

FROM THE BALLOTS TO THE BEACHES: ASSESSING THE RELATIONSHIP BETWEEN DEMOCRACY AND TOURISM

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Abstrak

Meskipun hubungan antara demokrasi dan stabilitas, serta antara stabilitas dan pariwisata, telah terjalin dengan baik, makalah-makalah ilmiah yang dengan kuat memeriksa hubungan antara demokrasi dan pariwisata sangat langka. Artikel ini berupaya mengatasi masalah ini dengan memeriksa korelasi antara tingkat demokrasi dan tingkat pengembangan pariwisata. Untuk itu, artikel ini mencoba menggunakan regresi berganda untuk melihat korelasi antara keduanya, dan interpretasi hasil dilakukan secara kualitatif menggunakan perbandingan studi kasus. Demokrasi sebagai variabel independen diwakili oleh Indeks Demokrasi Unit Intelijen Economist, sedangkan pengembangan pariwisata sebagai dependen diwakili oleh *Travel and Tourism (T&T) Competitiveness Index*, Forum Ekonomi Dunia (*World Economic Forum*). Dua regresi terpisah dijalankan. Yang pertama adalah regresi berganda dengan *T&T Index* sebagai variabel dependen dan Indeks Demokrasi sebagai variabel independen. Yang kedua adalah regresi multivariat dengan Indeks Demokrasi sebagai variabel independen, dan Indeks T&T dipecah menjadi empat belas komponen untuk melayani sebagai variabel dependen; regresi ini digunakan untuk menguji sifat sebenarnya dari hubungan tersebut. Regresi pertama menunjukkan korelasi kecil ($r = 0,18$) tetapi signifikan secara statistik ($p < 0,001$) antara Indeks Demokrasi dan Indeks T&T. Regresi kedua menunjukkan bahwa Indeks Demokrasi memiliki korelasi yang signifikan secara statistik (semua $p < 0,001$) dengan semua komponen Indeks T&T, dan sebagian besar korelasi positif kecuali untuk daya saing harga ($r = -0,237$). Efek dari Indeks Demokrasi kecil pada sebagian besar variabel dependen kecuali untuk Keterbukaan Internasional ($r = 0,401$), Kesiapan ICT ($r = 0,328$), Sumber Daya Manusia dan Pasar Tenaga Kerja ($0,315$), dan Layanan Pariwisata dan Infrastruktur ($0,395$). Hasil ini menunjukkan bahwa ada hubungan positif yang kuat antara demokrasi dan pariwisata karena rezim demokratis cenderung memiliki karakteristik yang bermanfaat bagi pengembangan pariwisata. Hasilnya menuntut penelitian lebih lanjut yang lebih rumit untuk mengungkapkan sifat sebenarnya dari hubungan mereka.

Kata Kunci: Demokrasi, Pariwisata, *Travel and Tourism Competitiveness Index*.

Abstract

Although the link between democracy and stability, as well as between stability and tourism, is well established, scientific papers that robustly examined the link between democracy and tourism are surprisingly scarce. This article seeks to address the issue by examining the correlation between the level of democracy and the level of tourism development. Toward that end, the article uses multiple regression to see the correlation between the two, and interpretation of the results is done qualitatively using case studies comparison. Democracy as the independent variable is represented by the Economist Intelligence Unit's Democracy Index, while tourism development as the dependent one is represented by World Economic Forum's Travel and Tourism (T&T) Competitiveness Index. Two separate regressions are run. The first is a multiple regression with T&T Index as the dependent variable and Democracy Index as the independent variable. The second is a multivariate regression with Democracy Index as the independent variable, and the T&T Index is broken down into its fourteen components to serve as the dependent variables; this regression is used to examine the true nature of the relationship. The first regression shows a small ($r =$

0.18) but statistically significant ($p < 0.001$) correlation between Democracy Index and T&T Index. The second regression shows that Democracy Index has a statistically significant correlation (all $p < 0.001$) with all the components of T&T Index, and most of the correlation is positive except for price competitiveness ($r = -0.237$). The effects of Democracy Index are small on most dependent variables except for International Openness ($r = 0.401$), ICT Readiness ($r = 0.328$), Human Resources and Labor Market (0.315), and Tourist Service and Infrastructure (0.395). These results show that there is a robust positive relationship between democracy and tourism as democratic regimes tend to have characteristics beneficial to the development of tourism. The results warrant further more intricate research to reveal the true nature of their relationship.

