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IMPACT OF INSTITUTIONAL QUALITY AND INFRASTRUCTURAL DEVELOPMENT ON FOREIGN TOURISTS' ARRIVAL IN AFRICA

ABSTRACT

The study examines how institutional quality and infrastructural development affect the life of foreign tourists in Africa. Secondary data were obtained from various sources such as the World Bank and United Nations World Tourism Organization and Generalized Method of Moments which is a dynamic panel data estimation technique that was applied to test the hypotheses. We employed correlation matrix to ascertain the presence of multicollinearity given the exogenous variables used in the study. The results show that the level of infrastructural development failed to impact positively on the life of the foreign tourists in Africa. However, the findings also demonstrate the existence of a direct relationship between institutional development and the well-being of the foreign tourists in the Africa region. The study concludes that the life of the foreign tourists in the Africa region gained a positive impact in education as well as the investment sector. Therefore, the study recommends that the government should allocate higher funds for infrastructural development as this could stimulate higher tourists to Africa and impact their well-being.

Keywords: *Africa, Institutional Quality, Infrastructural Development Foreign Tourists, GMM*

JEL Classification: F59

1. INTRODUCTION

The tourism industry plays a great role in addressing several economic issues that can lead to achieving industrialization, urbanization, globalization, and to sustainable growth by reducing poverty level, unemployment, financial debt as well as monetary instabilities (Chulaphan & Barahona, 2018). In addition, tourism has been a source of foreign funds for wealth through taxation and employment possibilities. This is made possible through demand and supply channels of tourists' involvement in the areas of employment, job creation, and human capacity development (Rivera, 2017).

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It is important to note that tourism has also contributed to foreign investments and the currency exchange rate (Sokhanvar, 2019), thereby increasing foreign exchange revenues and contributing to the real Gross Domestic Product (GDP), Chulaphan & Barahona (2018). No doubt, Thailand's economic growth and development can be attributed to South Asia and Oceania foreign assistance.

In Sub-Saharan Africa it was found out that the growth of tourism is warranted by political stability, sound governance, and a supportive business climate (UNCTAD & UNDP, 2008). For example, terrorism may have a sound effect on the travelers and tourism sector, particularly in poor nations where transportation is the main export sector. The ramifications of this situation are extensive and pervasive, impacting numerous sectors associated with tourism, such as airlines, accommodation providers, restaurants, and retail establishments catering to travelers. Given the significant contribution of the tourism industry to the economies of various nations, any downturn in this sector poses substantial concerns for numerous governments. It is thought that encouraging excellent governance in Africa might improve the continent's reputation and appeal to foreign visitors and this could impact on the number of foreign tourists.

In Africa, there is a dearth of research on the relationship between international tourism demand and good governance. In Africa, the subject of good governance has gained popularity. It is impossible therefore to overlook the impact of effectiveness in governance as it impacted on African economies. It is a known fact that socioeconomic progress is facilitated by an effective government. Among other things, good governance like the rule of law, freedom of speech and association, and low levels of corruption contribute to economic potential, which in turn promotes economic growth. More importantly, good governance can enhance business tourism in Africa, where a sizable portion of visitors can be stimulated to take job opportunities hence the welfare of prospective tourists is greatly improved

The diversity in governance has been analyzed through the lens of structural measures and procedures designed to ensure rule of law, accountability, transparency, equity, and empowerment.

It is crucial to demonstrate that the governance feature has been indicatively suggested as policy in the study. Through proactive policy creation and execution in areas relevant to a country's economic well-being, good governance is anticipated to foster economic growth while reducing the powers of political instability and corruption, which are the major barriers to effective governance. The development quotient of each branch of a country's government is determined by the direct or indirect effects of governance. as established in Southern Mediterranean nations like Turkey (Akadiri et al., 2019) and African nations like Musavengane; Siakwah, and

Leonard (2020), problems arising from corruption and geopolitical instability are capable to hinder economic growth.

Moreover, good governance has been overlooked in tourist studies, according to Tang (2018). Therefore, one of the most essential factors to assessing the cardinality of tourism and economic growth is governance as an economic indicator. Moreover, good governance helps to modify or promote economic growth. The trajectory of sustainable economic development across nations is influenced by various governance indices. These indices include rules of law, good governance accountability, political *stability* etc. Government is the central core of governance, the binding force at the hem of development and economic growth, whether economically oriented or geopolitically inclined, with tenacity tailed down to politics (Tang, 2018). Since this has not been shown in earlier research, it is crucial to improve the present literature since tourist demand is responsive to governance indices.

