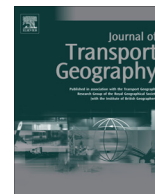




Contents lists available at ScienceDirect

Journal of Transport Geography

journal homepage: www.elsevier.com/locate/jtrangeo

Assessing the impacts of aviation liberalisation on tourism: Some methodological considerations derived from the Moroccan and Tunisian cases

Frédéric Dobruszkes^{a,*}, Véronique Mondou^b, Aymen Ghedira^c^a Université libre de Bruxelles (ULB), Faculty of Sciences, IGEAT, Avenue F. D. Roosevelt, 50, CP 130/03, 1050 Brussels, Belgium^b Université d'Angers, UMR CNRS 6590, ESO – Espaces et Sociétés, 7, allée François Mitterrand, BP 40455, 49004 Angers, France^c Université de Sousse, Institut Supérieur du Transport et de la Logistique (ISTL), 12, rue Abdallah Ibn Ezzoubeier, 4000 Sousse, Tunisia

ARTICLE INFO

Article history:

Received 31 December 2014

Revised 21 June 2015

Accepted 23 June 2015

Available online xxx

Keywords:

Aviation liberalisation

Low-cost airlines

Charter airlines

Tourism

Leisure travel

Visits to friends and relatives

Morocco

Tunisia

ABSTRACT

At a time when the liberalisation of air transport is increasingly being promoted as a means to induce the growth of the tourism business, it is striking that there is little evidence to suggest that such liberalisation has indeed led to a growth in tourism. Furthermore, the evidence is usually restricted to the impacts of sole low-cost airlines on tourist destinations newly served by such airlines. In contrast to various ideological or naïve statements, this paper shows that assessing the relationship between liberalised air markets and trends in tourism is challenging. On the transport side, aviation liberalisation is rarely considered as a dimension that can be measured accurately; similar protected markets are not considered for comparison; and trends in charter flights are neglected. On the tourist side, broad definitions of so-called tourists are usually considered and include immigrants visiting their home country; nights spent are neglected, despite a possible trend in declining length of stay; and substitution between places is usually disregarded, as are the long-term effects.

© 2015 Elsevier Ltd. All rights reserved.

1. Introduction

Aviation liberalisation has progressively become the new paradigm for many, but not all, governments and international organisations. The rationale for such a new regulatory regime is arguably made up of a wide range of goals and interests, both political and economic. Generally speaking, the neoliberal turn, which emerged during the 1980s, aims at recovering firms' profit rate (Duménil and Lévy, 2004). Since household purchasing power stagnates (or even declines) in many countries, and governments are becoming less directly involved in the economy, market solvency has become essential. Amongst neoliberal policies, privatising firms and liberalising markets make it possible to expand the market sphere. Indeed, such measures involve (1) transfers of activities from the public to the private sector, and (2) new market developments. In addition, in the context of global competition between airlines, continental-based aviation liberalisation (such as in Europe) can be a means to consolidate the industry, namely to

build a couple of transnational airlines (e.g., Air France–KLM or British Airways–Iberia) instead of a myriad smaller, national champions.

At the industry level, the mainstream rhetoric supporting the liberalisation of air transport states that such a process would involve competition (or at least the threat of competition) that would force airlines to lower their airfares. Liberalisation would also cut state grants to airlines, as state aids are theoretically largely banned in a free market. In sum, welfare is expected to increase at a lower cost for both travellers and governments (see Forsyth, 1998, for a review). This rhetoric is rather common and can be observed in relation to various transport or non-transport sectors.

Beside these well-known statements and expectations, the advocacy by aviation liberalisation has been enriched by new goals for about two decades. Indeed, while scholars first found that aviation liberalisation led to more concentrated airline networks following the hub-and-spoke strategy (especially in the case of incumbent US airlines, see Bowen, 2010), it later appeared that liberalisation can also induce the launch of new routes (Dobruszkes, 2014; Burghouwt and de Wit, 2015). In a market economy, it is indeed quite common that new entrants and/or incumbent firms

* Corresponding author.

E-mail addresses: frederic.dobruszkes@ulb.ac.be (F. Dobruszkes), veronique.mondou@univ-angers.fr (V. Mondou), a.ghedira@gmail.com (A. Ghedira).

aiming to grow choose to launch new products instead of opting for head on competition on existing markets. In the airline market, this perspective has been observed in the behaviour of certain low-cost airlines (LCAs) which focus on niche markets, i.e., new routes not served by competitors. In Europe, Ryanair's network is the quintessential example of such a network strategy (Dobruszkes, 2013). As a result, many places previously poorly served by the airlines, or not served at all, have been progressively much better served – thanks to the LCAs. Provided these areas have some potential for tourism, they have started to attract tourists who previously did not consider even going there.

A new causality chain thus emerged in the minds of many policymakers: aviation liberalisation induces competition between airlines and the expansion of LCAs; this stimulates the launch of new routes and lower airfares, both of which help to attract tourists and thus favour job creation. If needed, local authorities would help such dynamics by offering state aid to the airlines (Barbot, 2006; Rey et al., 2011). Ultimately, the rhetoric of aviation liberalisation now includes a tourist component that can be found in the academic literature (e.g., Forsyth, 2006; Fu et al., 2010) and in official documents published by public bodies at all levels, from local to multinational organisations. For example, the World Tourism Organization writes that:

“While UNWTO recognises the right of States to determine their own transport policies and safeguards, the Organization strongly advocates the considered liberalization of air transport as instrumental for stimulating tourism growth and job creation. The principles concerned should not just apply to the question of airline ownership and route networking, but also to wider issues such as airport ownership, handling, ticketing and infrastructure in the destination”.

