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**The Caribbean Tourism Industry in
the 21st Century: An Assessment**

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I The Role of the Tourism Industry in Caribbean Countries

Introduction

The Caribbean is the most tourism-dependent region of the world. Indeed, although other industries including bauxite, petroleum, sugar and international banking make significant economic contributions in Caribbean countries, the region is highly identified internationally in terms of its very image with the tourism industry. The high dependence on the tourism industry may be illustrated by reference to some key indicators showing its relatively high economic contributions. Five out of the top ten countries and 12 out of the top 25 countries in terms of the value added contribution of this industry to total GDP are Caribbean countries (WTTC data). Similarly, 12 out of the top 25 countries in the world in terms of the average percentage of visitor export receipts in total exports of goods and services for 2006-11 were from the Caribbean (see figures 1-3 below). With an average value-added contribution of the tourism industry to GDP of five percent over that period, the Caribbean Region was second only to North Africa which had a contribution of 5.2 percent. If we use a broader measure of economic activity, such as the total value-added contribution which takes into account indirect and induced contributions, the figure of 19 percent for the Caribbean Region is almost three times the world average and considerably higher than those of other regions.

It is arguable that tourism has made a major contribution to the process of modernization of Caribbean countries over the last five decades. The need to compete in a global industry catering to a typically sophisticated clientele from more advanced countries imposes demands for high standards of service, functioning utilities and good infrastructure. It is also a good complement to human resource development, responding to the high standards of Caribbean countries and at the same time encouraging further development.

The empirical literature is revealing in terms of the contributions of tourism activity to GDP growth globally as well as in particular regions and countries. With tourism being practised in such a large number of countries, this industry is highly competitive. Consequently, one possible benefit of the tourism industry is that it tends to foster efficiency because of the force of unavoidable international competition. Significantly, the tourism industry is characterized by large firms (hotel chains, travel agencies, restaurants, etc.) that operate in many countries and therefore are in a position to influence policy across national boundaries (Chou, 2013).

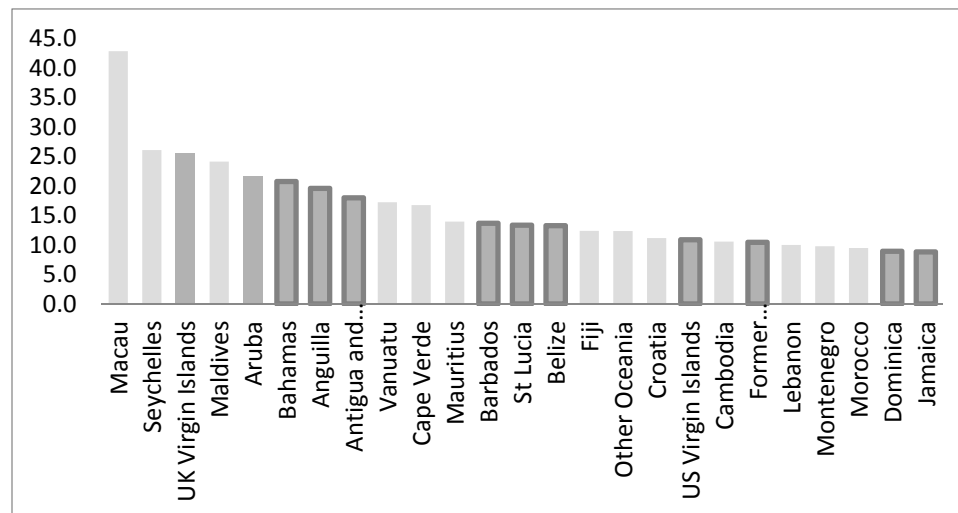
This paper attempts to make a broad assessment of the state of the Caribbean tourism industry as part of general efforts to pursue engines of growth to boost growth and stability in the sluggish economies of the region. While tourism is important to the region as a whole, there is much variation in its importance in individual countries. On the high end are the traditional tourist destinations like The Bahamas, Barbados, Jamaica and most of the OECS countries, while at the other end are countries like Guyana, Trinidad and Tobago and Suriname where

other industries dominate. In most of the countries, however, whether they are traditional tourism-led countries or not, there is a recognition of the importance and potential of this industry. There is therefore a common interest in understanding the performance conditions and factors impacting this industry.¹

With tourism being such a major industry in some Caribbean countries, it is natural to expect that its performance will provide a foundation for economic growth and stability in Caribbean economies. However, recent empirical literature has called into question the automatic assumption of a positive relationship between tourism and growth by way of the ‘tourism-led growth’ (TLG) hypothesis which examines the magnitude and direction of the link between these two variables. As part of our assessment of the state of Caribbean tourism, this paper will present a review of applications of that literature to the Caribbean region.