Keywords: Democracy, Tourism, Travel and Tourism Competitiveness Index.

INTRODUCTION

This article argues that countries' levels of democracy positively correlates with the development of their tourism sector; that is, more democratic countries tend to fare better in developing their tourism sector. One way democracy has such effects is by promoting stability in host countries, which encourage the growth of tourism industries by inducing demands. The link between democracy and stability (Beljinac, 2012; Ijere, 2015; Kumar, 2017; Persson & Tabellini, 2009), as well as between stability and tourism (Business Daily, 2018; Causevic & Lynch, 2013; Chik, 2011; Issa & Altinay, 2006; Neumayer, 2004; Ramdhani, Supriadi, & Barokatuminalloh, 2017) are well established; and yet, pieces of literature that link democracy to tourism development are surprisingly scarce. This may be caused by the fact that currently, there is no publication that robustly demonstrates the link between the two, making it less attractive as a research project. This article seeks to address that literature gap by assessing whether there is actually a relationship between democracy and tourism.

To find the link between the two variables, this article uses regression methods to analyze a large amount of data spanning over a decade. This method is used due to its convenience at analyzing a large amount of data at the same time. By applying the method, the overall relationship between democracy and tourism becomes apparent. Furthermore, the method does not only tell whether such a relationship exists but also how the relationship works. To establish its arguments, the article starts by pooling data from more than a hundred countries and crunch them using simple regression with democracy as the independent variable and tourism development as the dependent variable to demonstrate that overall, there exists a positive relationship. Then, the variable representing tourism development is broken down to its components and separate regression analysis is run for each of the component. The next step explains—based on the results of the second regression—how exactly democracy affects tourism by looking at its relationship with each of the components. Both the positive and negative effects of democracy on tourism are explained. Documented cases that support the arguments are also presented.

DISCUSSION

Democracy

Although there are several different definitions and interpretations to democracy, it is hardly a contested concept. As such, it is often easier—and more useful—to specify the operational definition of democracy rather than to reiterate the conceptual definition of the term. For the purpose of this article, democracy is represented by the Economist Intelligence Unit's Democracy Index (EIU, 2019). The reason behind this choice is the simple fact that the index is parsimonious as much as it is comprehensive. To calculate the index, The Economist Intelligence Unit measured several components in over one-hundred sample countries: civil liberties, political culture, political participation, the functioning of government, as well as electoral process and pluralism (EIU, 2019). With such calculation, there should be no doubt that the index is one of the most—if not the most—accurate indicators for countries' levels of democracy. In addition to that, the use of the 'index' format is highly convenient with the quantitative methodology used in this article.

Tourism

Compared to democracy, tourism is slightly more complicated to confer into a simple numerical unit. The sheer number of activities that encompass the term tourism makes it harder to reduce the sector into mere numbers. With that in mind, this article uses the World Economic Forum's Travel and Tourism Competitiveness Index (Calderwood & Soshkin, 2019) to represent countries' levels of tourism activities and development. Although the index is not without its flaws (see Pulido-Fernández & Rodríguez-Díaz, 2016), at this point it is still the most comprehensive compared to other measures. The index measures the development level of a country's tourism by looking at several factors and policies: business environment, safety and security, health and hygiene, human resources and labor market, information and communication technology readiness, prioritization of travel and tourism within the public and private sectors, international openness, price competitiveness, environmental sustainability, transport infrastructure, tourism-related natural resources, cultural riches, and business travelling activities (Calderwood & Soshkin, 2019). Looking at the components measured alone, it is evident that the index encompasses a tremendous number of factors, making it comprehensive for the purpose of this article.

The number of tourist visits was at some point considered to represent the level of tourism development. It was later decided not to use it because the numbers of tourist visits depend on countries' variances such as population size and area. Using it requires adjustment on every data point, which may increase bias in the result if not done correctly. Furthermore, the T&T Index has actually incorporated the number of tourist visits into one of its components. Although the Travel and Tourism Competitiveness

Index is not without such limitations, steps had been taken to minimize the effects on the final calculation of the index(Calderwood & Soshkin, 2019).

