

Impact Factor:

ISRA (India) = 6.317
ISI (Dubai, UAE) = 1.582
GIF (Australia) = 0.564
JIF = 1.500

SIS (USA) = 0.912
ПИИИ (Russia) = 3.939
ESJI (KZ) = 9.035
SJIF (Morocco) = 7.184

ICV (Poland) = 6.630
PIF (India) = 1.940
IBI (India) = 4.260
OAJI (USA) = 0.350

SOI: [1.1/TAS](#) DOI: [10.15863/TAS](#)

International Scientific Journal Theoretical & Applied Science

p-ISSN: 2308-4944 (print) e-ISSN: 2409-0085 (online)

Year: 2022 Issue: 03 Volume: 107

Published: 30.03.2022 <http://T-Science.org>

QR – Issue



QR – Article



Dilorom Matkabolova

Tashkent State University of Economics

Researcher

matkabolovadilorom@gmail.com

THE RELATIONSHIP BETWEEN INVESTMENT AND TOURISM: INSIGHTS FROM THE LITERATURE

Abstract: Tourism has long been viewed as a tool for fostering greater understanding and peace between nations, and both public and private sector investments are critical for both overall economic growth and sectoral growth, such as the tourism sector. As a result, this study conducts a review of the available literature and engages in a conversation about public and private investment, as well as tourism growth. A thorough examination of the available literature in the indicated topic revealed that the research community has paid insufficient attention to this area, with little study on the effect of public and private investment on tourism growth. As a result, this study proposes investigating the effect of public and private investment on tourism growth.

Key words: tourism, investment, literature.

Language: English

Citation: Matkabolova, D. (2022). The relationship between investment and tourism: insights from the literature. *ISJ Theoretical & Applied Science*, 03 (107), 871-878.

Soi: <http://s-o-i.org/1.1/TAS-03-107-66> **Doi:**  <https://dx.doi.org/10.15863/TAS.2022.03.107.66>

Scopus ASCC: 2000.

Introduction

The sustained decline in global oil prices has paved the ground for tourism to emerge as the next cash cow and a source of economic prosperity for the majority of economies. For example, in the United Arab Emirates (UAE), the shift toward tourism has been justified by the country's sensitivity to oil prices on the international market, which has eroded the country's revenue base when oil price contracts expire. This is the current goal of Saudi Arabia, the world's largest oil exporter, which is also planning to invest up to US\$ 2 billion on tourism as oil prices decline from an average of US\$ 109.45 per barrel in 2012 to US\$ 49.49 per barrel in 2015. (OPEC, 2016; Arabian Business, 2017). Additionally, the importance of tourism can be seen in the fact that it now equals or exceeds the business volume of automobiles, food products, and oil exports, accounting for nine percent of global GDP; one in every eleven direct, indirect, and induced jobs; six percent of global exports, totaling US\$ 1.4 trillion in exports; and thirty percent of service exports (Robaina-Alves, Moutinho, & Costa, 2016). Tourism has developed into a significant player in worldwide business, while also

serving as a primary source of revenue for numerous developing economies, including the Maldives and Sri Lanka.

Additionally, tourism has traditionally been viewed as a means of fostering international understanding and peace. While the private sector is primarily responsible for tourism activities, the government plays a critical role in the industry's development at the policy level. Governments, particularly in developing economies, encourage tourism investment on the assumption that it contributes significantly to economic development (Hall & Michael, 1991; Reid, 2003), and tourism has a greater spillover and multiplier effect than other sectors of the economy (Hall & Michael, 1991; Reid, 2003). (Archer & Owen, 1971; Rasul & Manandhar, 2009; Roe, Ashley, Page, & Meyer, 2004). Numerous aspects, such as scenic landscapes and archaeological sites, entice visitors to various destinations; however, the sufficient requirement is investment in the tourism sector. Despite the fact that tourism is a significant source of income and employment, and that public and private sector investments are important to develop and nurture this sector in order to reap its benefits, this

Impact Factor:

ISRA (India) = 6.317
ISI (Dubai, UAE) = 1.582
GIF (Australia) = 0.564
JIF = 1.500

SIS (USA) = 0.912
PIIHQ (Russia) = 3.939
ESJI (KZ) = 9.035
SJIF (Morocco) = 7.184

ICV (Poland) = 6.630
PIF (India) = 1.940
IBI (India) = 4.260
OAJI (USA) = 0.350

specific issue received little attention in the existing literature. The relationship between investment and sectoral and economic growth has long been a source of interest for researchers, and a substantial body of literature exists on this subject; however, sufficient material on investment and tourism growth is still in its infancy. Numerous empirical approaches and procedures employed in the literature have thus far failed to produce a comprehensive and compelling notion. As such, the purpose of this study is to conduct a review of the available literature on public and private investment, as well as tourism.