A significant barrier to the expansion of tourism in African countries, including Nigeria, is the lack of adequate infrastructure. This sector often receives minimal attention, especially in Nigeria, where essential infrastructure is notably deficient. Physical proof in the form of a sufficient transportation system is essential (Prideaux, 2000). Effective and efficient transportation systems have been shown to promote visitor satisfaction (Park, Kim & Pan, 2020). Accordingly, a sufficient transportation infrastructure allows for efficient tourist management and also helps to reduce traffic congestion (Gutierrez & Miravet, 2016).

The objective of this research is to assess the extent to which institutional quality and infrastructure development influence foreign tourists to Africa. The rest of the study is structured as follows: section two is literature review, section three focuses on methodology while section four addresses results and discussion, section five deals with conclusion and recommendations

2. LITERATURE REVIEW

Theoretical Literature

Christaller's Central Place Theory

King (1984) explained the rationale of the existence of any city within the universe. The idea in centrality is that in a market region, where customers are homogenous, transportation is ubiquitous. This exists for reason of the products' supply and services to meet the demand of a given population. Many towns and villages lack proper transit, despite the fact that there is transportation in many areas of the metropolis. Before commodities or services are provided, there must be a certain level of demand. High demand for products and services may reduce the anxiety resulting from the observed disturbance that tourism warrants their compliance.

To supply side effects, this basic level of demand must be met. Dennis et al. (2002), the maximum amount of goods consumed by consumers can be traced to the example that tourists acquire specific commodities or services to satisfy utility. The central idea of this theory is that tourism host towns ensure higher economic activities to induce demand for products and services in urban areas. In addition to large retail outlets, shopping centers, gas stations, commercial enterprises, urban areas are characterized by numerous transportation and infrastructural types that facilitate foreign tourists.

The hypothesis drawn is the connection between tourism and economic activities globalization, geographical advantages, technical supremacy, the uniqueness of goods or services being supplied in a geographical location, and the city's hierarchical structure (Rudel, 2005).

Elite Theory

Given elite theory, a comparatively small and affluent group of individuals characterized by identical interests and beliefs control all political power. that holds their comparable affluent. The elite social group is the source of certain high-ranking leaders with significant societal functions (Paul, 2005). They hold both the public and private sectors of the economy as well as the government. Ola (2014) stated that the majority of Nigeria's ruling class are dishonest and takes part in the misuse of power and positions. They are not transparent in their dealings and are not answerable to their constituents. Bribery/kickbacks, under- and over-invoicing, contract inflation, theft or diversion of money, false declarations, advancement in fraud, and other dishonest practices are some of the main causes of the tourism failure (Ola, 2014). The hoarding of commodities, theft of intellectual property, piracy, illegal mining, human trafficking, tax evasion, child labor, illegal oil bunkering, open market abuse, and the disposal of toxic wastes in farmlands account for reasons why tourist host communities in Africa remained underdeveloped (Goodling, 2003).

The ability to successfully oversee the major mass media's operations, direct crucial government policy decisions, and exert influence over the nation's educational and cultural institutions remained the elites' source powers (Ola, 2014). Government institutions and corporate entities lack ethical norms when it comes to policymaking, particularly when it comes to tourism. The elite's interest in the growth of tourist host towns and tourism historical sites has had an adverse impact on the tourism industry (Anatusi et al., 2005).

Empirical Literature

Nassani et al. (2019) examined the role of empowerment and financing. They attest to the part financial intermediaries play in empowering women via the growth of tourism, which inevitably leads to economic stability. They back the Tourism-Led Growth Hypothesis by advocating for the growth of tourism and the

advancement of rural travel. Since it creates unique chances for economic diversification and growth in the field of human capital development, tourism has also been cited as a growing industry.

In addition, Fahimi et al. (2018) asserted that in many countries, tourism has played a decisive role in the development of human capital. On the other hand, Rivera (2017) contends that growth of tourism may be achieved by combining economic expansion and human capacity building. It is interesting to note that the study shows that human capacity development is not a result of tourism. It is clear that the rise of tourism in underdeveloped countries does not promote the development of human capacity, but it may encourage the growth of tourism. However, compared to their peers, higher-earning nations are thought to deviate from the TLGH because of their diverse economies and extensive industrial effect.