Between Democracy, Stability, and Tourism

Sporadic case studies from around the world show that there are positive and discernible effects of stability on the level of tourism. Causevic and Lynch (2013) show that in Bosnia and Herzegovina, not only is stability needed to develop the tourism sector, but it is also boosted by the development projects as previously-conflicting parties were eager to work together when it comes to tourism. In Lebanon, Issa & Altinay (Issa & Altinay, 2006) suggest that crisis management is essential if the country wants to boost its tourism development. Cross-National research conducted by Neumayer (2004) shows a robust relationship between political stability and tourism across more than a hundred countries. With no noticeable exception, the works of literature apparently agree that there is a positive correlation between democracy and stability.

Similarly, the link between the development of democratic institutions to a country's stability and security is also well established. A cross-national study by Persson & Tabellini (2009) shows that democratic countries tend to be more politically stable and are much less likely to undergo coup. Another research by Feng (1997) indicates that democratic countries tend to have more peaceful successions of power compared to their less-democratic counterparts. Democracy has also been shown to have a stabilizing effect on economic growth as democratic countries tend to be more risk-averse (Quinn & Woolley, 2001).

Following the two premises, it is not very hard to see the link between democracy and tourism. The works of literature on the subject, however, are surprisingly scarce. Some of the most comprehensive examinations on the link between democracy and tourism focus on the economic side of the relationship in which democracy is a mere footnote to how economic growth affects tourism (Antonakakis, Dragouni, Eeckels, & Filis, 2016). Other studies are mostly case-studies specific to certain countries and regions (Michalon, 2017; Webster & Ivanov, 2016). Currently, no article has tackled the question using across-countries data to come up with a robust answer with a potential of generalization. This article is an attempt to address that gap. It is important to note, however, that although the insinuation that there is a relationship between democracy and tourism is based on stability, the article does not necessarily believe that stability is the only mean through which democracy affects the level of tourism development. Although stability is examined, the article also explores other means through which democracy may bring impacts on tourism such as policies and prices.

Based on the aforementioned research gap, this article has this research question Is there a robust relationship between democracy and the level of tourism development? If there is, how exactly the relationship works? To answer the research question, this article uses mixed-methods: data are analyzed quantitatively but interpreted qualitatively. The quantitative approach is used to process both indexes into inferences about the relation of the two variables, while qualitative method is used to explain the intricate details regarding the relationship between democracy and each component of the T&T Index based on the result of the quantitative method. The qualitative method compares the result with cases that may provide pieces of evidence on the relationship of between democracy and the components of tourism development.

For the quantitative analysis, the method of choice is multiple linear regression and multivariate linear regression. Linear regression fits the data to a linear model using the least squared method and is useful to see not only the correlation between two variables but also to predict the values of the dependent variable (Field, Miles, & Field, 2012). The use of regression also allows the analysis to control for economic factors; this is important as regression analysis often suffers from type I error due to a third variable not accounted by the model. Specific for this article, the concern lies in the possibility that the level of both democracy and tourism development are affected by economic development; hence, any statistically significant relationship between democracy and tourism development may be biased.

Two separate regression analyses are run. The first has overall T&T Index as the dependent variable and democracy index as well as GNI PPP Per Capita as the independent variable. The purpose of this regression is to see whether there is a statistically significant relationship between the two indexes that warrant further, more comprehensive analysis. This step can be seen as a kind of preliminary test. Another purpose of this regression is to control for an economic variable by introducing a control variable in the form of Gross National Income (Purchasing Power Parity) Per Capita in step two of the regression analysis. The second regression is a multivariate regression with several outcomes. The components of the T&T Index are the outcomes: business environment, safety and security, health and hygiene, human resources and labor market, information and communication technology readiness, prioritization of travel and tourism within the public and private sectors, international openness, price competitiveness, environmental sustainability, transport infrastructure, tourism-related natural resources, cultural riches, and business travelling activities; democracy index is the predictor. The purpose of this regression is to see in a more detailed fashion how democracy affects tourism. Still related to that, this second regression also minimizes the possibility of a biased result due to the outcome variable encompassing too many elements affected differently by democracy; that is, democracy may positively affect one element of tourism but negatively affect another element.

