

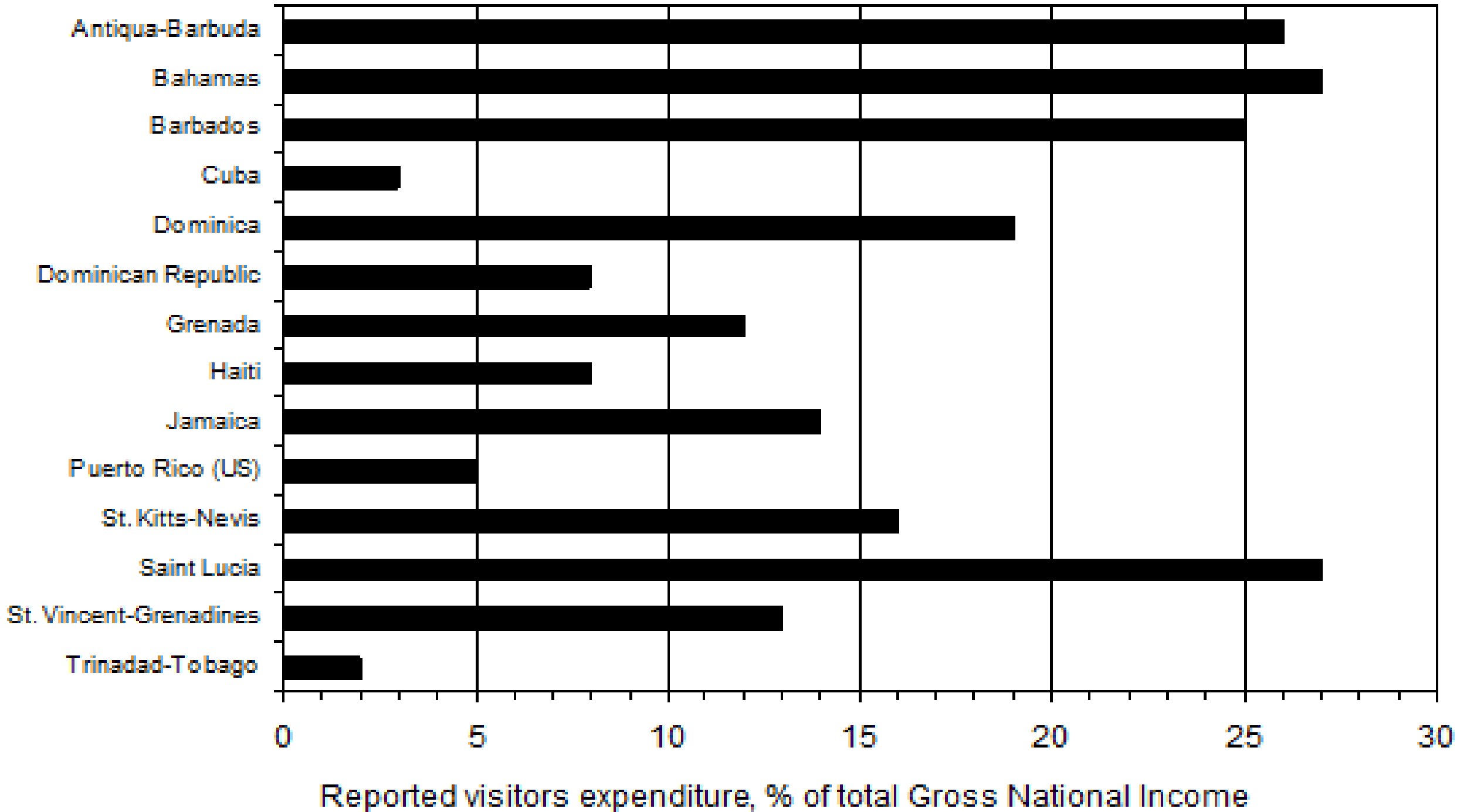
THE OTHER SIDE OF PARADISE. THE TRUE COST OF TOURISM IN THE CARIBBEAN

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Plantation Economy	Tourism Industry
Expatriate capital invested into plantations and sugar mills	The majority of the hotels, airlines, restaurants, tour operators/travel agents are owned and based in a foreign country
Expatriate management and control	Majority of skilled and high paying jobs go to 'white' foreigners
Mono-Crop export orientation	Countries are almost totally dependent on international tourism expenditure as a large percentage of GNI
Profit repatriation	Profits are repatriated or retained to the foreign countries where the hotels are based
Large 'unskilled' Black slave labour force	Large unskilled mainly 'black' resident labour
Mass exploitation of a majority black population by a minority white population	Mass exploitation of majority black population by a minority 1% elite class.
<p><i>(Beckles, 1990; Britton, 1982; Brohman, 1996; Pattulo, 2006; Weaver, 1988)</i></p>	

HISTORICAL BACKGROUND

- European Pan Antillean networks.
- Export mono-crop orientation, mainly sugar
- By 1950s-1960s economic restructuring involved:
 - *outward-oriented approaches*
 - *Less emphasis on staple crops and more on foreign direct investment*
 - *Tourism was identified as the engine of growth*

Visitors in the Caribbean (2003–2014).