[UNWTO, 2012: 10]

Similarly, the 2002 ASEAN Tourism Agreement aims:

“To create favourable conditions for the public and private sectors to engage more deeply in tourism development, intra-ASEAN travel and investment in tourism services and facilities”

[ASEAN, 2002]

while amongst the long list of means, the agreement states that:

“Member States shall facilitate transport within and into ASEAN by cooperating in promoting accessibility by air to and amongst Member States through the progressive liberalisation of air services (...).”

[ASEAN, 2002]

Aviation liberalisation is thus largely celebrated as a means of boosting tourism. More balanced judgements are rather rare (e.g., Papatheodorou, 2002; Warnock-Smith and O'Connell, 2011). In a broader view there are two linked issues. First, there is a lack of ex-post evidence, which suggests that incantations are not necessarily supported by appropriate observations. Second, gathering such evidence raises several methodological concerns that are the focus in this paper. It is this paper's aim to discuss these two issues. Because not all markets can be analysed here, we selected two case studies that were appropriate for analysing diverging policies and highlighting issues related to the available data. Indeed, the paper is based largely on evidence, although the approach points to theoretical considerations that could be covered in further research.

The remainder of this paper is as follows. Section 2 introduces a brief state of the art on the relationship between aviation liberalisation and tourism. Section 3 introduces our case studies. Section 4 is the core of this paper and discusses methodological issues through the case of the EU-Morocco and EU-Tunisia air markets. Section 5 discusses and concludes our results.

2. Assessing the impacts of aviation liberalisation on tourism: a brief state of the art

Many authors write that liberalising air transport could or would increase the tourist business. In many cases, the statement is introduced as a reasonable hypothesis (e.g., Campisi et al., 2010; Forsyth, 2008; Duval, 2013; Fu et al., 2010) or as being obvious (e.g., Teles et al., 2009), without, however, appropriate supporting evidence. Increasing air traffic (flights, routes and passengers) is cited as evidence supporting such hypotheses, but without establishing a clear causality with tourist patterns, or even showing them. In some cases, forecasts are made (e.g., Gillen and Hirsch, 2001; Gillen et al., 2002) but it is difficult, if not impossible, to verify their conclusions ex post, notably if the liberalisation hypothesis remains a hypothesis.

Of course, ex-post evidence would be more preferable but is unfortunately scarce. While the relationship between the aviation regulation regime and tourism is such a topical agenda it is striking that so little evidence is available. Most works assessing the impact of aviation liberalisation on tourism tend to focus on *all airline passengers* (e.g., Clougherty et al., 2001; Vowles and Tierney, 2007; Warnock-Smith and Morrell, 2008; Thomas, 2012) instead of on *tourist arrivals* only. The main cause of this is that it is easier to get data related to airport traffic – or possibly to city- or country-pairs – than data on tourist flows. This is, however, not suitable for assessing changes in the tourist market since all airline passengers characteristically have diverse reasons for travelling and, in many cases, there are passengers diverted from other transport modes, provided intermodal competition is available. In this context, Table 1 summarises the few sources we found that advance ex-post evidence focused on tourist flows affected by the liberalisation of air transport. They suggest diverging impacts depending on places considered.

Actually, available evidence comes mainly from authors investigating the impacts of the sole LCAs, the development of which is believed to be a consequence of aviation liberalisation. In other words, the range of impacts induced by aviation liberalisation on tourism is commonly reduced to those impacts generated by the LCAs. It is worth recalling that the LCAs cut their costs (then airfares) by optimising all production factors, including both fleet and labour management and use, and simplifying the product – a single fleet with high seat-density planes and no free services on board (Gross and Schröder, 2007). In addition, LCAs have outsourced certain activities (Barrett, 2004). This has induced competition between suppliers, which means lower costs. Such outsourcing includes ground handling at airports, where subcontracting reduces LCAs' direct wage bill. More generally, the advent of LCAs is based fundamentally on new airline-airport relationships (Barrett, 2004; Graham, 2013). On the one hand, LCAs seek airports that offer low-cost operation (but a sufficient level of demand). This includes secondary airports, traditional airports with old terminals now dedicated to LCA operations (e.g., Madrid and Milan Malpensa) and new terminals built especially for the LCAs (e.g., at Marseille, Bordeaux and Paris CDG). On the other hand, airports' management has moved towards a more efficient entrepreneurial style. The reasons for this are diverse and include airport privatisation involving profit-led goals (Vogel, 2006) and the general turn of local authorities to entrepreneurship. Now, competing with each other to 'foster and encourage local development and employment growth' (Harvey, 1989), they often consider their international accessibility as a key factor of success, and tourism as a means to stimulate expenditure in the local economy. As not all cities or regions are equally attractive, it has become rather common to see local authorities supporting regional airports and/or LCAs launching new services from those airports (see, e.g., Laurino and Beria, 2014).

Download English Version:

<https://daneshyari.com/en/article/7485694>

Download Persian Version:

<https://daneshyari.com/article/7485694>

[Daneshyari.com](https://daneshyari.com)