According to Tang (2018), a key element that influences whether demand for tourism rises or falls is corruption control. This suggests that nations with effective anti-corruption measures will probably see an increase in tourists, which would boost their economies. This is relevant in wealthy nations with more stable corruption control indices, which counteract the tendency in corruption indices in governments that rely heavily on tourism.

In a panel of 49 nations, Seghir et al. (2015) investigated the direction of the causal relationship between tourism and growth. The findings supported the presence of long-term co-integration and two-way causation concerning tourism and economic growth. Panel co-integration and Granger Causality Methodologies were employed.

Agri, et al. (2016) investigated how tourism may affect the Nigerian economy by analyzing its effects on important macroeconomic variables using descriptive statistics. The research identified a direct relationship among tourism, environmental factors, and the domestic economy, albeit with untapped potential. Additionally, it revealed a direct impact of tourism on employment, infrastructure development, and overall living standards.

Ohlan (2017) examined the relationship between tourism and growth in India while accounting for the impact of financial development. Data from 1960 to 2014 were analyzed using the Bayer and Hanck combined co-integration test. The study's findings supported the TLGH for India by demonstrating a unidirectional causal relationship between tourism and economic growth as well as a positive growth effect of foreign travel.

Habibi, Rahmati, and Karimi (2018) conducted an assessment of the impact of tourism on the Iranian economy during the period from 2005 to 2014. They employed a growth decomposition methodology to analyze the contributions of various industries to overall economic growth. The findings supported Iran's TLGH by showing that tourism boosts growth.

Fahimi et al. (2018) used the panel Granger causality test to analyze panel data from 1995 to 2015 for ten tiny states in order to investigate the nature of the causal relationship between tourism, human capital development, and economic growth. The study discovered evidence of growth driven by tourism, growth driven by human capital development, and growth driven by human capital development.

In seven EU nations that account for a sizable portion of both tourist receipts and FDI inflows, Sokhanvar (2019) investigated whether FDI fosters tourism and economic growth. The results had it that exogeneity Wald test, supported by the impulse response function and this shown that FDI had adverse effect on growth in five Africa countries examined This may be as a result that the study considered general effect of FDI on tourism in the Africa region.

By extension, the dynamic link between tourist development and anticipated (as opposed to present) macroeconomic conditions, Santamaria & Filis (2019) made a considerable effort to change the focus of research in tourism economics literature. The study employed the term interest rate structure and the number of foreign visitor arrivals as a stand-in for tourism development, instead of utilizing the present GDP level as a gauge of the macroeconomic situation. The findings indicated a dynamic relationship between the growth of tourism and anticipated economic conditions, which were affected by business cycles as well as geopolitical and economic occurrences. A DCC-GARCH model was employed to analyze monthly data spanning from January 1998 to June 2017.

Antonakakis, Dragouni, and Filis (2025) examined the dynamic relationship between tourism and economic growth by analyzing monthly data for ten EU nations from 1995 to 2012 using the spillover index approach. The findings of the latter group showed that the link between tourism and growth is business-cycle sensitive and not constant over time.

Using Bayesian Dynamic Stochastic General Equilibrium, Liu and Wu (2019) investigated the mechanism by which tourist productivity and economic development are transmitted in Spain. Although their findings support the idea that tourism stimulates economic growth, simulation results indicate that a more developed tourist industry would boost domestic travel more than inbound travel, and higher economic productivity will boost demand for overseas travel more than domestic travel.

Jilenga and Helian (2017) employed the fixed effect and GMM models to analyze a sample of 36 countries from 2001 to 2015 in an effort to comprehend the role of institutional quality in the relationship between FDI and economic development. Despite the potential adverse effects of foreign direct investment (FDI) on economic growth and development, the research findings indicate that institutional quality exerts a

positive influence on economic growth. Furthermore, the analysis conducted in the study highlights that FDI enhances the spillover effects associated with institutional quality, making it important for economic growth. In their 2018 study, Peres, Ameer, and Xu divided nations into established and developing categories based on how institutional quality affected investment. According to the study, investment, especially foreign direct investment (FDI), has been favorably and considerably benefited by institutional quality in industrialized nations.