Data sets for all variables are readily available on the internet through various websites. The first regression uses pooled data (n=932) for 137 countries from six different years: 2008 (Blanke & Chiesa, 2008), 2009 (Blanke & Chiesa, 2009), 2011 (Blanke & Chiesa, 2011), 2013 (Blanke & Chiesa, 2013), 2015 (Crotti & Misrahi, 2015), 2017 (Crotti & Misrahi, 2017), 2018 (only for Democracy Index), and 2019 (only for Travel and Tourism Index). From 2009, only odd years are used because starting from that year T&T Index is measured every two years. Variables from the same year are paired in the regression, except for 2018 and 2019; T&T Index from 2019 is paired with Democracy Index from 2018 as the T&T data for 2019 is not yet available. The second regression only uses data from 2019, 2018, 2017, and 2015 (n=498.) The reason for the smaller n-size is the change of methodology in the calculation of T&T Index from 2015 onward, which changed the components but not the aggregated index (T&T Index, 2013); as such, only data as far back as 2015 are used for the second regression.

Table 1. Regression table for T&T Index vs. Democracy for the tested variables

	T&T Index				
	ΔR^2	B	SE B	β	P
Step 1	0.003				
Democracy Index		0.06	0.011	0.173	<0.001
Step 2	0.36				
Democracy Index		0.025	0.001	0.075	<0.01
GNI Per Capita (PPP) (000 USD)		0.021	0.001	0.59	<0.001

Source: Analysis, 2019

The result of the regression with The Economist Intelligence Unit's Democracy Index as predictor with the World Economic Forum's Travel and Tourism Competitiveness Index as outcome shows a small ($r=0.18$) but statistically significant (99.99%) effect. When GNI Per Capita (PPP) is introduced into the equation, the result is as expected, with GNI accounted for a large portion of the variation. Nevertheless, the correlation between democracy index and T&T Index remains statistically significant ($p < 0.01$). The multicollinearity test also revealed that the two predictors are highly unlikely to be correlated.

The result shows that the effects of democracy on tourism cannot be neglected. This result confirms the hypothesis that the level of democracy positively correlates with the level of tourism develop-

ment. The small effect may stem from the fact that democracy is likely to have a mixed effect on tourism because democratic system often increases the political cost of enacting policy. To verify that postulate and to see exactly how democracy affects tourism, the result of the second regression must be consulted.

Table 2. The Effect of Democracy (IV) on Various Components of the T&T Index

Dependent Variables	r	SE B	β	P
Business Environment	0.164	0.016	0.407	<0.001
Safety & Security	0.112	0.02	0.338	<0.001
Health and Hygiene	0.214	0.02	0.465	<0.001
Human Resources & Labor Market	0.315	0.013	0.563	<0.001
ICT Readiness	0.328	0.025	0.575	<0.001
Prioritization of Travel & Tourism	0.274	0.017	0.525	<0.001
International Openness	0.401	0.017	0.639	<0.001
Price Competitiveness	0.237	0.016	-0.489	<0.001
Environmental Sustainability	0.264	0.012	0.515	<0.001
Air Transport Infrastructure	0.238	0.026	0.490	<0.001
Ground and Port Infrastructure	0.259	0.024	0.511	<0.001
Tourist Service Infrastructure	0.395	0.025	0.629	<0.001
Natural Resources	0.083	0.023	0.291	<0.001
Cultural Resources and Business Travel	0.114	0.033	0.342	<0.001

Source, Analysis, 2019

First and foremost, it is interesting to look at the score for Safety and Security variable as this article is based on the premise that democracy and tourism are linked through stability. The result shows a small ($r=0.112$) but statistically significant effect of democracy on safety and security (Pearson, 1992). This confirms our hypothesis. However, although democracy does help tourism by fostering security and stability, it helps in more ways than that. The result shows that the effect of democracy on tourism is mostly positive and statistically significant across the board. A negative effect is apparent on the price competitiveness, which confirms the concern of the mixed effects of democracy on tourism. Although the correlations are mostly positive, most also have small effect sizes ($r > 0.1$) (Pearson, 1992). Nevertheless, democracy causes a medium effect ($r > 0.3$) on four variables: International Openness, ICT Readiness, Human Resources, and Labor Market, and Tourist Service and Infrastructure. For a more nuanced explanation regarding the effect of democracy on tourism, each of these variables should be discussed in more detailed manners.

