

Tourism and migration nexus, understanding the relationship between the two phenomena through MLT and TLM theories

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Abstract:

Migration and tourism are two related phenomena and the most significant manifestation of globalization, both involve the movement of people and monetary resources. It is evident that permanent migration and tourism are interconnected and that relationship operates in both directions. The aim of our study is to understand what trends can be identified in migration-related tourism (MLT) and tourism-related migration (TLM). After having reviewed recent literature on the tourism-migration nexus, it can be argued that migrants and tourists are both potential “engines of growth”; We have concluded that the relationship between both of them is positive , migrants have an important economic contributions to both home and destination countries, by enhancing the tourism product, increasing the tourist flows, investing and exploiting their remittances and providing labour for the travel, hospitality and tourism sectors.

Keywords: Migration, tourism, MLT Theory, TLM Theory

1. Introduction:

Mobility which is one of the central preoccupation of contemporary geography, takes many different forms including tourism and migration.

In world of increasing mobility, when millions of people permently move between countries as a migrants, it is not surprising that they will travel between their new and old country.

The international migration is a demographic phenomenon that has both temporal and spatial dimensions (**Bilsborrow & Henry, 2012**). It is defined by the International Organization of Migration as “The movement of a person or a group of persons, either across an international border, or within a State. It is a population movement, encompassing any kind of movement of people, whatever its length, composition and causes; it includes migration of refugees, displaced persons, economic migrants, and persons moving for other purposes, including family reunification” (**IOM, 2011**) . the United Nations (1998) defines an international

migrant with space and time elements as a person who moves a country other than that of his or her usual resident for a period of at least a year (12 months). **(United Nations, 2017)**

While migration is seen as a change in the usual place of residence of an individual, that is rarely a single, simple movement. People move on and back; they move over the short-term as well as for longer-term sojourns **(Skeldon, 2018)**

Tourism is defined by the World Tourism Organization :as «the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited. The use of this broad concept makes it possible to identify tourism between countries as well as tourism within a country. ‘Tourism’ refers to all activities of visitors, including both ‘tourists (overnight visitors)’ and ‘same-day visitors’ **(Steven, 2007)** . So in this definition, tourism depends on the coexistence of at least three conditions: 1) a displacement from the residence place to a different one; 2) an overnight stay (twenty-four hour minimum to be considered as a tourist); 3) a motivation that is different from work that activates the displacement. Origin, duration and motivation of the move are the variables for which tourism is defined and classified. **(La Rocca, 2015)** . Therefore, tourists are visitors and the United Nations Conference on International Travel and Tourism (1963) agreed to use the term ‘visitors’ (other than residents) to describe individuals visiting another country. This definition covered two classes of visitor: Tourists were classified as temporary visitors staying at least 24 hours in a destination. If they are travelling for recreation, health, sport, holiday, study or religious purposes, their visit could be categorised as leisure. Alternatively, excursionists, including cruise travellers may be considered as temporary visitors, if they stay in a destination for less than 24 hours. **(Camilleri, 2018)**

This article presents a conceptual framework for the analysis of linkage between migration and tourism. Two distinct concepts are indicated, which can be defined as ‘Tourism-led Migration’ (TLM) and ‘Migration-led Tourism’ (MLT).

2. Migration-tourism nexus through MLT theory :

The concept of tourism associated with migration is MLT which makes a significant economic contribution to origin countries, as well as cementing strong international networks that lead to partnership development and investment in new enterprises (including tourism businesses) by the family and associates of migrants and by migrants remotely and on their return. As well as generating remittances for subsistence, which are generally considered the

main value of migration for origin countries, migration therefore also creates funds for investment, establishes networks of entrepreneurs and builds local capacity through cultural exchange and the adoption of business know-how. **(WTO, 2009)**

Through this section we will try to answer the following question :

- What is the economic impact of migration (emigration-immigration) on tourism in both home and host countries ?

2.1. The impact of Migration on the flow of tourists and VFR :

Williams and Hall (2001) explain that the tourism-migration nexus occurs in an evolutionary pattern extending over four phases. In the first phase the flow of tourism to a destination leads to the creation of a tourism industry. In phase two, labour migrates to the destination to fill in vacancies in the newly created tourism industry while the industry continues to grow. In the third stage the tourism migration nexus becomes more complex. Temporary labour migrants may settle down permanently at the destination or the tourist may settle down temporarily at the destination and supply their services to the tourism industry. In both cases, the temporary migrants may opt to stay permanently at the destination and travel back to their country of origin, giving rise to VFR travel. In the fourth stage the VFR travel which started in phase three, reinforces the tourism migration links. **(Seetaram N. , 2012)**. So the main channel linking migration and tourism is certainly the VFR, but tourists that have travelled to visit their friends and relatives once back to their country are likely to report their travel experience to other friends and this will probably affect their future destination trips, which will be for holiday purpose. **(Etzo I. , 2016)**, Indeed, VFR tourism represents a form of temporary migration that may inform future permanent migration through the creation of ‘search spaces’ and mobility competencies **(Provenzano & Baggio, 2017)**