REVIEW ON PUBLIC INVESTMENTS, PRIVATE INVESTMENTS AND TOURISM

In all economies, public and private investment contribute to stimulating and reforming economic activity in order to achieve higher economic growth rates. Investments, as a component of aggregate demand and a source of capital formation, have received considerable emphasis in prior research on sectoral growth, but the tourist industry has received less attention. For many years, governments and international development agencies in less developed countries (LDCs) have viewed tourism as a primary source of employment and revenue generating. As Baum and Szivas (2008) explain, the objective of government support for the tourism sector is to ensure that it can generate jobs and contribute to overall social and economic growth. Investments can be undertaken by the public or private sector, and their effects are typically dictated by the domestic social, political, and economic system. From an economic standpoint, public investment is justified when the private sector is unable to provide an adequate amount or is afraid to invest. The public sector's investment mitigates risks for the private sector and helps ensure profitability (Rosentraub & Joo, 2009).

Public Investment and Tourism Growth

By and large, public investment stimulates both sectoral (such as tourism) and economic growth. Munnell (1992) claimed that public capital investment can improve a sector's or area's productive capacity by increasing the productivity of existing resources and adding additional resources. In many developing countries, the public sector has played a critical role in the growth of the tourism industry (Akama, 2002). Apart from formulating tourism policies and building a national tourism strategy, governments have been active in providing tourist and hospitality facilities and services. Given the sector's fragmentation and the involvement of several stakeholders in the provision of various services, governments' role in enabling and promoting tourism through the establishment of a favorable socio-political and legal environment is critical (Akama, 1997, 2002; Gunn, 1988; Hughes, 1994; Jenkins & Henry, 1982). In most emerging economies, the public sector's involvement in tourism operations is necessary not just to achieve long-term

objectives, but also to compensate for the absence of a significant tourism-experienced private sector (Jenkins & Henry, 1982). As a result, the public sector in developing nations is expected to play a proactive role in tourism development, not only via the adoption of legal frameworks and regulations, but also through investment and administration of the tourism sector.

Additionally, government policy frameworks and planning activities for constructing a communication network and providing adequate transportation infrastructure, supporting arts and crafts, protecting heritage, and developing museums all have a direct impact on tourism development (Akama, 2002). Additionally, the development of tourism in any location or destination is strongly related to the availability of tourism-related infrastructure, such as transportation infrastructure and tourist attractions, such as pristine beaches, scenic landscapes, and distinctive cultural and natural heritage. These tourism infrastructure components are classified as public goods, which cannot typically be provided or supervised by the private sector due to the private sector's lack of economic and social capacity and incentive to manage and provide public goods on a long-term sustainable basis for the welfare of current and future generations. As a result, government intervention is necessary to safeguard, manage, and utilize tourism resources properly.

Petrescu (2011) made a similar point, claiming that the state's involvement is critical in supervising and controlling tourism activities, and in some cases, even facilitating them. Additionally, he stated that the public sector contributes to tourism growth by enhancing infrastructure development, promoting private investment in hotel building, ensuring quality standards, and safeguarding tourists against any form of insecurity. The state's activities to foster overall production growth have a direct effect on tourism as well, and government intervention is significantly needed in the tourism industry (Ribari & Ribari, 2013). In this sense, the state must undertake strategic investments in order to foster an environment conducive to improved tourism performance.

Tourism investment from the public sector can come from a variety of levels of government, including the supranational level (for example, the EU, ASEAN, and SAARC), the national level (for example, country central governments and city and town governments), and the international level (Petrescu, 2011). The public sector can invest in land and buildings such as museums, recreation centers, and parks; in machinery and plant such as a computerized reservation system, playground and play land apparatus, and in infrastructure. Not only is public investment in tourism necessary and beneficial for the tourism sector, but it also has beneficial economic consequences at the national level in the form of increased foreign exchange earnings, increased national income and economic growth, job

Impact Factor:

ISRA (India) = 6.317
ISI (Dubai, UAE) = 1.582
GIF (Australia) = 0.564
JIF = 1.500

SIS (USA) = 0.912
PIHII (Russia) = 3.939
ESJI (KZ) = 9.035
SJIF (Morocco) = 7.184

ICV (Poland) = 6.630
PIF (India) = 1.940
IBI (India) = 4.260
OAJI (USA) = 0.350

creation, and balance of payments improvement. On the other hand, a number of classical economists and development experts argued that government involvement in entrepreneurial activities should be limited due to the public sector's economic inability to accurately measure and respond to changes in market demand. Rather than that, the private sector is best equipped to carry out these entrepreneurial operations. As a result, proponents of free markets, including the IMF and the World Bank, argue that governments should stay as far away from economic activities as possible and should instead focus on developing policies and laws that foster favorable legal and sociopolitical environments for the private sector to thrive and act in the sector's best interests (Jenkins, 1994; Sinclair, 1990).