The variable International Openness consists of several indicators: visa requirements, bilateral air service agreement, and the number of regional trade agreements in force (Calderwood & Soshkin, 2019; Crotti & Misrahi, 2015). This variable practically denotes how easy it is to travel into the country in question. The analysis shows that democratic countries are more likely to open themselves up to foreign visitors, agreements, and funds. Democratic nations are more likely to have less stringent visa requirements and more likely to accept regional visa agreements such as the case of Myanmar where democratization was followed by the relaxation of travel restrictions (Rougheen, 2012). Similarly, democratic countries are more likely to be a participant in a regional trade agreement. Although this bit may seem irrelevant at a glance, regional trade agreements have far-reaching influence and are often the beginning of regional trade regimes, such as the case of European Union's evolution from a mere trade regime to an international organization with its Schengen scheme. Democratic countries are more likely to take an active role in regional organizations and as such, more likely to accept regional travel arrangements as a part of it. In the sample, most of the countries with a high rating of international openness are a part of a regional visa regime (Calderwood & Soshkin, 2019; Crotti & Misrahi, 2015).

The variable Information and Communication Technology (ICT) Readiness indicates a country's level of ICT infrastructure as well as the coverage of internet users. This variable is deemed important by the team that prepared the report for the World Economic Forum because it indicated the potential of using the internet to promote a country's tourism sector. Li (2019) demonstrates how using internet may generate more income from the tourism sector by not only expanding promotion but also increasing efficiency. Democracy plays a part in this regard because democratic countries are more likely to have free internet. Reports by the Freedom House indicate that less democratic countries are more likely to heavily censor

the internet (Kelly, Truong, Earp, Reed, & Shahbaz, 2015; Kelly, Truong, Shahbaz, Earp, & White, 2017). Relaxed internet laws do not only increase the chance that the tourism sector has access to workers adept at using internet, easier internet access also increases the number of people who have access to internet connection, consequently enlarging the pool of potential customers. The cases of Cuba (Nova, 2018) and sub-Saharan Africa (Lai, 2019) also show that restriction—paired with poor infrastructure—may increase the price of internet, barring access to grassroots consumers.

Another variable to which democracy has a medium positive effect is Human Resources and Labor Management. Looking at the indicators for the variable, it becomes clear why democracy has sizable effects on the variables. The variable's emphasis is on the level of education which has been robustly documented to be high in democratic countries (Demirbolat, 2012). Democracy often comes with loose state controls that encourage the free flows of ideas, a paramount feature of excellent education. Furthermore, access to education has repeatedly been cited as a requirement for a working democracy. Another aspect of human resources democracy affects is labor market participation. The index specifically accounts for the participation of female labors. This is understandable, considering scholars widely agree that incorporating female citizens into the labor force increases economic performance on several indicators (Shambaugh, Nunn, & Portman, 2017; Verick, 2018; Weinstein, 2018). The incorporation of women into the labor forces, however, faces many challenges; one of which is the stigma that women are not supposed to work (Chaykowski & Powell, 1999; European Foundation for the Improvement of Living and Working Conditions, 2016). Such a stigma is more prevalent among less-democratic countries compared to their democratic counterparts. One of the critical values in democracy is equality, which often dissipates into sectors other than politic, such as labor force management. As such, female labor participation—on average—is higher among democratic countries than less-democratic ones (Beer, 2009).