By virtue of the fact that tourism provides tradable services, this industry represents a strong link to the global economy. Consequently, it acts as a major channel of influence by which the general economic fortunes of many countries of the region are directly influenced by international volatility. For example, as with recent downswings and crises in the international economy, adverse economic shocks have effects in Caribbean countries via the performance of the tourist industry.

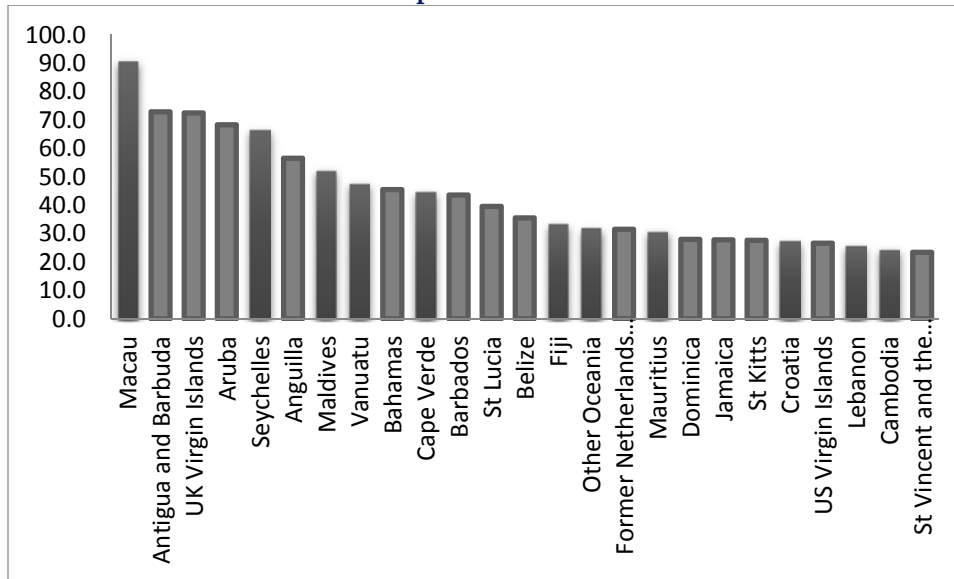
Figure 1. Contribution of Tourism and Value Added to GDP: Top 25 Countries



Source: World Travel and Tourism Council

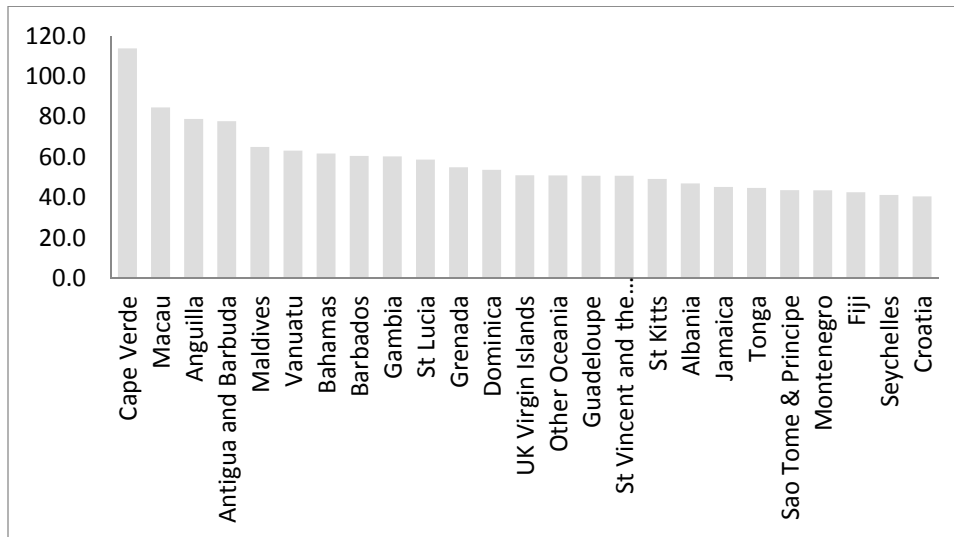
¹ Evidence of the strong policy-level support for the tourism industry is found in the Bahamas Prime Minister’s speech delivered to the opening of the 36th Annual CARICOM Heads of Government Conference in Barbados, on 2 July 2015 in which he said: “tourism ... deserves much more attention at our regional meetings”, and cited the industry as “the fastest path to reducing unemployment in our region and ... reducing debt burdens” (see <https://www.onecaribbean.org/bahamas-prime-minister-perry-christie-on-caribbean-tourism/> (Caribbean Tourism Organization, 2015)).