However, in the majority of poor nations where tourism has developed and thrived as a significant economic industry, such as the Bahamas, Jamaica, Mexico, Kenya, Morocco, Tunisia, Egypt, and Indonesia, direct government involvement and investment have been critical (Akama, 1997, 2002; Bennett, 1994; Dieke, 1991). As a result, governments in developing nations have adopted purposeful efforts to promote tourist development during the evolution and emerging stages of the sector's development (Akama, 2002). Among these efforts are financial incentives and collaboration with private investors to promote tourism and hospitality development. Due to the significant risk associated with tourism, most private investors may be unwilling to invest in new tourist locations that are still in the exploratory stage or do not guarantee capital gains on capital investments or long-term political and socioeconomic stability (Akama, 2002). As a result, governments in many developing nations step forward and create the necessary infrastructure for the sustainability and expansion of the tourism industry in order to reassure the private sector.

Mera (1973) evaluated the effect of public investment on regional productivity in Japan as part of his seminal empirical study and discovered that public capital expenditure has a considerable and positive effect on regional productivity. Additionally, Biehl (1986) identified public infrastructure investment as a favorable and major element affecting growth and development. Petrescu (2011) discovered that public investment is a strong predictor of tourism demand growth and the expansion of the tourism sector. Similarly, the government of Kenya's direct involvement in establishing the country's tourist and hospitality industries throughout their formative stages has created a political and socioeconomic environment conducive to the tourism industry's rapid development and expansion (Akama, 2002). Additionally, empirical data indicates that small islands, such as Zanzibar in Tanzania, where the government is not actively involved in direct investment other than policy formulation and

monitoring, have not developed (Sharpley & Ussi, 2014). According to a survey done by the United Nations World Tourism Organization (1996), governments played a pioneering role in the early phases of tourism development, as evidenced by case studies from several developed and developing countries. This is because significant initial investments are necessary to establish basic facilities and infrastructure prior to opening the areas to tourism. Initially, private sector investors are hesitant to take risks until an environment of confidence is established.

In the early stages, tourist authorities at the regional or national level are responsible for planning and promotion, as well as the efficient operation of the tourism industry. In this framework, the government functions as a hotelier, travel agent, tour operator, and transportation provider (Botterill et al., 1997; Clancy, 1999; Göymen, 2000; Hall, 1992; Tosun & Jenkins, 1998). Similarly, the Turkish state sector pioneered tourism development (Göymen, 2000). However, the public sector's engagement in later stages imposes constraints on coordination among diverse parties in the tourism business. Its function is limited to assisting and supporting rather than leading, and it strives to fill the gaps left by the private sector, subject to the private sector's profitability and efficacy (Göymen, 2000; Mckercher & Ritchie, 1997; Smeral, 1999). The public sector is responsible for the image and promotion of the country's tourism industry abroad, as well as the provision of basic infrastructure, training and development of human resource employed in the industry, and environmental protection, all of which are typically overlooked by the private sector.

It is a well-established fact that private investment boosts both sectoral and overall growth in an economy, as Wang and Xu (2011) asserted that private investment is a critical factor of an economy's and industry's growth and development. In general, the private sector's involvement in T&T is primarily motivated by profit, since Tribe (1999) stated that private investments have an effect on travel and tourist demand. Additionally, Petrescu (2011) argued that the state or public sector plays a critical role in the development of tourism infrastructure, whereas private actors largely sustain entrepreneurial tourism operations. In T&T, the private sector provides support services such as finance, insurance, and banking, as well as tourist guiding, marketing and promotion support, production of travel guides schedules, establishment of training facilities, and port services, as well as private ports.

The majority of economists and policymakers assert that private investment is more efficient and productive in terms of growth contribution than governmental investment. Nonetheless, this claim is backed up by scant empirical evidence. As Khan and Reinhart (1990) discovered, private investment has a greater effect on economic growth than public

Impact Factor:

SIRA (India) = 6.317
ISI (Dubai, UAE) = 1.582
GIF (Australia) = 0.564
JIF = 1.500

SIS (USA) = 0.912
PIHIQ (Russia) = 3.939
ESJI (KZ) = 9.035
SJIF (Morocco) = 7.184

ICV (Poland) = 6.630
PIF (India) = 1.940
IBI (India) = 4.260
OAJI (USA) = 0.350

investment in 24 developing nations. Their analysis, however, indicated that the difference between the marginal contributions of public and private investments to growth is statistically small.

