



DIASPORIC TOURISM AND INVESTMENT IN SURINAME¹

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Abstract: This paper seeks to go beyond the remittances discourse and engage in a discussion on the importance of diasporic tourism, which has been a key driver of the region's economic growth for the last decade. In fact the Surinamese Diaspora which represents only 2% of the Netherlands population is actually a very significant 72% of share of Suriname's population, and by extension provides a considerable contribution to Suriname's tourism industry. The paper examines the level of diasporic tourism engagement between the Suriname and its diaspora in the Netherlands. To aid the disaggregation of data available for analysis, an assessment of the terminology used to define the diaspora visitors and establish their own self-identification and classification, is key to this research. Also provided is an analysis of the political economy of the Caribbean regarding the competitiveness issues and development impact of diasporic tourism on both small and large regional enterprises.

Keywords: *Diaspora; Diasporic Tourism; Suriname; the Netherlands.*

INTRODUCTION

The diasporic economy is a critical and expanding feature of the economy and society of Suriname. Indeed, it can be argued that Suriname has one of the largest diasporic economies in relative terms. Remittances, brain drain and other associated flows tend to dominate the landscape and make a substantial impact (Gowricharn, 2004; Gowricharn and Schuster, 2001; Van Niekerk, 2004, 2005). While there is some literature and debate on the remittances and brain drain element there is scant focus on the diasporic tourism element. Much of the literature on the Surinamese diaspora deals

with the issues of cultural identity, ethnicity and nationality concerns (Boissevain and Grotenberg, 1986; Domingo, 1982). An example of this is how the Indian or Hindustani population of Suriname is viewed as part of South Asian migration to Europe rather than as Caribbean migration to Europe (Rambocus, 1989; van der Burg, 2004). In this sense some of the literature does not capture the 'twice-diasporized' nature of Caribbean migration (Hall, 1997).

The aim of this study is to document the nature and scope of diasporic tourism in Suriname and to determine the propensity of

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migrants to engage in this form of trade, to assess the potential for encouraging increased levels of diasporic tourism and identifying potential areas to capitalise on this emigrant driven tourism. It will also identify ways in which diasporic tourism flows can benefit from improved ICTs capabilities.

The study looks specifically at the flow of tourists between Suriname and global cities in the Netherlands (i.e., Amsterdam, Rotterdam, Utrecht, The Hague), the country which accounts for the largest share of the Surinamer diaspora. The choice of Suriname-Amsterdam as a case study is apt given the existing migration and travel patterns. Amsterdam is the main source of arrivals into Suriname from Europe and the rest of the world by a significant margin on account of the high concentration of the Surinamer diasporic community in this and other major cities in the Netherlands.

This paper provides a situational analysis of the global and regional dimensions of diasporic tourism through a review of published works and an examination of existing data on diasporic tourism. An assessment of key stakeholders is also provided based on a survey of service providers, intermediaries and facilitators to assess the threats, opportunities weaknesses and strengths of the various stakeholders.

THE SURINAME ECONOMY

Suriname is one of the smallest countries on the South American continent with a population of 436,935. With a land area of 163,000 sq km and an average of 2.5 persons per sq km it is also one of the countries with the lowest densities. Population growth (0.13% per annum) has been very slow in recent years largely on account of sizable emigration flows, mostly to the Netherlands, the former colonial master.¹ As a former colony, Dutch language and culture dominate the identity and landscape of

the country. Economic and political ties with the Netherlands also persist through investment and aid flows as well as airline routes and tourism arrivals (Buddingh, 2001).

In political and economic terms Suriname is considered a Caribbean country as exemplified by its membership in CARICOM. Suriname has an economic profile very similar to most Caribbean countries. It has a high dependence on a narrow range of traditional low value-added exports, principally resource-based and agricultural commodities (alumina, bauxite, gold, oil, bananas, rice, fish, etc.) which accounts for the largest share of the foreign exchange earnings and GDP contribution. Indeed, 8% of the export earnings, 50% of GDP and one-quarter of central government revenues come from the economic activities of three commodities, alumina, gold and oil.² Such a narrow economic base and high volatility in global prices for these commodities in recent years have made for difficult macro-economic conditions. It is also critical to note that Suriname is estimated to have as much as seventy percent of its population under the poverty line. These structural factors underline the need for greater economic diversification of the Suriname economy.

