

CARIBBEAN CRUISE TOURISM
INVESTIGATING THE BALANCE OF COSTS AND BENEFITS

SEMINAR PRESENTATION ABSTRACT

CHRISTY LOPER
OCTOBER 14, 2004

Cruise tourism is often cited as the fastest growing segment of the leisure tourism industry, with travel to the Caribbean region accounting for about 50 percent of the global market. However, the environmental, social, and economic impacts of the cruise industry are not well understood and have been neglected in the literature. Studies on social impacts of cruise tourism are “practically nonexistent” (Wood, 2000) and the primary economic model cited today (Dwyer and Forsyth, 1998) is not applicable to the Caribbean region.

For this study, I will investigate the economic benefits of cruise tourism, weighed against the economic costs, environmental costs and social costs for one selected Caribbean port state. Economic benefits are generated from per-passenger head tax, port charges, provisioning, and taxes on direct spending by passengers and crew. Economic costs include port improvements (e.g., dredging to make way for larger cruise ships), administrative fees, infrastructure costs (e.g. road improvements, public bathrooms), and costs of providing services (e.g. police protection, waste disposal).

Social costs, which will not be monetized, will be measured through a survey of local residents. Although no study to date has quantified social impacts of cruise tourism, a study in progress in Key West has indicated that local residents rank “managing the impacts of cruise tourism” fifth among issues that they consider to be most important to preservation of the quality of life in Key West. This study reveals some concern on the part of local citizens over cruise ship impacts, which, combined with the lack of literature on the subject, suggests that this topic is ripe for investigation.

Environmental costs have been the subject of a substantial body of grey literature but little peer-reviewed literature. These will be investigated and may be monetized, depending on the scope of the study. Environmental costs include increased air pollution from cruise ships, loss of shore habitat (e.g., mangroves) from port construction, and loss of bottom habitat (e.g., coral reefs and seagrass beds) from dredging and cruise ship anchoring.