Destination	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Antigua and Barbuda	182,423	245,797	245,384	253,669	261,786	265,841	234,410	229,943	241,331	246,926	243,932	249,316
Aruba	641,906	728,157	732,514	694,372	772,073	826,774	812,623	824,330	868,973	903,934	979,256	1,072,082
Bahamas	1,428,599	1,450,043	1,514,532	1,491,633	1,527,726	1,462,404	1,327,005	1,370,135	1,346,372	1,421,341	1,363,487	1,421,860
Barbados	531,211	551,502	547,534	562,558	572,937	567,667	518,564	532,180	567,724	536,303	508,520	519,598
Belize	220,574	230,831	236,573	247,308	251,655	245,027	232,247	241,909	250,264	277,136	294,176	321,217
Bermuda	256,563	271,607	269,576	298,973	305,548	263,613	235,860	232,262	236,038	232,063	236,343	224,246
British Virgin Islands	184,777	304,518	337,135	356,271	358,056	345,934	308,793	330,343	337,773	351,404	355,677	386,049
Cayman Islands	293,515	259,929	167,801	267,257	291,503	302,879	27,958	288,272	309,091	321,650	345,387	382,816
Cuba	1,894,746	2,048,572	2,319,334	2,220,567	2,152,221	2,348,340	2,429,809	2,531,745	2,716,317	2,838,169	2,851,330	3,001,958
Curacao	221,390	223,439	222,070	234,383	299,782	408,942	366,703	341,656	390,297	419,621	440,044	450,953
Dominica	72,948	80,087	79,257	83,916	76,515	80,410	74,923	76,517	75,546	78,119	78,277	81,472
Dominican Republic	3,268,182	3,443,205	3,690,692	3,965,055	3,979,582	3,979,672	3,992,303	4,124,543	4,306,431	4,562,606	4,689,770	5,141,377
Grenada	142,333	133,865	98,244	118,490	129,118	129,605	113,370	110,471	118,295	112,307	116,456	133,521
Guyana	100,911	121,989	116,596	113,474	131,487	132,776	141,053	151,926	156,910	176,642	165,841	205,824
Haiti	136,031	96,439	112,267	107,783	386,060	258,070	387,219	254,732	348,755	349,237	419,736	465,174
Jamaica	1,350,284	1,414,786	1,478,663	1,678,905	1,700,785	1,767,271	1,831,097	1,921,678	1,951,752	1,986,084	2,008,409	2,080,181
Martinique	445,424	470,891	484,127	502,053	503,107	481,226	443,202	476,492	496,538	487,359	489,706	489,561
Puerto Rico	1,324,968	1,411,910	1,465,292	1,485,296	1,356,470	1,321,505	1,300,783	1,369,197	1,448,710	1,569,472	1,588,677	1,688,472
St Lucia	276,948	298,431	317,939	302,510	287,435	295,761	278,491	305,937	312,404	306,801	318,626	338,158
St Maarten	427,587	475,031	467,861	467,804	469,407	475,410	440,185	443,136	424,340	456,720	467,259	499,920
St Vincent and the Grenadines	78,535	86,727	95,505	97,432	89,637	84,101	75,446	72,478	73,866	74,364	71,725	70,713
US Virgin Islands	618,703	658,638	697,033	671,362	693,372	683,294	666,051	691,194	678,962	737,651	702,963	730,367

IMPACTS OF TRANSNATIONALISM

Foreign conglomerates own and control majority of tourism businesses

Influence mass, standardised, institutionalised, packaged tourism

Lack of local control over natural resources

Excessive leakages of foreign exchange currency

Social polarisation and exclusion

Excessive reliance on one industry/Lack of diversity in economies

Makes the region susceptible and vulnerable to the actions and strategies of foreign entities.

