issues Tour. 20, 909–930.

Hall, C.M., Page, S., 2012. 14 Developing tourism in South Asia: India, Pakistan and Bangladesh—SAARC and beyond, in: Tourism in South and Southeast Asia: Issues and Cases. Routledge, pp. 197–222.

Hyndman, J., 2015. The securitisation of Sri Lankan tourism in the absence of peace. Stab. Int. J. Secur. Dev. 4, 1-16.

Ingram, H., Tabari, S., Watthanakhomprathip, W., 2013. The impact of political instability on tourism: case of Thailand. Worldw. Hosp. Tour. Themes. 5, 92-103.

Irandoust, M., 2019. On the relation between exchange rates and tourism demand: A nonlinear and asymmetric analysis. J. Econ. Asymmetries 20, e00123.

Işık, C., Radulescu, M., Fedajev, A., 2019. The effects of exchange rate depreciations and appreciations on the tourism trade balance: the case of Spain. 10, 221-237.

Işık, C., Sirakaya-Turk, E., Ongan, S., 2020. Testing the efficacy of the economic policy uncertainty index on tourism demand in USMCA: Theory and evidence. Tour. Econ. 26, 1344–1357.

Katircioglu, S.T., 2014. International tourism, energy consumption, and environmental pollution: The case of Turkey. Renew. Sustain. Energy Rev. 36, 180–187.

Kaufmann, D., Kraay, A., Mastruzzi, M., 2010. Response to 'What do the worldwide governance indicators measure?' Eur. J. Dev. Res. 22, 55–58.

Khan, A., Bibi, S., Ardito, L., Lyu, J., Hayat, H., Arif, A.M., 2020. Revisiting the dynamics of tourism, economic growth, and environmental pollutants in the emerging economies—sustainable tourism policy implications. Sustainability 12, 2533.

Khoshnevis Yazdi, S., Homa Salehi, K., Soheilzad, M., 2017. The relationship between tourism, foreign direct investment and economic growth: evidence from Iran. Curr. Issues Tour. 20, 15–26.

Kim, H.J., Chen, M.-H., 2006. Tourism expansion and economic development: The case of Taiwan. Tour. Manag. 27, 925–933.

Kim, Y.-R., Saha, S., Vertinsky, I., Park, C., 2018. The impact of national institutional quality on international tourism inflows: A cross-country evidence. Tour. Anal. 23, 533–551.

Kmenta, J., 1986. Elements of econometrics. 2nd edn Macmillan. New York.

Krammer, S.M.S., 2010. International R&D spillovers in emerging markets: The impact of trade and foreign direct investment. J. Int. Trade Econ. Dev. 19, 591–623.

Kumar, R.R., Loganathan, N., Patel, A., Kumar, R.D., 2015. Nexus between tourism earnings and economic growth: A study of Malaysia. Qual. Quant. 49, 1101–1120.

Lee, C.-C., Chang, C.-P., 2008. Tourism development and economic growth: A closer look at panels. Tour. Manag. 29, 180–192.

Lee, G., 2006. The effectiveness of international knowledge spillover channels. Eur. Econ. Rev. 50, 2075–2088.

Lim, S., Basnet, H.C., 2017. International migration, workers' remittances and permanent income hypothesis. World Dev. 96, 438–450.

Liu, Y., Li, Y., Li, L., 2018. A panel data-based analysis of factors influencing market demand for Chinese outbound tourism. Asia Pacific J. Tour. Res. 23, 667–676.

Llorca-Vivero, R., 2008. Terrorism and international tourism: New evidence. Def. Peace Econ. 19, 169–188.

Manuela Jr, W.S., de Vera, M.J., 2015. The impact of government failure on tourism in the Philippines. Transp. Policy 43, 11–22.

Manzoor, F., Wei, L., Asif, M., Haq, M.Z. ul, Rehman, H.U., 2019. The contribution of sustainable tourism to economic growth and employment in Pakistan. Int. J. Environ. Res. Public Health 16, 3785.

Martins, L.F., Gan, Y., Ferreira-Lopes, A., 2017. An empirical analysis of the influence of macroeconomic

determinants on World tourism demand. Tour. Manag. 61, 248–260.

Mazzola, F., Pizzuto, P., Ruggieri, G., 2019. The role of tourism in island economic growth and resilience: A panel analysis for the European Mediterranean countries (2000–2015). J. Econ. Stud. 46, 1418-1436.

Meo, M.S., Chowdhury, M.A.F., Shaikh, G.M., Ali, M., Masood Sheikh, S., 2018. Asymmetric impact of oil prices, exchange rate, and inflation on tourism demand in Pakistan: new evidence from nonlinear ARDL. Asia Pacific J. Tour. Res. 23, 408–422.

Mishra, P.K., Rout, H.B., Chaini, S.R., 2021. Does International Tourism Foster Economic Growth? Evidence from SAARC Countries Business. Indian J. Econ. Bus. 20, 359-376.