Through the previous studies , the presence of immigrant’s communities might have a positive effect on tourism flows, **(Seetaram N. , 2012)** argued that migration could influence the tourism flows, such as by increasing the provision of accommodation, enriching cultural life and tourist attractions at destinations, providing tourism information in their homeland, expanding international trade between destinations and home countries, and further stimulating business travel ; **(Seetaram & Dwyer, 2009)** related the immigrants living in Australia with the tourism flows and find a positive link between both of them, the immigration- tourism nexus was also studied by **(Tadesse & White, 2012)** who demonstrated that there is a positive impact the stock of foreign-born people living in the USA on the number of total arrivals. The same result was confirmed by **(Leitão & Shahbaz,**

2012) who find that an increase in the stock of foreign-born people living in Portugal fosters inbound tourism flows.

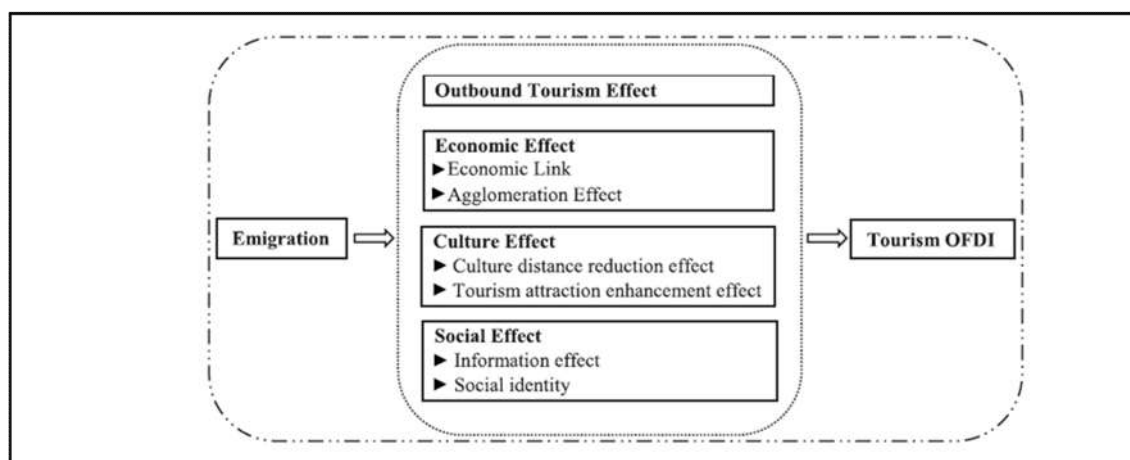
There is, then, another part of the literature that, besides the aggregated flows, also looks at the role of migration for one or more tourist categories by using data disaggregated by purpose of visit. The works of Prescott et al. (2005), Dwyer et al. (2010), Gheasi et al. (2011) and Law et al. (2013) are worth to be mentioned. (Etzo, 2013).

2.2. Migration and tourism OFDI :

FDI has played an important role in the development of tourism industry, outbound FDI in tourism appears to be a neglected area (a, Songshan, & Changyao, 2017). We can define the Tourism outward foreign direct investment (OFDI) as an economic activity based on the tourism industry to achieve the economic aims of the enterprise through its capital flows or commercial presence across borders. (Song, Changyao, Jamie M, Peter, & Xinjian, 2019) immigrants can be entrepreneurs whose activity contributes to enlarge the tourism market by raising the number of firms and their employees (Massida, Evan, & Romano, 2017)

It appears that the impact of migration on the transnational investment of tourism enterprises (FDI) is an increasingly important phenomenon in the development of the tourism industry. With respect to the close link between tourism flows and transnational investment (Santos, Ana, & José, 2016) the following figure summarize the relationship between the Migration and the tourism OFDI :

Figure n°=01 :A conceptual framework of the influence of emigration on tourism outward foreign direct investments (OFDI) :



Source : (Song, Changyao, Jamie M, Peter, & Xinjian, 2019, p. 4)

The study of (Song, Changyao, Jamie M, Peter, & Xinjian, 2019) has found a significant effect of Chinese emigration on China's tourism OFDI by applying panel data and negative binomial models to estimate the effect of emigration on China's tourism OFDI., although this positive effect showed a decreasing trend over time. Furthermore, the degree of development in the destination country, the degree of cultural distance, and the geographical distance determine the size of the positive effect.