THE SURINAMESE DIASPORA

As a former Dutch colony there are strong linkages between Suriname and the Netherlands in terms of migration as well as travel routes and patterns. Emigration to the Netherlands has a long tradition since colonial times but it is on the eve of independence in 1975 that a massive outflow of approximately 50,000 nationals occurs. The next big wave of emigration happens in the years 1979–1980 when the Netherlands were due to introduce visa requirements. At this time it is estimated that 30,000 persons emigrated (Van Niekerk, 2005, p.2). As such close to 20% of the population migrated

in the space of five years. The impact is even more stunning if you take into account that it is the brightest and the best qualified that would have made this exodus.

The Surinamese population is one of the most plural and multiethnic in the USA and in the Caribbean. Although the two largest ethnic groups are the Indo-Surinamese (37%) and the Afro-Surinamese (31%) (Also referred to as the Creoles) there are several other groups such as the Javanese (15%), Maroons (10%), Amerindians (2%), Chinese (2%) and Europeans (1% - mostly Dutch) that live in the country. The official language is Dutch, though English is widely used, as is the Surinamese Creole, Sranang Tongo (also called Taki-Taki). Hindustani (a dialect of Hindi) and Javanese are also spoken.

The Surinamese diaspora has over time come to mirror the ethnic diversity as well as the class composition found in the homeland. In the early phase of migration it was largely the elite and middle classes that emigrated. It is not until the mid-1970s that more working class groups begin the migration

process thereby widening the ethnic composition of the diaspora. Nonetheless, the pattern of migration and the composition of the diaspora reflect the social stratification of the society. For instance, it is notable that a sizable majority (greater than 80%) of Europeans, Creoles and the mixed population have relatives in the Netherlands, whereas South Asians, Javanese and Chinese have between 60% and 80% while Maroons and Indians have a lower profile of 35% to 50% (Van Niekerk, 2005, p.2). These ethnic and class factors have a telling impact on how the diasporic economy contributes to social transformation in Suriname.

The total size of the Surinamese diaspora has risen from 302,514 in 2000 to over 338,678 in 2009. The first generation group of immigrants to the Netherlands has remained fairly steady in the period growing by approximately 1,700 persons between 2000 (183,249) and 2009 (184,961). The real growth is taking place in the second-generation group which rose from 119,000 to 153,000 over the period (see Figure 1).

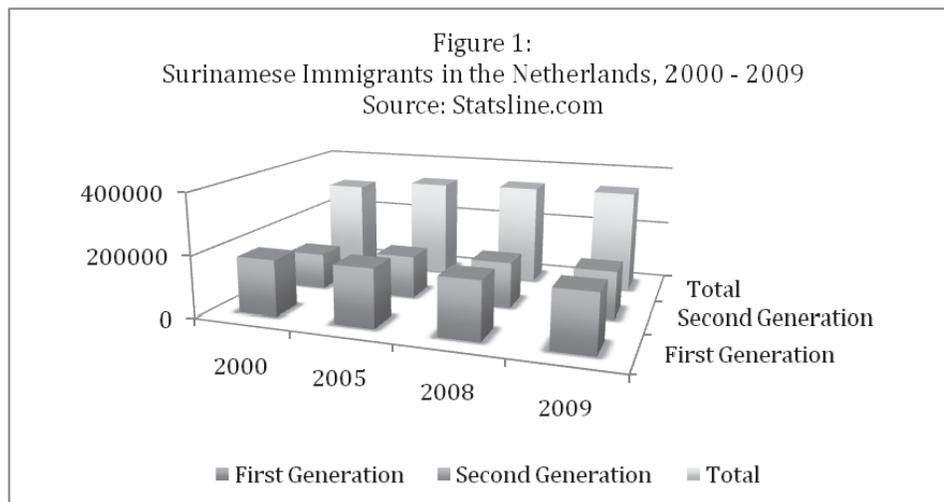


Figure 1 Surinamese immigrants in the Netherlands, 2000–2009

Source: Statsline.com

The Surinamese diaspora accounts for 2% of the population in the Netherlands but when compared with the homeland the diaspora in the Netherlands alone is 72% of the population in Suriname. If data were available on the number of Surinamese living in other countries, e.g., the Dutch Antilles, then the ratio would rise. What is known is that the largest share of the diaspora is to be found in the Netherlands and in the Dutch Antilles with some in the USA. As such it can be argued that Suriname has one of the largest diasporas in relative terms.