Mohapatra, S., 2018. Investigating the tourism and economic growth linkage: A panel causality analysis for the SAARC countries. Asia Pacific J. Tour. Res. 23, 573–583.

Mora-Rivera, J., Cerón-Monroy, H., García-Mora, F., 2019. The impact of remittances on domestic tourism in Mexico. Ann. Tour. Res. 76, 36–52.

Mora-Rivera, J., García-Mora, F., 2021. International Remittances as a Driver of Domestic Tourism Expenditure: Evidence from Mexico. J. Travel Res. 60, 1752–1770.

Mushtaq, R., Thoker, A.A., Bhat, A.A., 2020. Does institutional quality affect tourism demand? Evidence from India. J. Hosp. Tour. Insights. 4, 622-638.

Nadeem, M.A., Liu, Z., Xu, Y., Nawaz, K., Malik, M.Y., Younis, A., 2020. Impacts of terrorism, governance structure, military expenditures and infrastructures upon tourism: Empirical evidence from an emerging economy. Eurasian Bus. Rev. 10, 185–206.

Naudé, W.A., Saayman, A., 2005. Determinants of tourist arrivals in Africa: a panel data regression analysis. Tour. Econ. 11, 365–391.

Neumayer, E., 2004. The impact of political violence on tourism: Dynamic cross-national estimation. J. Conflict Resolut. 48, 259–281.

Oh, C.-O., 2005. The contribution of tourism development to economic growth in the Korean economy. Tour. Manag. 26, 39–44.

Ongan, S., Işik, C., Özdemir, D., 2017. The effects of real exchange rates and income on international tourism demand for the USA from some European Union countries. Economies 5, 51.

Orozco, M., 2003. The future trends and patterns of remittances to Latin America. Inter-American Dialogue, Washington, DC US-Guatemala Remit. Corridor 67.

Osinubi, T.T., Ajide, F.M., Osinubi, O.B., 2022. Governance, FDI and tourism in top 10 tourist destinations in Africa. Transnatl. Corp. Rev. 1–13.

Paramati, S.R., Shahbaz, M., Alam, M.S., 2017. Does tourism degrade environmental quality? A comparative study of Eastern and Western European Union. Transp. Res. Part D Transp. Environ. 50, 1–13.

Parks, R.W., 1967. Efficient estimation of a system of regression equations when disturbances are both serially and contemporaneously correlated. J. Am. Stat. Assoc. 62, 500–509.

Po, W.-C., Huang, B.-N., 2008. Tourism development and economic growth–a nonlinear approach. Phys. A Stat. Mech. its Appl. 387, 5535–5542.

Poprawe, M., 2015. On the relationship between corruption and migration: empirical evidence from a gravity model of migration. Public Choice 163, 337–354.

Qutb, R., 2021. Migrants' remittances and economic growth in Egypt: an empirical analysis from 1980 to 2017. Rev. Econ. Polit. Sci. 7, 154-176.

Rasool, H., Maqbool, S., Tarique, M., 2021. The relationship between tourism and economic growth among BRICS countries: a panel cointegration analysis. Futur. Bus. J. 7, 1–11.

Rasul, G., Manandhar, P., 2009. Prospects and problems in promoting tourism in South Asia: A regional perspective. South Asia Econ. J. 10, 187–207.

Ravinthirakumaran, K., Selvanathan, E.A., Selvanathan, S., Singh, T., 2019. Tourism and foreign direct investment inflows in Sri Lanka. South Asia Econ. J. 20, 248–273.

Rodríguez, M.O.L., Sánchez, C.A.F., Félix, J.Q., Estrada, I.C., 2018. Factors that affect the demand of tourism in Mexico: competitive analysis. J. Tour. Anal. Rev. Análisis Turístico. 25, 154-166.

Roxas, B., Chadee, D., 2013. Effects of formal institutions on the performance of the tourism sector in the Philippines: The mediating role of entrepreneurial orientation. Tour. Manag. 37, 1–12.

Saayman, A., Saayman, M., 2013. Exchange rate volatility and tourism-revisiting the nature of the relationship. Eur. J. Tour. Res. 6, 104–121.

Saha, S., Mallik, G., Vortelinos, D., 2017. Does corruption facilitate growth? A cross-national study in a non-linear framework. South Asian J. Macroecon. Public Financ. 6, 178–193.

Saha, S., Yap, G., 2014. The moderation effects of political instability and terrorism on tourism development: A cross-country panel analysis. J. Travel Res. 53, 509–521.

Salleh, N.H.M., Othman, R., Ramachandran, S., 2007. Malaysia's tourism demand from selected countries: The ARDL approach to cointegration. Int. J. Econ. Manag. 1, 345–363.

Samimi, A.J., Sadeghi, Somaye, Sadeghi, Soraya, 2013. The relationship between foreign direct investment and tourism development: evidence from developing countries. Institutions Econ. 59–68.

Seetanah, B., 2011. Assessing the dynamic economic impact of tourism for island economies. Ann. Tour. Res. 38, 291–308.