Subsequent research indicates that institutional quality exerts a positive and statistically significant influence on economic growth within developed countries, whereas its impact is comparatively negligible in emerging economies. Using balanced panel data from 52 Vietnamese provinces between 2005 and 2014, Bon (2019) additionally examined the impact of institutional quality on the link between public investment and development using the Generalized Method of Moments (GMM) estimation technique. According to the study, institutional quality and public investment greatly support economic development and growth.

Sabir, Rafique, and Abbas (2019) used the Generalized Method of Moments (GMM) approach to analyze panel data for low, lower-middle, upper-middle, and high-income countries from 1996 to 2016 in order to investigate the effect of institutional quality on FDI inflows. The study found that FDI is significantly impacted by institutional quality across all country groups. Similarly, Akpo and Hassan (2015) used the Autoregressive Distributed Lag (ARDL) co-integration approach to study the institutional effect as a predictor of Foreign Direct Investment (FDI) with a focus on Nigeria. The research findings indicate that institutional characteristics play a significant role in influencing foreign direct investment (FDI) in Nigeria, exerting a long-term impact on the determination of FDI inflows.

Jurčić, Franc, and Barišić (2020) also used data from Croatia from 1996 to 2017 to investigate the effect of institutional quality on foreign direct investment inflow using the Ordinary Least Squares (OLS) approach. The research indicates that the inflow of foreign direct investment (FDI) into Croatia was not substantially affected by the institutional quality determinants, which include political stability, regulatory quality, and the rule of law, government effectiveness, and measures of corruption control.

Ogbuabor, Onuigbo, Orji, and Orji (2019) conducted an investigation into the relationship between economic growth and institutional quality in Nigeria, covering the period from the first quarter of 1981 to the fourth quarter of 2016. Additionally, the authors addressed pertinent policy implications for Nigeria in the aftermath of the COVID-19 pandemic. The research utilized the Autoregressive Distributed Lag (ARDL) methodology, which incorporates a bounds testing approach grounded in the Unconstrained Error Correction

Model (UECM) to identify a long-term relationship among the variables of interest. The findings indicate that Nigeria's economic development is negatively but marginally impacted by institutional quality, both generally and at the sectoral level. Although commerce is a growth-retardant factor, it was found that labor and capital were the primary drivers of the country's initial production growth levels. The study's conclusions indicate that for Nigeria's socioeconomic and political institutions to have a greater influence on the country's overall and sector-specific economic performance in the post-Covid-19 period, those institutions must be strengthened.

Utile, Ijirshar, and Sem (2021) investigated the correlation between institutional quality and the growth of the Nigerian economy in the twenty-first century, utilizing annual time series data from 2001 to 2019. The analysis revealed that all variables were either integrated of order $I(1)$ or $I(0)$, and the presence of unit root issues was assessed using the Augmented Dickey-Fuller (ADF) test. Consequently, the Pesaran, Shin, and Smith (PSS) Bounds test was applied, which established a long-term relationship among the variables under study. Employing the Auto-Regressive Distributed Lag (ARDL) model, the findings indicated that Institutional Quality (INSQ) significantly hinders economic development. The negative statistical significance of the error correction term showed that the economic development might gradually return to the long-run equilibrium route in the case of any disequilibrium. According to the research, the fight against corruption should be strengthened, more accountability and freedom of speech should be encouraged, regulatory authority should be increased, and government performance should be increased through improved leadership selection processes.

3. METHODOLOGY

3.1 Sources of Data

The data for this research was sourced from the United Nations World Tourism Organization and the World Bank database (2023), comprises ten Africa countries. The countries selected for this study include Angola, Côte d'Ivoire, Ethiopia, Ghana, Kenya, Libya, Mali, Morocco, Nigeria, and Senegal. The rationale for this selection was primarily based on the availability of relevant data. The study spans from the year 1980 to 2023.

3.2 Theoretical Framework

The research is designed to examine how institutional quality and infrastructural development affect the life of foreign tourists in Africa to ascertain the null hypotheses. The study therefore adapts Liu and Wa (2019)'s model where they investigated the mechanism by which productivity in tourism and economic development can be transmitted into the Spanish economy. In the process, the adapted model integrated quite numbers of variables that can influence foreign tourists. Given the elite theory, power distribution was integrated using the

probability density function (PDF) and this described the probability of an individual holding a certain amount of power.