The last variable to which democracy has a medium positive effect is Tourist Service Infrastructure ($r=0.395$). This variable is made of several components: the number of hotel rooms, perception of infrastructure's quality, the presence of major car rental companies, and the number of ATM per 100,000 adults. Concerning this variable, the connection to the level of democracy seems less clear compared to the previous three variables. Works of literature that link democracy to hotel rooms, car rental companies, and ATMs are virtually non-existent. The only tangible link is between democracy and the quality of infrastructure, as both democracy and infrastructure levels tend to be high in democratic regimes. Another link may exist through the ease of doing business and openness to foreign investment, as both indicators are indeed positively affected by democracy (Persson & Tabellini, 2009). These two indicators may encourage the creation of new hotels, which contributes to the overall number of hotel rooms. Although the regression analysis shows a statistically significant link, this article must defer to the fact that the links are cir-

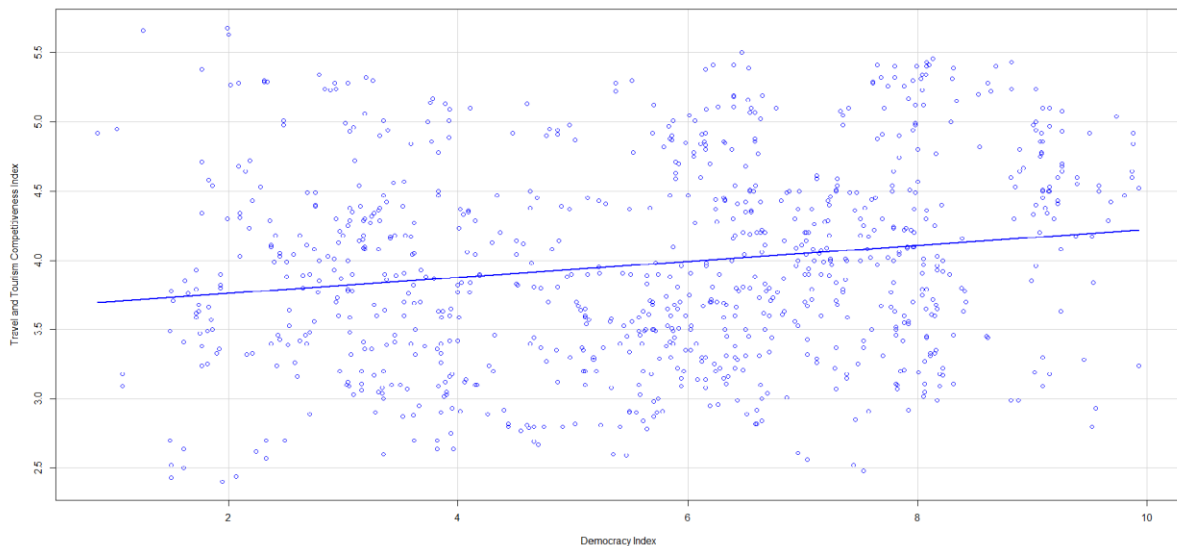
cumstantial—at least at this point in time. Circumstantiality could mean that the works of literature are simply scarce because scholars may see the link as far-fetched. In light of that, this scarcity should be treated as a gap for further research.

Having looked at all variables to which democracy has positive medium effects, this article now turns to the only variable to which the effect is negative: Price Competitiveness. Although the negative correlation is small ($r = -0.237$), it is statistically significant and as such, the anomaly should be examined to paint the complete picture. The Price Competitiveness variable is made up of several components: ticket taxes and airport charges, hotel price, purchasing power parity, and fuel price. The simplest explanation would be that democratic countries are more likely to be developed, and staying in those countries is naturally more expensive. This phenomenon is well-documented and explanation varies. One prominent explanation is the Balassa-Samuelson Effect, which states that as productivity rises, wage rises as well—leading to the increase of prices (MacDonald & Ricci, 2001); in other words, staying in industrialized and post-industrialized countries tends to be more expensive. Another explanation is that democracy tends to have an unintended consequence in the form of burdensome and inefficient bureaucracy (Buehler, 1968). Inefficient bureaucracy may increase the cost of doing business as well as the cost of starting one. A more straightforward explanation can also be found by looking at the data. Apparently, some countries with incredibly high scores on democracy such as the Nordic states, also levy very high rates of income and business taxes. The higher tax rates may translate into a negative correlation between democracy and prices, as more taxation usually leads to higher prices. If anything, the causes are likely to be a combination of all the possible factors.