Khan and Kemal (1996) examined the relative relevance of private and public investment in stimulating economic growth and discovered that private investment had a far greater impact on economic growth than public investment. Additionally, the effects of private and public investments vary considerably by region. Navy (2002), using the Vector Autoregressive (VAR) methodology, similarly discovered a positive and significant influence of private investment on economic growth. Petrescu (2011) identified private capital investment as a crucial factor of tourist demand growth and the overall tourism sector's expansion. Similarly, Sharpley and Telfer (2014) argued that capital investments are critical for the tourism industry's sustainability and expansion.

The Relationship between Public and Private Investments and Its Role in Tourism

In general, it has been suggested that public investment facilitates and stimulates private investment by providing infrastructure support and therefore boosting the capital's productivity. The research supporting this positive effect of public investment suggests that public investment spending stimulates the private sector's production, hence improving growth, as proposed by Kenneth and Kurz (1970) and Barro (1990). This school of thought believes that the importance of public investment in determining long-term growth can be demonstrated by the fact that it not only generates beneficial spillover economic effects such as the provision of physical infrastructure for health, education, and scientific research, but also crowds in private investment, thereby augmenting economies' growth rates. This is consistent with Hassan, Othman, and Karim (2011)'s assertion that public investment expenditures supply public intermediate goods such as transportation and water infrastructure. These inputs are necessary for both private sector investment and manufacturing. These types of public intermediate products have a positive externality effect on the private sector because they increase private sector productivity. In a similar vein, Nazmi and Ramirez (1997) stated that the government plays a critical role in economic growth and development by boosting the level of productive investments and giving socially desirable direction. As a result, changes in the composition of government spending have a beneficial effect on the level of private investment. This is consistent with Ghani and Din (2006)'s contention that a high level of public sector investment stimulates private sector investment.

Phetsavong and Ichihashi (2012), on the other hand, argued for the crowding out effect of public investment. They maintained that a crowding out

effect may occur if the public sector invests at the expense of higher interest rates and taxes, or if the public sector competes directly with the private sector through increased investment spending. Additionally, if the public sector exploits financial and physical resources that would otherwise be accessible to the private sector, it can stifle private investment (Aschauer, 1989; Blejer & Khan, 1984). Phetsavong and Ichihashi (2012) emphasized that the magnitude of the crowding out effect will be greater the more distorted the public sector is. Thus, in order to finance more public sector capital expenditure, governments require new financing sources that generate higher interest rates, limiting private sector access to the money market. As a result, growth will slow as a result of less private investment, a phenomenon known as crowding out.

Bennett (1983) claimed, however, that government spending on roads, public housing, and airports can either encourage or impede private investment spending, or perhaps have no effect. If a rise in public capital encourages or retards private investment, private capital's marginal productivity will increase or fall. In a similar vein, Erenburg (1993) asserted that, ceteris paribus, competition for scarce resources between the public and private sectors in implementing public/private investment projects may crowd out private investment spending, whereas the existing public capital stock may crowd in private investment. Given the significant discrepancies between known economic theories and empirical facts, the arguments remain unclear.

Blejer and Khan (1984) discovered that when public investment is made in infrastructure, public and private investments complement one another. Similarly, Costa, Ellson, and Martin (1987) and Deno (1988) found that private and governmental investment are complimentary rather than substitutive, corroborating the crowding-in effect theory. Morrison and Schwartz (1992) similarly observed that public infrastructure investment had a tendency to reduce the cost of doing business for private firms. Additionally, their study discovered that increased aggregate public investment boosts demand and capacity utilization in the private sector. Argimon, Gonzalez-Paramo, and Roldan (1997) arrived at the same conclusion about the crowding effect of public infrastructure spending on private investment by utilizing an imbalanced panel data set covering 14 industrialized countries from 1979 to 1988. They discovered that public investment is a necessary component of private investment (Mourmouras & Lee, 1999). Zugasti, Garca, and Maldonado (2001) support the concept of effective crowding based on their study of 14 Spanish industries selected from six sectors: building, manufacturing, restaurants and hotels, communication, transportation, and financial services from 1980 to 1991. Similarly, Pereira (2001) examined the influence of public investment on

Impact Factor:

ISRA (India) = 6.317
ISI (Dubai, UAE) = 1.582
GIF (Australia) = 0.564
JIF = 1.500

SIS (USA) = 0.912
PIHII (Russia) = 3.939
ESJI (KZ) = 9.035
SJIF (Morocco) = 7.184

ICV (Poland) = 6.630
PIF (India) = 1.940
IBI (India) = 4.260
OAJI (USA) = 0.350

private investment in the United States using impulse response analysis and the VAR technique, concluding on the effect of crowding.