THE DIASPORIC ECONOMY

The importance of the diaspora to the economy of Suriname is illustrated through the growth of remittances as well as in terms of the brain drain phenomenon. There are other diverse flows of resources between the diasporic communities and Suriname (e.g., gifts in parcel post and freight barrels, informal money exchanges, the physical movement of cash via family and friends) but

the ones for which there are reliable data are financial remittances and the outward migration of trained persons.

Figure 2 below shows data on financial remittances for the period 2004 to 2008. What it shows is a rapid increase in remittances from US\$50 million to \$120 million by the end of the period, an increase of 140%. The largest share of the remittances comes from the Netherlands and is denominated in Dutch Guilders (Van Niekerk, 2005).

The other key feature of the diasporic economy for which there is some data is the brain drain problem (Figure 3). Based upon the following data Suriname has one of the highest brain drain rates in the world. The migration of tertiary-educated persons is the highest in the Caribbean with rates of 92% in 1990 and 90% in 2000. The outward migration rates for the secondary school level is just about half of that of the tertiary-educated. This pattern is reflective of a Caribbean wide pattern.

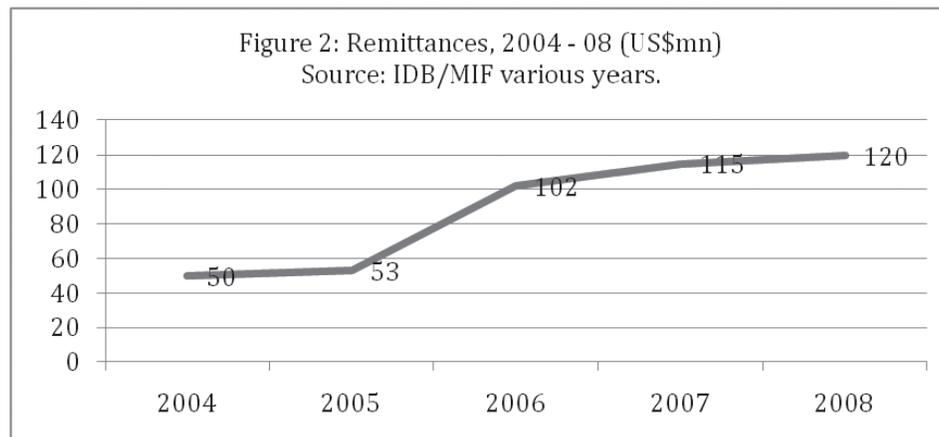
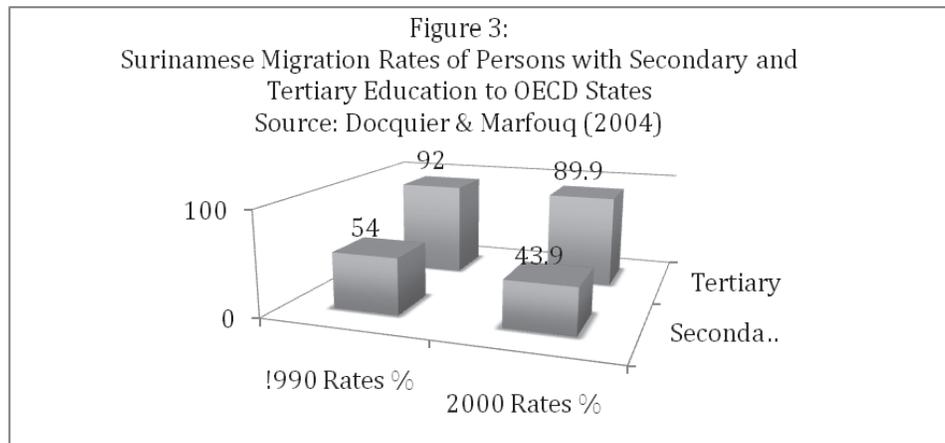


Figure 2 Remittances, 2004–2008 (US\$mn)

