

Social effects of the cruise industry tourism essay



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The social impact of the cruise industry on the cruises particular destination has a few positive effects. When cruise tourists arrive at ports of destination, interactions between local residents and cruise tourists can benefit both parties. The cruise tourists have the opportunity to gain knowledge regarding the lifestyle and culture of the local people, and vice-versa; residents can learn about the lifestyles of their guests from various places around the world. However, a high interaction level between residents and cruise tourists can have drawbacks. Tourists can limit the personal space of residents, due to the high population of cruise tourists. Eventually, high levels of interaction between cruise tourists and local inhabitants could change the local inhabitant's unique lifestyles. This brings to light the point of social damage, as social and cultural damage is one of the main arguments against tourism. In the context of tourism, cruise tourists are typically wealthier than locals of popular cruise destinations. This evidently creates social problems; for example, hierarchies are created that can cause tension between cruise tourists and locals. Furthermore, new and unusual ideas brought in by cruise tourists can make locals envious and want to copy the tourists who can seem more wealthy and stylish.

Social damage caused by the cruise industry can also be supported by the idea of "competition of space." This is triggered when large amounts of cruise tourists, usually two or three cruise ships, arrive at small ports. When large amounts of cruise ships arrive, the number of cruise tourist's ratio to locals is large. According to Espinal, 2005, Bahamas has 11 cruise guests to 1 local; Aruba has 8 cruise guests to 1 local; Antigua and Barbuda, 7 to 1; and Dominica, 5 to 1 (When was this? Was this the case for the entire year of

2005? Was it an average?). However, this ratio is only true to small parts. Large cities such as Miami, Barcelona, and European countries differ. In fact, highly populated cities have the opposite effect, because cruise tourist numbers are rather small compared to on-land tourists or residents. The competition of space enhances through the fight for cruise ships by neighbouring ports to attract cruise ships for economic benefits. The fight continues between the cruise ship industry and the cargo shipping industry to gain port space. Another dilemma of space continues between on land tourists and cruise tourists. When cruise tourists arrive at destinations, on land tourists are forced to wait in line for attractions such as monuments and museums, and wonder why it is overcrowded at the beach. Finally, the idea of competition of space limits the transportation benefits. What hurts transportation the most is when large amounts of cruise tourists arrive at destinations which causes volatility in the demand for transportation (e. g. taxis).

Environmental Impact of the Cruise Industry

The cruise industry is the fastest growing industry in the travel industry. With enormous growth in the number of passengers, the number of cruise ships at sea, and the increased variety of destinations, followed by bigger and more luxurious cruise ships to keep up with the increase of demand; the substantial growth in the industry follows with increasing impact on the environment. Like many hospitality and travel industries, the negative impacts on the environment outweigh the positive impacts. Even though the cruise industry is relatively small compared to the airline industry, cruise ships and their passengers generate more volume of waste and pollutant

emissions while travelling and docked in port. According to the United States Environmental Protection Agency, a one week voyage generates more than 50 tonnes of garbage. During that same week 3. 785 million litres of waste water is produced. That is water that is harmful to the ocean life and cannot be dumped back into the ocean without it being treated. Furthermore, 794, 850 litres of sewage, 95, 000 litres of oil contaminated water, and 568 litres of hazardous waste is produced. These numbers are multiplied by more than 200 cruise ships sailing the world 365 days a year. In comparison to other travel industries, a cruise ship such as Queen Mary 2 emits 0. 43 kg of Carbon dioxide per passenger mile, compared to 0. 257 kg for a long-haul flight (Climate Care). In comparison to on-land tourists, cruise ship passengers generate 3. 5 kg of garbage while 0. 8 kg of garbage is generated by on-land tourists. (<http://www.uneptie.org/pc/tourism/sust-tourism/env-3main.htm>). In addition to pollution, coral reefs are taking significant damages. According to Ocean Planet, there are 109 countries with coral reefs. In 90 of them, reefs are being damaged by cruise ship anchors and sewage. It is said 70% of cruise destinations are in these biodiversity hot spots.

However, it is not the amount of pollution and damages generated by cruise ships that most are concerning, but rather, the way cruise ships dispose their waste. Cruise ship waste disposal is highly unregulated, where waste can be dumped a few short miles off shore, which is later brought back to shore due to ocean currents. In the past, discharge from cruise ships exceeds the water quality standards set by National Authorities in relations to bacteria level, metals, and hydrocarbons and plastic. In most cases, there was no

monitoring, no enforcements and no deprivation from local authorities if cruise ships violated the pollution standards. While the cruise industry continues to promote itself as environmentally friendly, the truth is, there are many instances of cruise ships breaking the law. A single cruise company can accumulate hundreds of pollution violations, which have resulted in payments of millions of dollars in environmental fines. However, in some cases, environmental incidents have been accidental, due to simple human and mechanical error, such as fuel discharge from cruise ship loading fuel at ports.