Similarly, Erden and Holcombe (2005) examined the effect of public investment on private investment in developing countries between 1980 and 1997 using a balanced panel dataset of 19 developing countries. They used fixed effect, random effect, pooled ordinary least squares (POLS), and two stage least squares (2SLS). Their analysis showed that public investment should be used in conjunction with private investment, thereby enhancing the crowding-in effect. Similarly, Hassan et al. (2011) discovered that public investment has a tendency to increase the rate of return on private capital, thereby stimulating private investment, using panel time series analysis on four sectors of the Malaysian economy (construction, transportation and communication, industry and trade, and agriculture) between 1976 and 2006.

However, due to the implementation of savings taxes, governmental investment may drown out private investment in product, input, and financial markets. The issue of crowding out has long been a source of contention among economists. Public investment entirely crowds out private investment in some research papers (Keran, 1969, 1970), whereas other studies show indications of partial crowding out (Abrams & Schitz, 1978; Arestis & Karakitsos, 1982; Cebula, Carlos, & Koch, 1981; Lombra & Torto, 1974; Zahn, 1978). As Blejer and Khan (1984) noted, public investment in areas other than infrastructure stifles private investment. Evans and Karras (1994) bolstered this thesis further by analyzing a panel of OECD nations and demonstrating a negative effect of public capital on private capital, hence demonstrating the crowding out effect. In a similar vein, Everhart and Sumlinski (2001) discovered a negative association between public and private investments using data from 63 developing nations from 1970 to 2000, thereby supporting the idea of crowding out.

Similarly, Bende-Nabende and Slater (2003) used panel cointegration to examine the determinants affecting private investment in ASEAN countries from 1965 to 1999 and discovered that while state

investment is a substantial driver, it has a negative effect on or crowds out private investment. Similarly, Greene and Villanueva (1991), Ahmed and Miller (2000), Ghura and Goodwin (2000), and Erden and Holcombe (2005) examined the validity of the public capital hypothesis using panel data analysis for developing countries; Ramirez (2000) for Latin American countries, Blejer and Khan (1984), Oshikoya (1994) for African countries, and Odedokun (1997) for a panel of 48 developing economies. All of the research cited above substantiated the hypothesis and found that public investment serves as a stimulant for private investment. Additionally, they maintained that while public investment in infrastructure development benefits private investment, non-infrastructure public investment does not.

CONCLUSION AND RECOMMENDATIONS FOR FUTURE RESEARCH

After reviewing the relevant literature, both theoretical and empirical, it is clear that public and private investment has a favorable effect on tourist growth. The research on the effect of public investment on private investment have yielded inconsistent findings and are thus far from conclusive on the subject. This means that it is unclear whether governmental investment has a crowding-in or crowding-out effect on private investment. A detailed analysis of the available literature reveals that research on the influence of private investment on tourism is still insufficient and requires additional attention, as does research on the effect of state investment on tourist. Additionally, the combined influence of public and private investment on tourism growth has gotten less attention to date, and the literature on the subject is scant. Additionally, despite its considerable tourism potential, the SAARC region has received little attention in this field of research. To address the aforementioned gaps in the literature, additional study on tourism sector growth from the perspective of public and private investment is required in general, and in the SAARC area in particular.

References:

1. Abrams, B. A., & Schitz, M. D. (1978). The 'crowding-out' effect of governmental transfers on private charitable contributions. *Public Choice*, 33(1), 29-39.
2. Ahmed, H., & Miller, S. M. (2000). Crowding-out and crowding-in effects of the components of government expenditure. *Contemporary Economic Policy*, 18(1), 124-133.
3. Akama, J. S. (1997). Tourism development in Kenya: Problems and policy alternatives. *Progress in Tourism and Hospitality Research*, 3(2), 95-105.

Impact Factor:

ISRA (India) = 6.317
ISI (Dubai, UAE) = 1.582
GIF (Australia) = 0.564
JIF = 1.500