Source: IDB/MIF various years



[AQ3] **Figure 3** Surinamese migration rates of persons with secondary and tertiary education to OECD states

Source: Docquier and Marfouq (2004)

TOURISM AND THE IMPACT OF THE DIASPORA

In the last few years the tourism economy has emerged to be a key driver of growth in the Suriname economy thereby diversifying the sources of foreign exchange earnings. The tourism economy in Suriname is relatively small when compared with other Caribbean countries, especially the Eastern Caribbean where tourism revenue as a share of total foreign exchange earnings often exceeds 50% of total earnings and reaches as high as seventy percent as in the case of St. Lucia. In this respect, Suriname is best compared with Guyana which also has a high dependence on commodity exports. Figure 4 compares the two countries and it shows that tourism, though starting from a low base, is a rising share of total export earnings for Suriname, moving from less than 2% to approximately 6% by 2006.

Figure 5 below gives data on the growth of tourism receipts for the period 2004-2007. Total visitor expenditures have grown from US\$129.1 million to \$173.7

million over the period. Expenditure by tourists who are Visiting Friends and Relatives (VFR) accounts for over 50% of the tourism earnings with a declining share from 55.6% in 2004 to 50.7% by 2007. The next most important source of earnings comes from leisure tourists and then from business and other types of tourists.

While VFR tourists account for the largest share of earnings, the average expenditure by this category of tourist is estimated to rank third behind leisure and business tourists. Figure 6 shows that leisure tourists spend on average \$1,153.00 compared with \$970.00 for business tourists, \$864.00 for VFRs and \$822.00 for other. The latter two groups fall below the average spending of all tourists which is estimated at \$937.00.

The relative importance of the VFR category of tourist exemplifies the contribution of the Surinamese diaspora on the tourism economy. In the context of Suriname the VFR category of tourist is a good proxy for diasporic tourists. This is so because of the consistency of the data and the high share