(Cabezas, 2008; Pattulo, 2006)

 **Marriott**

HYATT

 **Holiday Inn**
HOTELS - RESORTS

 **Hilton**
Inside Hilton.com

**RAMADA
INN**

 **CROWNE PLAZA**
HOTELS - RESORTS

 **La Quinta**
INN & SUITES

 **Sheraton**
HOTELS & RESORTS

 **RODEWAY
INN**

 **Holiday Inn
EXPRESS**

 **SOFITEL**
HOTELS & RESORTS

 **WESTIN**
HOTELS & RESORTS

 **STAYBRIDGE
SUITES**
a Holiday Inn

 **Hampton**

 **Sheraton**
HOTELS & RESORTS

 **Best
Western**

 **INTER-CONTINENTAL**
HOTELS AND RESORTS

 **HOMWOOD
SUITES**
by Hilton

OMNI  HOTELS

 **Comfort**
INN & SUITES

 **Radisson**
HOTELS & RESORTS

**SHONEY'S
INN &
SUITES**

IMPACTS OF TRANSNATIONAL HOTELS

- Excessive foreign exchange leakages
- (37-85% of expenditure is leaked away (Some scholars suggest up to 90% of expenditure is leaked away) (Pattulo, 2006)
- Repatriation of profits. Foreign salaries, tax concessions and incentives, payments for imported goods/food
- Only 16% of fruit and 20% of fish consumed in Caribbean hotels are sources locally (Caribbean Development Bank, 2017).

British Minced
pies



Bajan
Christmas
Cake



ALL-INCLUSIVE RESORTS

- All inclusive hotels lower the per capita spending of tourists

75-85% of vacation expenses in all inclusive are allocated to tour operators, hotels, airlines)

- Contribute to 'Zero dollar' tourism – (King, Dwyer & Prideaux, 2006)

(In DR earnings per room spending a have dropped from US\$318 in 1982 to US\$154.00 (cabezas, 2017)

- Influences the development of the 'tourism enclaves' – the 'them and us' syndrome

BARBADOS STAKEHOLDER VIEWS

“A number of the resorts (non all-inclusive) and restaurants are closing and turning into condominiums because the all-inclusive product has killed the restaurant trade, and it is killing the smaller, independently run hotels. All-inclusive don't provide any business to Barbados, except for the resort the people stay in. They don't provide any business to the restaurants, taxis, shops, supermarkets, gas stations, because people go to the resorts and stay there. It's not good for Barbados; it's not good for tourism” (Sealy, 2018).

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LABOUR POLICIES – TRANSNATIONAL HOTELS

- Mass employment is usually low paid jobs/ better paid management-middle usually go to foreigners or local elites.
- Influence the minimum wage downward. On several islands the minimum annual wage is below US\$5000.00 (Wong, 2015).

LABOUR POLICIES – TRANSNATIONAL HOTELS

- Social exclusion/marginalization
- Hire mainly foreigners in high paid managerial roles
- Social exclusion and marginalisation of local workers
- Deskilling of workers
- ‘Brain Drain’
- Promotes pre-colonial tensions

(Goodwin, 2008; Williams, 2012; Wong, 2015; Cabezas, 2008)

SOCIAL EXCLUSION, POLARISATION, MARGINALISATION

- Over 488 miles of Jamaica coastlines had been privatized by 1992
- Disputes between hotel developers and locals over access to beaches in Barbados is commonplace
- Medical Apartheid in Cuba
- Sex Tourism

BEACH PROTEST – BARBADOS 2018



VARADARO BEACH AND SHANTY TOWN - CUBA



Tactics used by British tour operators to reduce hotel rates



<ul style="list-style-type: none"> • Unethical practices (deception) 	<ul style="list-style-type: none"> • Misquoting travel demand statistics/Creating illusions of poor demand • Withholding advanced bookings to create illusions of poor demand • Creating stories and scenarios that play on hoteliers' sensitivities • Reporting in advance bookings only after receiving lower rates • Withholding payment to gain extra bank interest • Fabricating stories of customer dissatisfaction • Inciting customers to complain once at the destination • Not passing on discounts to travelers but deducting additional discounts from hotel invoices to maximize profits • Closing out hotels in operating systems • Misrepresenting hotel star ratings • Overinflating the cost of the vacation
<ul style="list-style-type: none"> • Intimidation/Over controlling tactics 	<ul style="list-style-type: none"> • Intimidating contractual tactics • Playing hotels against the other at the destination • Threatening to remove hotels from brochures • Redirecting visitors to other properties or islands/destinations • <u>Withholding payment or late payment</u>
<ul style="list-style-type: none"> • Negotiation 	<ul style="list-style-type: none"> • Negotiating brochure contribution in initial contracts • Asking hotels to fund additional marketing campaigns • Negotiating for run-of-the-house rates • Negotiating/Renegotiating advantageous cut-off periods • Re-negotiation of rates midway into contractual period.
<ul style="list-style-type: none"> • Strategic Alliances 	<ul style="list-style-type: none"> • Vertical and horizontal alliances • Capital investments and loans into hotels at the destination in return for preferential rates • Representation services at the destination through local companies/own representatives • Market domination through oligopolistic structures



CLOSING REMARKS

Every poor country accepts tourism as an unavoidable degradation. None has gone so far as some of the West Indian islands, which, in the name of tourism are selling themselves into a new slavery (Naipaul 1969, p. 210).

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