SIS (USA) = 0.912
ПИИИ (Russia) = 3.939
ESJI (KZ) = 9.035
SJIF (Morocco) = 7.184

ICV (Poland) = 6.630
PIF (India) = 1.940
IBI (India) = 4.260
OAJI (USA) = 0.350

4. Akama, J. S. (2002). The role of government in the development of tourism in Kenya. *International Journal of Tourism Research*, 4(1), 1-14.
5. Archer, B. H., & Owen, C. B. (1971). Towards a tourist regional multiplier. *Regional studies*, 5(4), 289-294.
6. Arestis, P., & Karakitsos, E. (1982). Crowding out in the UK within an Optimal Control Framework. *Journal of Public Policy*, 2(01), 31-51.
7. Argimon, I., Gonzalez-Paramo, J. M., & Roldan, J. M. (1997). Evidence of public spending crowding-out from a panel of OECD countries. *Applied Economics*, 29(8), 1001-1010.
8. Aschauer, D. A. (1989). Does public capital crowd out private capital? *Journal of Monetary Economics*, 24(2), 171-188.
9. Bakan, R., & Bosnic, I. (2012). Public-private partnership: A model for sustainable tourism development in Regional park Mura-Drava—the possibility of tourist valorisation of abandoned army barracks. *Economy of Eastern Croatia Yesterday, Today, Tomorrow*, 1, 201-206.
10. Barro, R. J. (1990). Economic growth and convergence across the United States: *National Bureau of Economic Research*.
11. Basarir, C & Cakir, Y.N. (2015). Causal interactions between CO₂ emissions, financial development, energy and tourism. *Asian Economic and Financial Review*, 5(11), 1227-1238.
12. Baum, T., & Szivas, E. (2008). HRD in tourism: A role for government? *Tourism Management*, 29(4), 783-794.
13. Bende-Nabende, A., & Slater, J. (2003). Private capital formation: Short-and long-run crowding-in (out) effects in ASEAN, 1971-99. *Economics Bulletin*, 3(28), 1-16.
14. Bennett, O. (1994). *Financing for tourism projects in developing countries*. In *Tourism: The State of the Art*. New York: John Wiley and Sons.
15. Biehl, D. (1986). The contribution of infrastructure to regional development: Final report: European Communities.
16. Blejer, M. I., & Khan, M. S. (1984). *Government Policy and Private Investment in Developing Countries* (Politique des pouvoirs publics et investissement privé dans les pays en développement) (Política estatal e inversión privada en los países en desarrollo). Staff Papers-International Monetary Fund, 379-403.
17. Botterill, D., Owen, R., Emanuel, L., Foster, N., Gale, T., Nelson, C., & Selby, M. (1997). *Perceptions from the periphery: The experience of Wales*. Paper presented at the peripheral Area Tourism: International Tourism Research Conference, Bornholm.
18. Cebula, R. J., Carlos, C., & Koch, J. V. (1981). The 'crowding out' effect of federal government outlay decisions: An empirical note. *Public Choice*, 36(2), 329-336.
19. Clancy, M. J. (1999). Tourism and development: Evidence from Mexico. *Annals of Tourism Research*, 26(1), 1-20.
20. Costa, J. d. S., Ellson, R. W., & Martin, R. C. (1987). Public capital, regional output, and development: Some empirical evidence. *Journal of Regional Science*, 27(3), 419-437.
21. Deno, K. T. (1988). The effect of public capital on US manufacturing activity: 1970 to 1978. *Southern Economic Journal*, 400-411.
22. Dieke, P. U. (1991). Policies for tourism development in Kenya. *Annals of Tourism Research*, 18(2), 269-294.
23. Erden, L., & Holcombe, R. G. (2005). The effects of public investment on private investment in developing economies. *Public Finance Review*, 33(5), 575-602.
24. Erenburg, S. J. (1993). The relationship between public and private investment. *The Jerome Levy Economics Institute Working Paper* (85).
25. Evans, P., & Karras, G. (1994). Is government capital productive? Evidence from a panel of seven countries. *Journal of Macroeconomics*, 16(2), 271-279.
26. Everhart, S. S., & Sumlinski, M. A. (2001). Trends in private investment in developing countries: statistics for 1970-2000 and the impact on private investment of corruption and the quality of public investment (Vol. 44): *World Bank Publications*.
27. Ghani, E., & Din, M.-u. (2006). The impact of public investment on economic growth in Pakistan. *The Pakistan Development Review*, 45(1), 87-98.
28. Ghura, D., & Goodwin, B. (2000). Determinants of private investment: A cross-regional empirical investigation. *Applied Economics*, 32(14), 1819-1829.
29. Göymen, K. (2000). Tourism and governance in Turkey. *Annals of Tourism Research*, 27(4), 1025-1048.
30. Greene, J., & Villanueva, D. (1991). *Private investment in developing countries: An empirical analysis*. Staff Papers-International Monetary Fund, 33-58.
31. Gunn, C. A. (1988). *Tourism Planning*: Taylor & Francis.
32. Hall, & Michael, C. (1991). *Introduction to Tourism in Australia: Impacts, Planning and Development*: Longman Cheshire.
33. Hall, B. H. (1992). Investment and research and development at the firm level: Does the source of financing matter? *National Bureau of Economic Research*.