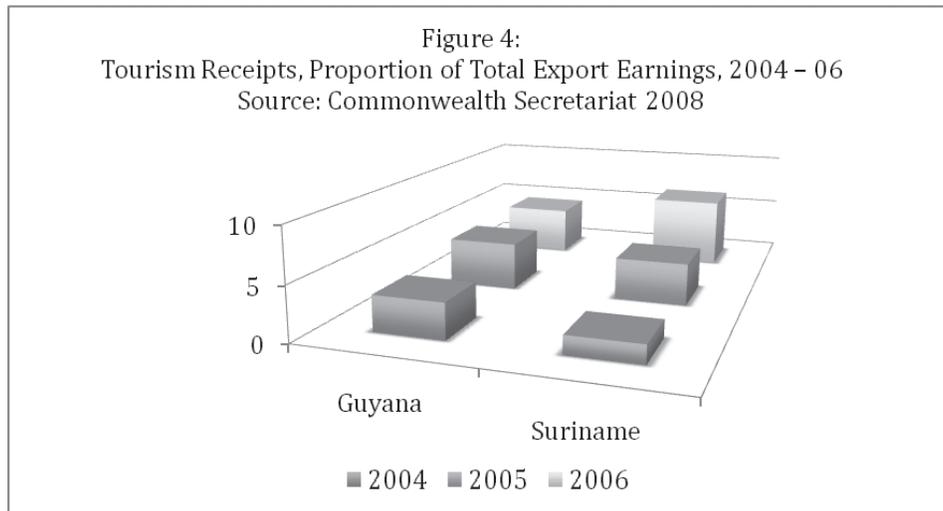


Figure 4 Tourism receipts, proportion of total export earnings, 2004–2006

Source: Commonwealth Secretariat 2008

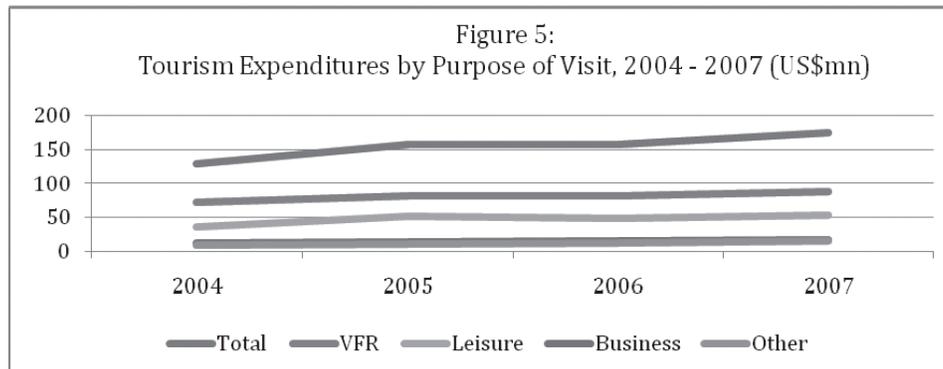


Figure 5 Tourism expenditures by purpose of visit, 2004–2007(US\$m)

of this group from largely one source market, the Netherlands. As Figure 7 shows approximately 58% of arrivals are from the Netherlands. The next major source markets are North America (11%), the Dutch Antilles (9%) and other Caribbean (8%).

The VFR category of tourist, which is also defined as the private home stay visitor in some of the data, accounts for the largest

share of the tourists overall and specifically from the Netherlands and from the Dutch Antilles. In data on visitors by place of stay, close to 70% of the European tourists stay at private homes. This correlates with the VFR category since most of the European tourists are from the Netherlands and have ties to Suriname in some way or form. This is understandable given the historical and colonial ties.

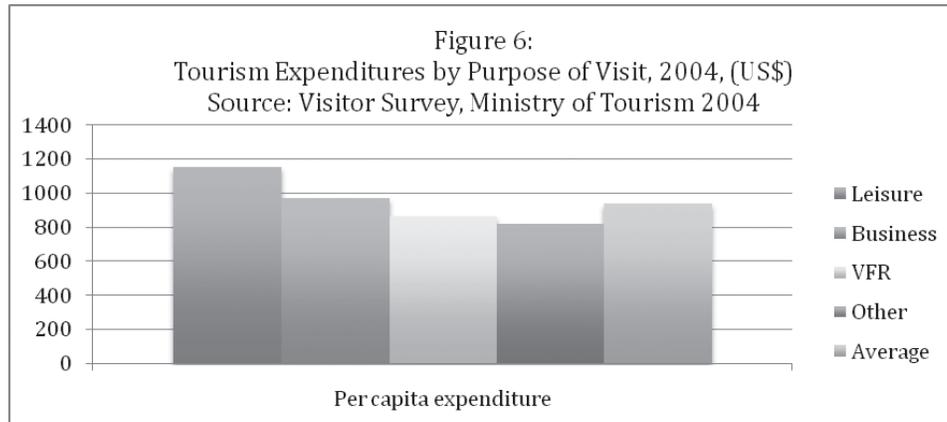


Figure 6 Tourism expenditures by purpose of visit, 2004, (US\$)