Using Pareto Distribution, often used to model power distributions, we obtained $f(p)$ which described probability of an individual holding power

$$ie f(p) = (\partial * pmin^{\omega} \partial) / p^{\omega}(\partial + 1) \dots\dots\dots (1)$$

where ∂ is the parameter that determines the concentration of power

$pmin$ represents the minimum power held by individual

. Let's assume the elite group holds a fraction 'ε' of the total power:

$$Pe = \varepsilon P \dots\dots\dots (2)$$

where Pe is the power held by the elite group.

The elite use their power to influence decisions. Let's also assume the influence of the elite is proportional to their power, therefore we can establish

$$Ie = \beta + Pe \dots\dots\dots (3)$$

where Ie is the influence of the elite group, and β is a constant of proportionality. Elite theory posits that a limited number of influential individuals possess a disproportionate amount of power and authority within societal structures. The mathematical derivation above provides a simplified model of power distribution and elite influence.

For us to examine how institutional quality and infrastructural development affect the life of foreign tourists in Africa, the model was specified based on the adapted work of Liu and Wa (2019) hence we modified the model by integrating variables of interest as guided by the theory.

$$\text{The adapted model } TOR = F(AIR, CAE, EDX) \dots\dots\dots (4)$$

Where:

TOR represents tourist arrival, AIR represents air transport infrastructure, CAE is capital expenditure and EDX is education expenditure.

However, our modified model has become:

$$TOR_{it} = TOR_{it-1} + \beta_0 AIR_{it-2} + \beta_1 CAE_{it-3} + \beta_2 INV_{it-4} + \beta_3 EDX_{it-5} + \varepsilon_{it-1} \dots\dots (5)$$

Where INV stands for tourism investment

The inclusion of tourism investment (IVN) into model (5) above becomes necessary for the reason being that investment into the tourism industry is core as this goes a long way to stimulate the foreign tourists into Africa.

4 DISCUSSION OF FINDINGS

Technique of Analysis that were Adopted and used in the Study

4.1 Descriptive Statistics

Table 4.1 Descriptive Statistics

	TOR	AIR	CAE	INV	EDX
Mean	1383504.	121.1341	2.96E+08	2.007894	11.44726
Median	398000.0	6.187510	80000000	1.629726	13.40439
Maximum	13109000	3716.822	3.65E+09	24.00908	30.63431
Minimum	0.000000	0.000000	0.000000	-10.03838	0.000000
Std. Dev.	2551895.	416.0096	6.51E+08	3.288001	9.911973
Skewness	2.687192	5.856858	3.669681	1.869971	0.026207
Kurtosis	9.844497	40.90259	16.62666	15.55461	1.386962
Jarque-Bera	757.3114	15738.17	2395.521	1716.055	26.04639
Probability	0.000000	0.000000	0.000000	0.000000	0.000002
Sum	3.32E+08	29072.19	7.11E+10	481.8944	2747.341
Sum Sq. Dev.	1.56E+15	41362299	1.01E+20	2583.818	23481.08
Observations	240	240	240	240	240

Source: Author's Computation

The above table displays the statistical summary for the series used in empirical study. The series had a comparatively high meaning, and the values of standard deviation of each series, investment had smaller standard deviations. because it demonstrates that the variables had a significant influence on the model and are close to their respective mean values. Asymptotically distributed series are shown by Jarque-Bera p-values > 0.050. Likewise, kurtosis and skewness indicate how the series deviate from normal. This suggests that all the variables in the model are asymmetrically distributed and positively skewed. By and large, the results of kurtosis indicate normal distribution, except education spending.

4.2 Unit root test Results

Table 4.2

Variables	ADF Levels	First Diff.	Remarks
TOR	15.7947 (0.7293)	62.5509 (0.0000)	1(1)
AIR	67.8390 (0.0000)	-	1(0)
CAE	17.4222 (0.6254)	75.9712 (0.0000)	1(1)
INV	34.9336 (0.0205)	-	1(0)
EDX	32.2291 (0.0207)	-	1(0)

Source: Author's Computation

Table 4.2 above indicates the results of the unit root test conducted using the Augmented Dickey-Fuller (ADF) methodology, incorporating both intercept and trend components in the analysis. A maximum 5% level of significance is used to show that capital expenditure (CAE) and tourist arrivals (TOR) were stationary after the first difference I(1), the infrastructure for air transportation (AIR), investment (INV) and education spending (EDX) remained stationary at levels I(0). The study employed co-integration test to determine the presence of a long-term relationship, given that the variables in question are integrated of order zero I(0) and order one I(1).