2.3. Return migration and tourism entrepreneurship :

Tourism entrepreneurship is defined as activities related to the development and operation of legal tourism enterprises, i.e. those enterprises that operate on a profitable basis and that aim at meeting tourist and visitor needs. These enterprises include, among others, hotels, guest houses, travel agencies, and tour-operators (Rusu, Milin, & Isac, 2017).

Several studies have been interested in how international migration provides a channel for accessing credit through overseas savings by focusing on the impact of savings on the occupational choice of returnees and in particular on self-employment and entrepreneurship. Using cross-sectional data from Pakistan (Wahba & Yves, 2012) While return-migration is defined by European policy-makers as successful by itself, people are often less enthusiastic about their return migration. It might encompass forced migration or retirement, success or failure. In the case of voluntary return, they have often accumulated enough capital to purchase houses and rent rooms to tourists or to move to a more prosperous region in their country (Williams & Michael Hall, 2002) . In the study of (Mesnad, 2004) we found that the majority of entrepreneurial projects started by Tunisian returnees were totally financed through overseas savings. (Dustmann & Oliver, 2002) also found that among Turkish returnees more than half of them are economically active and engage in entrepreneurial activities . The study of (Santos, Rui, & Sérgio, 2019) aimed to study the contribution of portuguese emigrants returnees to the developement of tourism in rural areas, the result and discussion sections demonstrate that investment and employment in tourism are among the portuguese emigrants' priorities upon their return to their place of origin and it concluded that the emigrants are agents of developement in their regions of origin and their participation should be facilitated by tourism developement projects. That stimulate the economy of these territories with the aim of establishing them.

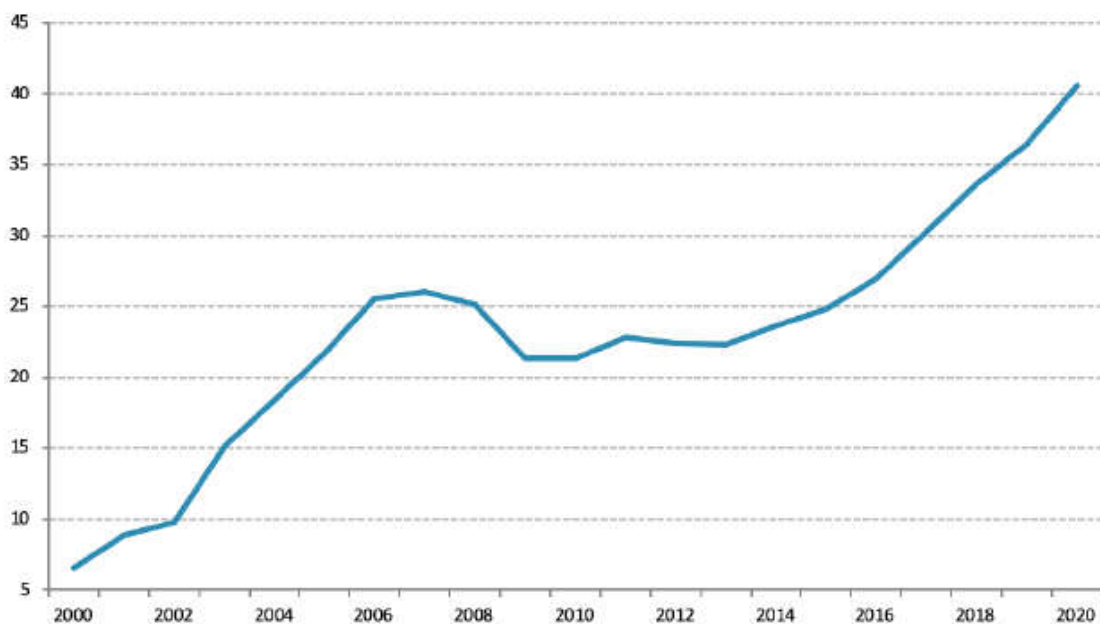
2.4. Remittances and Migration:

Remittance inflows is often defined as private income sent from one or more family members living and working abroad back to the remaining family unit in the home country (**Kumar, 2014**)

Recent empirical studies indicate that there are a significant relationship between remittances and economic growth in both developed and developing countries (**Al & Youshihirou, 2020**), and it has a welfare enhancing effect, particularly when it supports consumption, capital investment, education and human capital development, entrepreneurship, and poverty reduction efforts (**Kumar, 2014**) .