Explaining Anomalies

Having established the result, this article does raise the question of anomalies in the world, that is less-democratic countries with well-performing tourism sector. Countries such as China and Thailand are both top performers in the tourism industry regardless of the fact that there are still much to be desired from their level of democracy. In light of this, one must note that generalized studies with large- n tend to have a measurable number of outliers; this is completely acceptable. Based on Figure 1, one can find several outliers, even extreme ones. Based on the same figure, however most of the data points do actually conform to the pattern.

Figure 1. Democracy Index vs. TTC Index with least-squared lines.



In regard to explanation, there are several reasons why such outliers exist. First, the simple fact that a country's certain uniqueness may offset the correlation between democracy and tourism. Take China, for example, its sheer economic and geographic size can accommodate many more tourists compared to small democratic countries such as Belgium or Denmark. Variations of this case may also occur on characteristic that are counted in the T&T Index but are not affected by the Democracy Index such as natural resources. Sheer size or strength in one of these components may eschew the overall result to the point that the country in question becomes an outlier. Simply put, with such a large case study, outliers tend to happen. Second, one must take note that the democracy index is a generalized tool that encompasses a lot of variables. As such, economically-liberal country with limited political freedom such as South Korea and Singapore tend to score in the lower spectrum of the index even though tourism is more affected by the level of economic democratization than the political one.

Limitation

The biggest limitation of this article is the lack of depth on the analysis of the relationship between democracy and tourism. The emphasis lies in drawing a general picture of the relationship which comes at the cost of detailed and comprehensive explanation of how it works. One must note, however, that the article never sets out to be an in-depth case study. This article is based on the scarcity of such case studies and seeks to assess whether the relationship between democracy and tourism robustly exists. In layman terms, this article wants to see whether research projects that study the link between democracy and tourism will be worth the researcher's while and will not become a wild-goose chase. In the end, the article manages to do just that. Analysis of pooled data of more than a hundred countries spanning for a decade shows that such a link does exist, and future research projects should be dedicated to shedding new light upon the intricate details of the subject.

Another limitation is the general nature of the variables. Both democracy and T&T index are aggregated variables incorporating a tremendous number of components. As such, they tend to be affected by other unknown variables (*tertium quid*); and as the cases with such variables, it is near impossible to identify all the variables that may link the two variables in question. As such, the actual relationship between the two variables may actually be different from this article's suggestion. However, it is highly likely that the difference lies in the sizes of the effects rather than the certainty that such effects exist. Adequate measures had been taken to make sure to minimize type I error, and all the results are statistically significant at the highest possible level. As such, there is little doubt that the relationship exists, the only question is the exact extent of the relationship.

CONCLUSION

The analysis shows that there is indeed a positive relationship between democracy and the development of the tourism sector. The positive correlation is especially apparent regarding the ease of traveling, ICT use, human resources, and services and infrastructure related to tourism. The analysis also shows that democracy may also negatively affect the tourism sector by creating conditions that lead to higher prices. Overall, however, democratic countries tend to perform better in developing their tourism industries compare to their less-democratic counterparts. Although the result shows that democracy has a positive effect on tourism, to say that introducing democracy will automatically improve tourism is a bridge too far. The better take on the result is to say that democracy creates a fertile-ground on which tourism has a better chance of thriving. The extent to which tourism will grow depends heavily on the policy taken by each country. Although tourism sectors are more likely to thrive under democratic regimes, the success of the tourism development between them dramatically varies. In other words, democratization may accelerate tourism, but it is not a substitute for excellent tourism policies and prudence management of the economy. Democratization may help tourism when it translates into policies that attempt to empower all sections of the society, turning them into valuable assets and personnel which may help the growth of the tourism sector. It can only do so when supported by a strong economic foundation. Certain steps may also need to be taken to dampen the negative effect of democracy on the tourism sector, especially on prices. Subsidies and other forms of incentive may be needed in countries that need to kick-start their tourism industries. More research, however, needs to be conducted to find cost-effective ways of formulating such policies. Further research projects should focus on studies that may shed light on how exactly democracy affects tourism. Detailed case studies of well-performing countries along with the studies assessing the viability of policy transfer to other parts of the world should be prioritized.

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