Source: Visitor Survey, Ministry of Tourism 2004

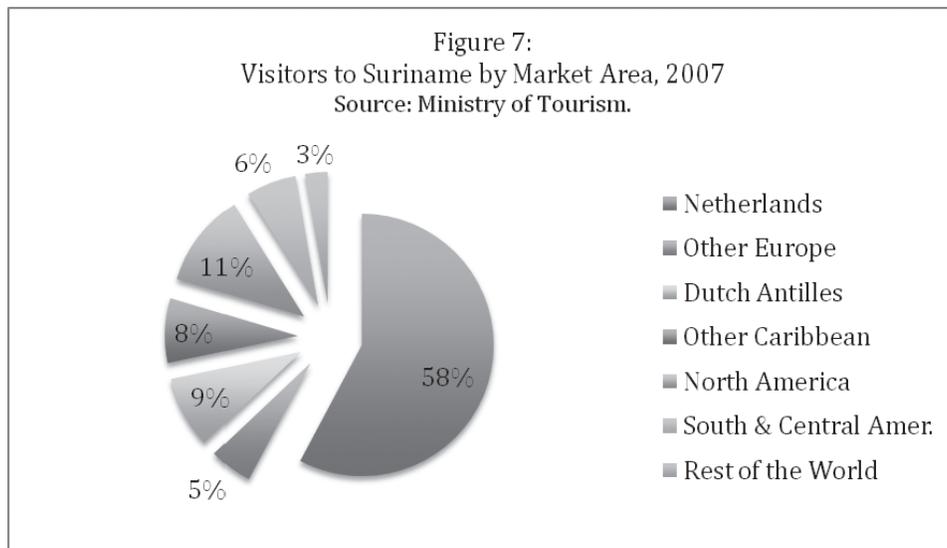


Figure 7 Visitors to Suriname by market area, 2007

Source: Ministry of Tourism

Based upon a visitor survey conducted in 2004, it is estimated that 69% of all interviewed VFRs had a tie with Suriname. Also, as expected, the market areas with highest percentages of ties to Suriname were The Dutch Antilles and the Netherlands where as many as 83% and 76%, respectively of the

interviewed tourists had some kind of connection to Suriname. On the other hand, the majority of tourists (ranging from 60% to 66%) from all other market areas had no ties to Suriname (see Table 1 below). In this sense there is a clear demarcation between Dutch related markets and all other markets.

Table 1 Ties with Suriname by market area

| Kind of tie | The Netherlands | Other Europe | Dutch Antilles | Other Carib-bean | North America | South and Central America | Rest of world | Total |
|---|-----------------|--------------|----------------|------------------|---------------|---------------------------|---------------|-------|
| No Tie with Suriname | 24 | 65 | 17 | 70 | 65 | 60 | 66 | 32 |
| I am born in Suriname | 38 | 3 | 40 | 5 | 11 | 7 | 2 | 32 |
| I or more of my relatives/acquaintances lives in Suriname | 15 | 14 | 15 | 8 | 9 | 13 | 19 | 14 |
| I or more of my relatives/acquaintances is/are born in Suriname | 16 | 11 | 23 | 8 | 7 | 8 | 6 | 15 |
| Other | 8 | 7 | 5 | 10 | 8 | 12 | 6 | 8 |
| Total | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Interviews | 1,366 | 122 | 207 | 187 | 272 | 145 | 65 | 2,364 |

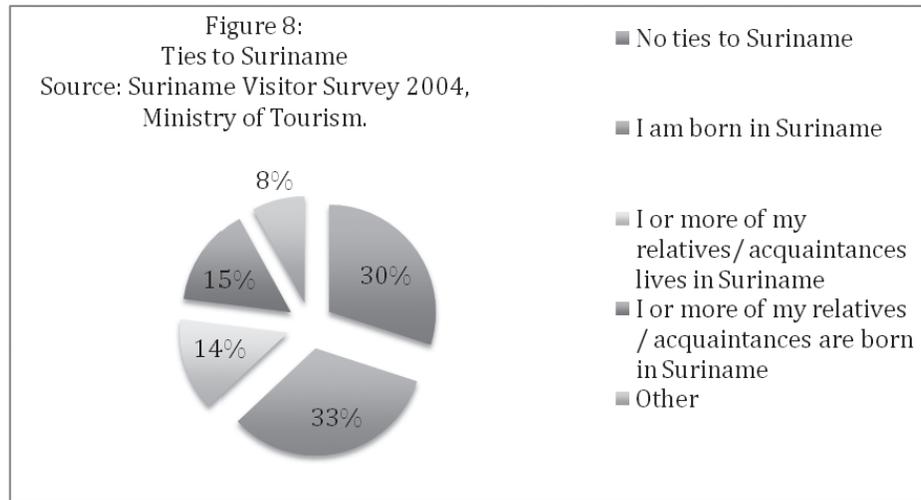
Source: Suriname Visitor Survey 2004, Ministry of Tourism

Overall, as many as 32% of the interviewed tourists were born in Suriname, whereas 38% of the interviewed tourists were from the Netherlands and 40% of the tourists from the Dutch Antilles were born in Suriname (see Figure 8). About 14% of all interviewed had one or more relatives/acquaintances living in Suriname and 15% had one or more relatives/acquaintances that are born in Suriname. This data accords with the demographic patterns in the Surinamese diaspora in the Netherlands in terms of first and second-generation migrants.