In Mexico remittances have become one of the most important sources of currency and income in this country (**Payan & José Iván, 2021**) , as shown in the following figure :

Figure N°=02 : remittances in Mexico (billion of dollars)



Source : (Payan & José Iván, 2021, p. 4)

Some studies have documented how remittances drive tourism activities by increasing revenues and promoting the creation of better touristic destinations in Mexico, for example the study of (**Mora-Rivera, Jorge, & Fernando, 2019**) which aimed to evaluate the impact of internal and international remittances on Domestic Tourism Consumption (DTC) by using the PSM methodology and it concluded that there is a significant positive impact on the probability of carry out DTC as a result of receiving remittance. Also the study of, **Cerón and**

Mora (2014) about The impact of international remittances on Mexico's domestic tourism consumption found that migrant households spend part of their remittances on tourism activities. The authors noted that most remittance recipient households belong to the lower-income segments of the population. Thus, remittances encourage the low-income population to travel, which increases inbound tourism. (**Mora-Rivera, Jorge, & Fernando, 2019**)

3. Migration-tourism nexus through TLM theory :

(TLM) tourism-led migration theory means that tourism development stimulates migration for employment and consumption (**Williams & Michael Hall, 2002**).In this section we will try to explain the TLM theory through the tourism employment

- Migrants and tourism employment :

Between 2014 and 2024, the hospitality and tourism sector needs to recruit 1.3m staff. Currently, a quarter of hospitality and tourism businesses have vacancies of which 38% consider hard-to-fill. (**Report, 2017**). Migrants have historically formed a significant part of the tourism industry workforce . The employment of international workers in tourism and related service sectors presents a series of opportunities alongside challenges for migrants, employers and host communities. For example, it has been argued that migrants can be a source of innovation (**Janta, Lorraine, Peter, & Adele, 2011**). The study of (**Baum, 2012**) on "Migrant workers in the international hotel industry" shows how migrant workers and the hotel industry depend on each other. It also looks at the general working conditions these workers face.

New Zealand has two migrant labour programmes applicable to tourism. The first is a working holiday scheme visa (WHS) allowing limited work opportunities for visitors to help finance a working holiday. The other is a temporary migrant worker scheme requiring employment to be pre-arranged with an employer prior to arrival in New Zealand. Australia also has programmes very similar to those in New Zealand, but in addition offers a suite of non-sponsored temporary migration arrangements that provide an opportunity for temporary work to supplement income, including for international students. (**Joppe, 2011**)

In Canada, immigration's contribution is particularly significant in the hospitality and tourism industry and should continue to increase in a context of tourism growth and population ageing

And because of the growth of this sector and the need of talents, Canada must make efforts to attract this talents pool and retain it, as a result immigrants continue to contribute the steady growth of tourism (**Dimanche & Calum, 2020**). The same study of (**Dimanche & Calum, 2020**) shows that there were already 23320 vacant tourism jobs, by 2035 the tourism sector will have seen 93000 jobs go unfilled due to the growing up between demand and supply.

4. Conclusion:

The objective of our paper was to hint to important intersections between migration and tourism studies through the MLT and the TLM approaches .

According to previous studies, there is a positive relationship between migration and tourism which makes one of them affect the other through one of the channels it represents, which can be exploited by governments to achieve development in their countries, by making migration a main engine of the development of the tourism sector through its impact on the flows of tourists or raising investment in this sector by migrants, whether in the home or receiving countries. Migrants' remittances can also be directed and exploited to serve the tourism sector. It can also raise tourism inbounds, as it supports the financial capacity of low-income families of migrants and helps them to travel. All of the above falls within Migration-led tourism (MLT) theory, but in terms of tourism-led migration (TLM) theory , it can be explained by the channel of the labor market in the tourism sector to fill the tourism employment gaps .

We can summarize the relationship between migration and tourism as follow :

- MLT can significantly contribute to development and poverty alleviation in the origin countries ;
- TLM means that tourism development stimulates migration for employment and consumption ;
- The main channel linking migration and tourism is VFR, the presence of immigrants communities might have a positive effects on the tourism flows ;
- The impact of migration on the transnational investment of tourism enterprises (FDI) is an increasingly important phenomenon in the development of the tourism industry ;
- Migrants' remittances can constitute a powerful instrument for enhancing tourism-related investments, remittances also encourage the low-income population to travel which increase inbound tourism ;
- Migrants returnees can contribute to enlarge the tourism market by raising the number of investments in tourism, travel and hospitality ;

- Migrants form a significant part of the tourism industry workforce, therefore a significant proportion of migrants workers is employed in travel, tourism and hospitality

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