4.3 Co-integration

Table 4.3. Perdoni co-integration test results

	Statistic	Prob.
Panel v-Statistic	-0.140226	0.5558
Panel rho-Statistic	-0.315277	0.3763
Panel PP-Statistic	-3.386010	0.0004
Panel ADF-Statistic	-1.141550	0.1268
Group rho-Statistic	1.625700	0.9480
Group PP-Statistic	-1.250497	0.1056
Group ADF-Statistic	0.163276	0.5648

Source: Authors' Computation

Given the findings in Table 4.3, majority of the test outputs had probabilities values below 0.05 percent, thereby warranting the rejection of the null hypothesis of no co-integration

4.4 Correlation Matrix

Table 4.4

	TOR	AIR	CAE	INV	EDX
TOR	1.000000				
AIR	-0.036181	1.000000			
CAE	0.417320	-0.110376	1.000000		
INV	0.024560	0.061021	-0.011073	1.000000	
EDX	-0.065478	0.183662	-0.040344	0.127684	1.000000

Source: Author's Computation

The degree of multicollinearity was determined using the correlation. Perfect multicollinearity among variables does not exist given the results obtained. The results show that multicollinearity among the independent variables does not exist given the coefficient values. The findings also imply inverse relationships of AIR and EDX while TOR, CAE, and INV are appropriately signed

4.5 Panel Data Estimation, Generalized Method of Moments (GMM)

Table 4.5 Dynamic GMM. Dependent variable: TOR

Variable	Coefficient	Std. Error	t-Statistic	Prob.
AIR ₍₋₂₎	-5.750115	1.404991	-4.092635	0.0001
CAE ₍₋₁₎	-29.91063	4.951256	-6.041019	0.0000
INV ₍₋₂₎	5.625570	0.594566	9.461647	0.0000
EDX ₍₋₁₎	8.81E-06	7.67E-07	11.48456	0.0000
Mean dependent var	-			
	87.87115			
S.E. of regression	233.1935			
J-statistic	145.2753			
Prob(J-statistic)	0.277491			
S.D. dependent var	270.7750			
Sum squared resid	10005773			
Instrument rank	142	-		

Source: Computed by the Researchers

Given the results the instrument specification is at DYN(RHCPC-2 with instrument rank of 142. The results of the dynamic model shown in table 4.5 above had it that all the variables used in the study are statistically significant at the 5 per cent level. The parameters estimates are rightly signed except air transport infrastructure and capital expenditures which contradict the a priori expectation. This is not unexpected because most of the government expenditure on air infrastructure as well as capital expenditure to stimulate foreign tourists into Africa countries do not often yield the desire results. The reason arising for this is that such expenditure is often time not properly applied to address the issues surrounding the foreign tourists into Africa region. The result is contrary to the claim of Liu and Wu (2019) who examined the mechanism by which tourist productivity and economic development can be transmitted into the Spanish economy. Their results found that more developed tourist industry would boost demand for overseas travel relative to domestic travel.

The direct relationship of tourism investment and education expenditure given by their respective coefficient values of 5.625570 and 8.81E-06 further demonstrate that a rise in investment in the tourism industry as well as expenditure in the educational sector can stimulate foreign tourists into the Africa region. In addition, the results are also statistically significant at the 5 per cent level, therefore we can soundly reject the hypothesis of no significant relationship with the dependent variable. By this, the findings uphold the claim of Liu and Wu (2019) who investigated

the mechanism by which tourist productivity and economic development can be transmitted into the Spanish economy. Their results found out that more developed tourist industries would boost demand for overseas travel relative to domestic travel.

5. CONCLUSION AND RECOMMENDATIONS

The study explores how the institutional quality and infrastructural development affect the life of foreign tourists in Africa for the period 1980 to 2023, using Generalized Dynamic Method of Moments. The results indicate that the level of infrastructural development failed to impact positively on the life of foreign tourists in Africa. However, the findings also demonstrate the existence of a direct relationship between institutional development and the well-being of foreign tourists in the Africa region.

On the basis of this, the study concludes that the life of the foreign tourists in the Africa region gained positive impact in education as well as investment in tourism characterized in the Africa region. Therefore, the study recommends:

- (i) that the government should allocate higher funds for infrastructural development as this could stimulate higher tourists to Africa and impact on their well-being
- (ii), increase in government spending in the infrastructural sector as well as educational sector as these will motivate the foreign tourists to take advantage of such in our Africa region.

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