The visitor survey of 2004 also covered travel by purpose of visit (see Table 2). The majority of interviewed tourists coming for pleasure (61%), business (63%) and other purposes (58%) had no ties with Suriname. Expectedly, the majority of VFRs had some kind of ties

with Suriname amounting to 94% of all interviewed VFRs. As many as 50% of the interviewed VFRs were born in Suriname, whereas 10% of the interviewed pleasure tourists and 7% of the business tourists were born in Suriname. About 44% of the interviewed VFRs and 22% of the pleasure tourists had relatives/acquaintances either living or born in Suriname.

What the above analysis of tourism and travel data illustrates is how useful the VFR category is as a proxy for diasporic tourism. Indeed, analysis from the travel and tourism sector also corroborates this view given the dominance of diasporic travel on the Amsterdam to Suriname airline route. Travel analysts also argue that the dominance of the diasporic travel crowds out other travelers and keeps prices relatively higher than would obtain otherwise and in competition

**Figure 8** Ties to Suriname

Source: Suriname Visitor Survey 2004, Ministry of Tourism

Table 2 Ties with Suriname by purpose of visit

| Kind of tie | Pleasure % | Visiting Friends and Relatives % | Business % | Other purposes % | Total % |
|--|------------|----------------------------------|------------|------------------|---------|
| No tie with Suriname | 61 | 6 | 63 | 58 | 30 |
| I am born in Suriname | 11 | 50 | 8 | 14 | 33 |
| I or more of my relatives/acquaintances lives in Suriname | 10 | 20 | 7 | 3 | 14 |
| I or more of my relatives/acquaintances are born in Suriname | 11 | 22 | 6 | 11 | 15 |
| Other | 6 | 2 | 16 | 14 | 8 |
| Total | 100 | 100 | 100 | 100 | 100 |
| Interviews | 404 | 1,065 | 831 | 64 | 2,364 |

Source: Suriname Visitor Survey 2004, Ministry of Tourism

with other destinations. The following quotation from an analysis of the travel market for Suriname illustrates the point.

In all discussions with operators, the problem of air access was highlighted, and this is a significant barrier to expanding

European markets. At the present time the KLM/Suriname Airways service is the only direct link between the destination and its main markets. The current service is heavily used by the VFR or ethnic traffic, and this creates extremely high demand over fairly long peak periods. Agents complain that,

because of this, they are unable to negotiate season-long seat allocations at IT fares with KLM that allow them to plan a serious promotion to develop new tourist markets...This also means that apart from the lack of seats available, the ticket prices are higher than is generally available to competing destinations. This is part of the price disadvantage (Suriname Integrated Tourism Development Programme, 2003, p.5).

CONCLUSIONS AND KEY OBSERVATIONS

Tourism is a rising component of the Surinamese economy as efforts are made to diversify away from traditional resource-based and agricultural commodities. The tourism economy though growing fast in the last few years is still relatively small as exemplified by the 6-7% share of export earnings.

Diasporic tourism looms large in the Surinamese tourism economy given that a large share of the visitors to the country can be defined as VFR by purpose of visit. The VFR category dominates the travel group out of the Netherlands which is the main tourism and travel route. Over 60% of the visitors to Suriname can be categorised as having strong ties to the country in terms of either being born there or having a parent, relative or acquaintance who was born or is living there. From this perspective Suriname has one of the highest diasporic tourism flows in the world in relative terms.

Diasporic tourism as estimated by the expenditure pattern of VFRs accounts for over 50% of total tourism expenditures. All indications suggest that this pattern has been in force since the massive exodus of Surinamese in the mid-to-late 1970s and it is likely to be sustained even with the

growth of the second-generation Surinamese diaspora.

The rise of diasporic tourism correlates with the growth of the wider diasporic economy. This is clearly evident in the growth of remittances and the brain drain. In both aspects Suriname has some of the highest dependence and exposure to diasporic flows in the world. The brain drain rates for the tertiary-educated hover around the 90% for the last two decades and remittances per capita are relatively high by Caribbean levels. The diasporic tourism flows are linked to these processes. E.g., diasporic tourists are often remitters of money either through money exchangers or directly provide resources to families when they visit. Other flows such as freight barrels and parcel post gifts are often associated with or timed with visits.

BIOGRAPHY

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NOTES

¹ For economic data on Suriname see <http://ckmportal.eclacpos.org>.

² See UNECLAC (2009), *Economic Survey of the Caribbean, 2007-2008*.