

CGG30 Unit 2: Tourism and the Economy

Activity 7: Economic Disparities

Overview

You will learn about Caribbean destinations and their reliance on tourism and how it creates economic disparities among those working in the tourism industry and those working in other industries. You will learn about the life cycle of destinations and how they begin, grow and develop. You will read a case study and answer questions about Antigua and its stages of the life cycle of destinations.

Lesson



In Cuba, these taxi drivers can make more money than the doctors and lawyers. There are professionals working in the tourism industry all over Cuba because they earn more doing hospitality-type jobs than working in their professional trades. There are many reasons why this is the case. Cuba's reliance on tourism is one reason and another is the government's dictatorship and control of funds.

In this activity, you will be reading about Antigua, another Caribbean island that has seen economic disparities. Places like this that are reliant on tourism, have economic disparities or are trying to develop their area to be more focused on tourism will often have a cycle of development or a 'life cycle' that can be broken into 6 stages.

The Life Cycle of Destinations

<p>1. Explorations Stage - at this stage tourists have yet to discover it, considered remote and exotic by adventure tourists, with few amenities and the possibilities of expansion.</p>	<p>4. Consolidation - at this stage the destination is part of the domestic and international tourist industry and is critical to the economics of the area. Large proportion of employment is in tourism and the investments include domestic and foreign.</p>
<p>2. Involvement Stage - at this stage tourist numbers increase, infrastructure develops such as airports, accommodations and attractions. Employment expands into direct and indirect jobs and the place becomes more known.</p>	<p>5. Stagnation - at this stage the area loses its attractiveness, becomes overused and there is overcrowding. Facilities are no longer being planned or developed.</p>
<p>3. Development Stage - at this stage there is rapid growth in tourism investments, number of jobs increases as demand for services and amenities increases. Promotion campaigns increase, effects on landscapes are present and improvements to infrastructure and elaborate accommodations are made. Sometimes, tourists outnumber local population, labour is imported and tourists targeted range from average to the elite.</p>	<p>6. Rejuvenation? Stability? Decline? - at this stage the area has to diversify and bring in superstructures or other additional attractions otherwise it will not rejuvenate.</p>

Assignment

Case Study – Antigua

The Caribbean is the ultimate getaway destination for millions of people each year. The histories of the islands in the Caribbean are all different and most of them made the switch to tourism at different times and in different ways in their specific histories. All of the islands though, have gone from being agriculturally-based economies to tourism-based economies. Today, you are going to read about Antigua and its history.

Antigua is famous for its irregular coastline, bays, coves and reefs. It has some of the whitest sand beaches in all of the Caribbean. Antigua used to rely heavily on sugar as its main industry. They also produce cotton, fruit, vegetables and have livestock. Most of the produce is not exported. They also have a small manufacturing industry that accounts for 5 % of the GDP.

In 1968 a deep water facility was completed in the St. John’s harbour (the capital) to allow for cruise ship docking. In 1970, an old existing airport was upgraded to allow all types of aircraft to land. There are now direct flights into Antigua from Europe. This helped to expand the tourism sector and allow larger aircraft from further away to land. Until that happened, only tourists from the Americas could land.

Here are some hotel statistics that illustrate the development:

Year(s) of Development	Number of Hotels
1950	1
1960	7
1970	19
Today	35

Antigua receives over 411 000 tourists each year and over 230 00 short-stay or cruise ship visitors. About 50% of all the employment is in the tourism industry. They have at times even had a shortage of trained staff and have had to contract out to foreign firms. This has also allowed foreign investors to invest in manufacturing as well. About 50% of the ownerships of manufacturing facilities are local Antiguans.

All of this development and infrastructure took a toll on some of the reefs and ecology of the region. In recent years though, conservationists are coming forward and making necessary adjustments. Because of conservationists, most of the more recent high density developments have retained their natural beauty.

A national park, which was basically unheard of in the Caribbean was planned and started in the late 1980s with a focus on the park being maintained locally and not foreign owned, in order to ensure employment benefits were brought to the local people. A National Park Authority was born and what came with it was a 'tourism authority'. This helped create and maintain local jobs, industry, the environment and diversify the economy at the same time. The annual revenues are now around \$5 million per year and over 20 new, locally-owned businesses were opened.

St. John's, the capital has maintained its eighteenth-century streets but has become crowded. Heritage Quay now has a casino and shops filled with luxury imports, duty-free goods, t-shirts, straw items and wood carvings. They also have a few old fort buildings that they restored for tourists to visit.

In 1992, Antigua began to diversify its economy. It is developing its fishing industry and attempting to expand its light manufacturing industry as well. New hotel construction in 1999 and a completely new telephone system in 2000 were some of the recent changes. A series of hurricanes since 1995 has damaged the tourist infrastructure and resulted in fewer numbers of visitors.

In 2006 a new Interactive Tourism Program was introduced. The Interactive Tourism Program has four major components comprising of the Garden Tour where visitors are given a firsthand experience walking around the property to view the various types of flora and fauna. Also there is an interactive cooking and craft program where the guests are shown how to prepare simple local dishes with Antiguan ingredients such as Cavalier Rum and how to make local craft items with natural products such as coconut stems. The final aspect is the Heritage Tourism Lecture that highlights various facets of the island's history in a dynamic presentation.

In conclusion, though the island of Antigua has had its share of ups and downs, it has remained one of the top tourism destinations of the Caribbean. The future is uncertain for Antigua, as any place that is so reliant on tourism, but they certainly have developed, conserved and diversified their economy.

Assignment Questions

1. What does Antigua have to offer as a tourist destination?
2. At what point in the case study would you say was the major turning point for the success of Antigua? Please provide evidence to back up your answer.
3. What did Antigua do to begin to diversify its economy in 1992?
4. In Antigua, the introduction of the National Park really helped control their environmental concerns since more regulations were put in place. If the beaches were to become overcrowded because of their popularity what would you suggest the newly formed 'tourist authority' do to help control the problem? Create a 5-point plan to deal with the side-effects of overcrowding on the beaches. Make sure to explain each point and include specific examples.
5. Create a flyer to promote Antigua as a tourist destination. Make sure to include a unique slogan, images and 4 important points of information that you have learned from the case study above.