Since the increased harmful effects on the environment have come to light, the cruise industry has done its part by improving their efforts in processing waste onboard. As technology increases, their ability to become more eco-friendly becomes a priority. Holland American Line has invested \$1.5 million into a program called Seawater Scrubber Pilot. This program looks for opportunities to reduce engine emission on its ships. The Sea Water Scrubber system uses the natural chemistry of seawater to remove all sulphur oxide. The seawater is then treated to remove harmful components before dumping it overboard (world cruise industry review). Even though recycling and using green materials is only a small step, it makes a big difference. Take Crystal Cruises for example. They are introducing 100% recyclable coat hangers, which prevents 9 billion wire and plastic hangers from being sent to landfills each year. They are also using washable and reusable garment bags instead of plastic laundry bags (world cruise industry review). On the major scale, most cruise ship companies are taking steps to map out global routes where waste discharge will cause the least damage to

delicate ecosystems. Another major effort that some cruise ship companies are implementing is scheduling their arrival and departure time so cruise ships use less fuel while docking. Princess Cruises has invested \$4.5 million to implement a cold-ironing program in Alaska. This is when ships plug into a port's electricity supply while docked in order to get hydroelectric power on board. This is the same concept as a hybrid car. The cost of equipping each ship is \$500,000 where the benefits outweigh the costs. In California, 70% of cancer risk is due to the toxic air contaminants created by diesel. The biggest contribution to these toxins is cargo-handling equipment and the ships' use of diesel engines while at port. With the use of the cold-ironing program, ships will not create this harmful pollutant that causes many environmental problems. Companies are taking the next step to keep their ships as cool as possible to eliminate excessive stress on air conditioners in addition to maintaining speeds at fuel-efficient speeds. Crystal Cruises has begun auditing its ships' lighting and energy consumption. They are saving more than 960,000 kW/h per year, which is equivalent to nearly 200 tonnes of fuel a year.

Economic Impacts of the Cruise Industry

Cruise tourism is the fastest growing tourism industry in the last twenty years. Since 1990, the cruise industry has an average annual passenger growth rate of 7.4 percent per year, and in 1980, more than 163 million passengers have taken cruises longer than 2 days. Of the 163 million passengers, 56 percent of the passengers were generated within the last 10 years (CLIA, 2008).

The industry has high potential in providing economic benefits to port states. Conversely, accommodating large cruise ships into ports need a lot of initial investments to build infrastructure and to maintain those infrastructures. With cruise ships growing in size more investments is needed to withstand larger ships. With scenarios of high infrastructure cost, rapid growth in tourism may result in stagflation or even a decline in GDP (Chase, 2001). For small cities, significant foreign investment is needed for these infrastructures, and it is questionable for many whether construction of the ports is cost-efficient.

The majority of the state ports generate economic benefits from cruise ship tourism by generating revenue through passenger spending, person head taxes, dockage fees, and port entry. Passenger spending is the greatest benefit in supporting cruise tourism due to great deal of new money coming into the economy and creation of new jobs. According to an annual study by the International Council of Cruise Lines (ICCL), United States is the primary beneficiary of the Global economic impact of more than 75 percent of the cruise expenditures made with United States based business. U. S. ports account for 75 percent of 10. 85 million passengers embankments worldwide. Since, United States is the majority of the Cruise Line industry, we will analyse the economic impact on the United States.

Economic Impact of the Cruise Industry on the United States

The impact of the cruise industry on the United States has both negative and positive results. Reasons for the negative result are due to the increase presence in the European market, and the increase in the Caribbean ports

used for cruise embarkment. As a result, United States experienced a decline in its share of the global cruise industry and experiences a decline in the number of passengers embarking for the U. S. ports (CLIA, 2008). Table 1-1 shows that in 2008 United States, passenger embarkment totalled 8.96 million, a 2.4 percent decline from the previous year, with the majority of the global passenger of 69 percent.

Table 1-1

In 2008, decline in its market power is due to hurricanes disrupting destinations to the Caribbean. Hurricanes such as Ike severely damaged retail facilities at ports in Turks and Caicos for nearly a month. In addition, Hurricane Ike consequently shut down cruise terminal ports in Galveston, Texas, for nearly two months due to landfall. The biggest factor in decline of the United States embarkment was the transfer of Pride of Hawaii and the Pride of Aloha by Norwegian Cruise Lines. This resulted in a decline of more than 200,000 passengers, which accounts for 75 percent of net decline of passenger embarking from the U. S. ports (CLIA, 2008). The growth of the industry spending including passenger and crew has slowed to 2 percent to \$19.07 billion in 2008. This was the weakest growth in domestic spending since BEA began compiling these statistics (CLIA, 2008). The expenditures by the cruise lines including wages and taxes totalled to \$15.67 billion which accounted for 82 percent of spending. This was the weakest growth in the cruise line expenditure since 2001.