Seetanah, B., Durbarry, R., Ragodoo, J.F.N., 2010. Using the panel cointegration approach to analyse the determinants of tourism demand in South Africa. Tour. Econ. 16, 715–729.

Seetanah, B., Fauzel, S., 2018. Investigating the impact of climate change on the tourism sector: evidence from a sample of island economies. Tour. Rev. 74,194-203.

Seetanah, B., Sannassee, R., Rojid, S., 2015. The impact of relative prices on tourism demand for Mauritius: An empirical analysis. Dev. South. Afr. 32, 363–376.

Selvanathan, S., Selvanathan, E.A., Viswanathan, B., 2012. Causality between foreign direct investment and

tourism: Empirical evidence from India. Tour. Anal. 17, 91–98.

Senadeerage, C.T., 2020. Modelling International Tourism Demand and Implications of Its Volatility for Sri Lanka at a Disaggregate Level. (Doctoral dissertation, Griffith University). Available at: https://doi.org/10.25904/1912/4048.

Shahbaz, M., Ferrer, R., Shahzad, S.J.H., Haouas, I., 2018. Is the tourism–economic growth nexus time-varying? Bootstrap rolling-window causality analysis for the top 10 tourist destinations. Appl. Econ. 50, 2677–2697.

Sokhanvar, A., 2019. Does foreign direct investment accelerate tourism and economic growth within Europe? Tour. Manag. Perspect. 29, 86–96.

Sokhanvar, A., Jenkins, G.P., 2021. Impact of foreign direct investment and international tourism on long-run economic growth of Estonia. J. Econ. Stud. 49, 364-378.

Sou, J.P.U., Vinnicombe, T., 2021. Does governance quality matter for FDI-led tourism development? A supply-side perspective. Tour. Econ. 13548166211052814. Availabale at: https://doi.org/10.1177/13548166211052814.

Su, C.-W., Sun, T., Ahmad, S., Mirza, N., 2021. Does institutional quality and remittances inflow crowd-in private investment to avoid Dutch Disease? A case for emerging seven (E7) economies. Resour. Policy 72, 102111.

Tang, C.F., 2018. The impacts of governance and institutions on inbound tourism demand: evidence from a dynamic panel data study. Asia Pacific J. Tour. Res. 23, 1000–1007.

Tang, C.F., Lau, E., 2021. Exploring the impact of political stability and climate change on inbound tourism demand: evidence from dynamic panel data analysis, in: Regional Science Perspectives on Tourism and Hospitality. Springer, pp. 403–419.

Tang, S., Selvanathan, E.A., Selvanathan, S., 2007. The relationship between foreign direct investment and tourism: empirical evidence from China. Tour. Econ. 13, 25–39.

Taylor, J.E., Castelhano, M., 2016. Economic impacts of migrant remittances. Int. Handb. Migr. Popul. Distrib. 525–541.

Tomohara, A., 2017. Does immigration crowd out foreign direct investment inflows? Tradeoff between contemporaneous FDI-immigration substitution and ethnic network externalities. Econ. Model. 64, 40–47.

Tosun, C., Timothy, D.J., 2001. Shortcomings in planning approaches to tourism development in developing countries: the case of Turkey. Int. J. Contemp. Hosp. Manag. 13, 352-259.

Uysal, M., Crompton, J.L., 1984. Determinants of demand for international tourist flows to Turkey. Tour. Manag. 5, 288–297.

Wamboye, E.F., Nyaronga, P.J., Sergi, B.S., 2020. What are the determinants of international tourism in Tanzania? World Dev. Perspect. 17, 100175.

Wang, H.-C., Chen, N.-H., Lu, C.-L., Hwang, T.-C., 2008. Tourism demand and exchange rates in Asian countries: New evidence from copulas approach, in: 2008 Third International Conference on Convergence and Hybrid Information Technology. IEEE, pp. 1188–1193.

Webber, A.G., 2001. Exchange rate volatility and cointegration in tourism demand. J. Travel Res. 39, 398–405.

World Bank, 2020. World Bank country and lending groups. Retrieved from:
https://data.worldbank.org/indicator/NY.GDP.MKTP.CD.

World Travel and Tourism Council, 2019. Available online: http:www.wttc.org. Accessed on 10 April 2022.

Xue, G.A.O., Chang, H.-L., Chi-Wei, S.U., 2018. Does exchange rate always affect the number of inbound tourists significantly in China? Theor. Appl. Econ. 25, 55-72.

Yang, D., 2011. Migrant remittances. J. Econ. Perspect. 25, 129–152.

Yap, G., Saha, S., 2013. Do political instability, terrorism, and corruption have deterring effects on tourism development even in the presence of UNESCO heritage? A cross-country panel estimate. Tour. Anal. 18, 587–599.

Zhao, S., 2021. Combined AHP-TOPSIS-IPA and Statistical Analyses for Implications to One Belt One Road Initiatives. Int. J. Multidiscip. Manag. Tour. 5, 100–121.