Impact Factor:

ISRA (India) = 6.317
ISI (Dubai, UAE) = 1.582
GIF (Australia) = 0.564
JIF = 1.500

SIS (USA) = 0.912
ПИИИ (Russia) = 3.939
ESJI (KZ) = 9.035
SJIF (Morocco) = 7.184

ICV (Poland) = 6.630
PIF (India) = 1.940
IBI (India) = 4.260
OAJI (USA) = 0.350

34. Hassan, S., Othman, Z., & Karim, M. Z. A. (2011). Private and public investment in Malaysia: A panel time-series analysis. *International Journal of Economics and Financial Issues*, 1(4), 199.
35. Hughes, H. L. (1994). Tourism multiplier studies: A more judicious approach. *Tourism Management*, 15(6), 403-406.
36. Jenkins, C. L. (1994). *Tourism in developing countries: the privatization issue*. In Tourism: The State of the Art, AV Seaton, CL Jenkins, RC Wood, PU C. Dieke, MM Bennett and R. Smith (eds), Chichester: John Wiley, 3-9.
37. Jenkins, C. L., & Henry, B. (1982). Government involvement in tourism in developing countries. *Annals of Tourism Research*, 9(4), 499-521.
38. Katircioglu, S. (2009a). Testing the Tourism-Led Growth Hypothesis: The Case of Malta, *Acta Oeconomica*, 59 (3): 331-343.
39. Katircioglu, S. (2009b). Trade, Tourism and Growth: The Case of Cyprus. *Applied Economics*, 41(21): 2741-50.
40. Katircioglu, S. (2009c). Revisiting the tourism-led-growth hypothesis for Turkey using the bounds test and Johansen approach for cointegration. *Tourism Management*, 30 (1): 17-20.
41. Katircioglu, S. (2010a). International tourism, higher education, and economic growth: The case of North Cyprus. *The World Economy*, 33 (12): 1955-1972.
42. Katircioglu, S. (2010b). Testing the tourism-led growth hypothesis for Singapore: An empirical investigation from bounds test to cointegration and Granger causality tests. *Tourism Economics*, 16 (4): 1095-1101.
43. Katircioglu, S. (2011a). Tourism and growth in Singapore: New extension from bounds test to level relationships and conditional Granger causality tests. *Singapore Economic Review*, 56 (3): 441-453.
44. Katircioglu, S. (2011b). The bounds test to the level relationship and causality between foreign direct investment and international tourism: The case of Turkey. *E & M Ekonomie and Management (Economics and Management)*, XIV (1): 6-13.
45. Katircioglu, S. T., Fethi, S., and Caner, H. (2014). Testing the higher education-led growth hypothesis in a small island: An empirical investigation from a new version of the Solow growth model. *Quality & Quantity*, 48, 729-744.
46. Katircioglu, S., Fethi, F., and Kilinc, C. (2010). A long-run equilibrium relationship between international tourism, higher education, and economic growth in Northern Cyprus. *Ekonomiska Istraživanja*, 23 (1): 86-96.
47. Kenneth, J. A., & Kurz, M. (1970). *Public Investment, the Rate of Return, and Optimal Fiscal Policy*: Baltimore, MD.
48. Keran, M. W. (1969). Monetary and fiscal influences on economic activity – The historical evidence. *Federal Reserve Bank of St. Louis Review (Nov)*, 5-24.
49. Keran, M. W. (1970). *Monetary and fiscal influences on economic activity: The foreign experience*. Federal Reserve Bank, Research Department.
50. Khan, M. S., & Kemal, A. (1996). Government investment and economic growth in the developing world [with comments]. *The Pakistan Development Review*, 35(4), 419-439.
51. Khan, M. S., & Reinhart, C. M. (1990). Private investment and economic growth in developing countries. *World Development*, 18(1), 19-27.
52. Kilinc, C. C., Semiz, M., Katircioglu, E., & Unusan, C. (2013). Choosing restaurant for lunch in campus area by the compromise decision via AHP. *International Journal of Economic Perspectives*, 7(2), 5-10.
53. Lombra, R. E., & Torto, R. G. (1974). Measuring the impact of monetary and fiscal actions: A new look at the specification problem. *The Review of Economics and Statistics*, 104-107.
54. Long, V. H., Sinclair, M., & Stabler, M. (1991). Government-industry-community interaction in tourism development in Mexico. *The tourism Industry: An International Analysis*, 205-222.
55. Mckercher, B., & Ritchie, M. (1997). The third tier of public sector tourism: A profile of local government tourism officers in Australia. *Journal of Travel Research*, 36(1), 66-72.
56. Mera, K. (1973). II. Regional production functions and social overhead capital: An analysis of the Japanese case. *Regional and Urban Economics*, 3(2), 157-185.
57. Morrison, C. J., & Schwartz, A. E. (1992). State infrastructure and productive performance: *National Bureau of Economic Research*.
58. Mourmouras, I. A., & Lee, J. E. (1999). Government spending on infrastructure in an endogenous growth model with finite horizons. *Journal of Economics and Business*, 51(5), 395-407.
59. Munnell, A. H. (1992). Policy watch: infrastructure investment and economic growth. *The Journal of Economic Perspectives*, 6(4), 189-198.
60. Nazmi, N., & Ramirez, M. D. (1997). Public and private investment and economic growth in Mexico. *Contemporary Economic Policy*, 15(1), 65-75.
61. Odedokun, M. O. (1997). Relative effects of public versus private investment spending on economic efficiency and growth in developing

Impact Factor:

ISRA (India) = 6.317
ISI (Dubai, UAE) = 1.582
GIF (Australia) = 0.564
JIF = 1.500

SIS (USA) = 0.912
ПИИЦ (Russia) = 3.939
ESJI (KZ) = 9.035
SJIF (Morocco) = 7.184

ICV (Poland) = 6.630
PIF (India) = 1.940
IBI (India) = 4.260
OAJI (USA) = 0.350

- countries. *Applied Economics*, 29(10), 1325-1336.
62. Oshikoya, T. W. (1994). Macroeconomic determinants of domestic private investment in Africa: An empirical analysis. *Economic Development and Cultural Change*, 42(3), 573-596.
63. Pereira, A. M. (2001). On the effects of public investment on private investment: What crowds in what? *Public Finance Review*, 29(1), 3-25.
64. Perkov, D., Primorac, D., & Perkov, M. (2016). Position of female managers in Croatian tourism. *International Journal of Economic Perspectives*, 10(1), 62-70.
65. Petrescu, R. M. (2011). The involvement of the public and private sector – Elements with influence on travel & tourism demand during the crisis period. *Tourism and Hospitality Management*, 17(2), 217-230.
66. Phetsavong, K., & Ichihashi, M. (2012). The impact of public and private investment on economic growth: Evidence from developing Asian countries: *IDEC Discussion Paper*, Hiroshima University.
67. Ramirez, M. D. (2000). The impact of public investment on private investment spending in Latin America: 1980– 95. *Atlantic Economic Journal*, 28(2), 210-225.
68. Rasul, G., & Manandhar, P. (2009). Prospects and Problems in Promoting Tourism in South Asia: A Regional Perspective. *South Asia Economic Journal*, 10(1), 187-207.
69. Reid, D. G. (2003). *Tourism, Globalization and Development: Responsible Tourism Planning*. Pluto Press London.
70. Ribariæ, H., & Ribariæ, I. (2013). *Government intervention in driving the development of sustainable tourism*. Paper presented at the 2nd International Scientific Conference Tourism in South East Europe.
71. Robaina-Alves, M., Moutinho, V., & Costa, R. (2016). Change in energy-related CO₂ (carbon dioxide) emissions in Portuguese tourism: A decomposition analysis from 2000 to 2008. *Journal of Cleaner Production*, 111, 520-528.
72. Roe, D., Ashley, C., Page, S., & Meyer, D. (2004). *Tourism and the poor analyzing and interpreting tourism statistics from a poverty perspective*.
73. Rosentraub, M. S., & Joo, M. (2009). Tourism and economic development: Which investments produce gains for regions? *Tourism Management*, 30(5), 759-770.
74. Selin, S., & Chavez, D. (1995). Developing an evolutionary tourism partnership model. *Annals of Tourism Research*, 22(4), 844-856.
75. Sharpley, R., & Telfer, D. J. (2014). *Tourism and Development: Concepts and Issues (Vol. 63)*: Channel View Publications.
76. Sharpley, R., & Ussi, M. (2014). Tourism and governance in small island developing states (SIDS): The case of Zanzibar. *International Journal of Tourism Research*, 16(1), 87-96.
77. Sinclair, M. (1990). *Tourism Development in Kenya*. World Bank, Washington DC.
78. Smeral, E. (1999). *Euro-implications for tourism*. Paper presented at the 34th Meeting of the Tourist Research Centre, Vienna.
79. Tosun, C., & Jenkins, C. L. (1998). The evolution of tourism planning in third-world countries: A critique.
80. *Progress in Tourism and Hospitality Research*, 4(2), 101.
81. Tribe, J. (1999). The concept of tourism: Framing a wide tourism world and broad tourism society. *Tourism Recreation Research*, 24(2), 75-81.
82. Wang, C., & Xu, H. (2011). Government intervention in investment by Chinese listed companies that have diversified into tourism. *Tourism Management*, 32(6), 1371-1380.
83. Zahn, F. (1978). A flow of funds analysis of crowding out. *Southern Economic Journal*, 136-153.
84. Zugasti, C. A. A., García, R. G., & Maldonado, J. S. (2001). The effects of public infrastructure on the cost structure of Spanish industries. *Spanish Economic Review*, 3(2), 131-150.