Figure 2. Total Direct, Indirect and Induced Tourism Contribution to GDP: Top 25 Countries



Source: World Travel and Tourism Council

Figure 3. Tourism Receipts as Percentage of Export Earnings: Top 25 Countries



Source: World Travel and Tourism Council

Plan of the paper

The paper will proceed with a description of the Caribbean tourism industry in Section II to set the stage for the assessment by outlining the diversity of country types in the region and their basic characteristics. Section III will sketch the outlines of the Tourism-led Growth hypothesis. Section IV will examine some key indicators to obtain an assessment of the performance of the Caribbean tourism industry regionally and in individual countries. In Section V we look at a group of Caribbean countries to derive a sense of the relevance of pricing trends in tourism industry performance. Finally, Section VI will provide some concluding remarks. This paper also provides two annexes containing the Caribbean arrivals and tourist spending data that have been used in this paper.

II Description of the Caribbean Tourism Industry

Caribbean countries are diverse in terms of the conditions and institutional structures which are relevant to the examination of tourism performance in the region. Table 1 has been compiled to show some basic features of country size and the importance of tourism to begin with. For the purpose of this study, 'Caribbean countries' will refer to the member countries of the Caribbean Tourism Organization (CTO), with Venezuela being excluded because of its size and industrial characteristics that distinguish it from the other countries, and Montserrat being excluded because of the way its attention has been diverted to recovery from the volcanic eruption in recent years. The main data sources for the study are the CTO, the UN World Tourism Organization (UNWTO) and the World Travel and Tourism Council (WTTC).

The Caribbean countries included in this study fall into four linguistic groups: Dutch, English, French and Spanish (see Table 2). The linguistic groupings are significant partly because they influence the source markets for tourists, with the Dutch and French countries especially attracting high proportions of visitors from Europe, the English countries depending mainly on visitors from North America and the UK, and the Spanish countries depending mainly on North American visitors. The Spanish countries are also larger in absolute size leading to higher scales of operations.²

Table 1 shows the high importance of tourism with ten countries having shares of total GDP for the industry of over 10 percent. Although the tourism value added shares may not appear to be very high, for most of the Caribbean countries tourism plays a central role in economic activity. Typically in the traditional tourism-led countries, the sectors that contribute more to GDP than tourism are mainly non-tradable services including wholesale and retail trade, real estate business, finance and insurance, and public administration.³

² Haiti is also a large country in the region but without a well-established tourism industry.

³ Source:

<http://www.caricomstats.org/Files/Publications/National%20Accounts%20Digest/NationalAccounts2014.pdf> (Caribbean Community Secretariat, 2015). Tourism is not separated as a major sector in the

Consequently, tourism plays a critical role not only as a source of income but also as the basis for external stability in these highly open economies. Table 1 also shows the heavy dependence of this group of countries on tourism as a source of foreign exchange earnings. For ten of the countries tourism delivers more foreign exchange earnings than all other exports of goods and services combined while the average share of tourism in total export earnings for the group is 39 percent.

system of national accounts. We use the category 'hotels and restaurants,' limited as it is, to represent tourism.

Table 1. Selected Country Data

Country	Tourism Value-added /GDP (2006-11) (%)	Tourism earnings /Total Exports (%)	Population (2013)
	%	%	Persons
Anguilla	19.6	78.9	14300
Antigua & Barbuda	18.0	77.8	89985
Aruba	21.6	29.8	102911
Bahamas	20.8	61.8	377374
Barbados	13.7	60.6	284644
Belize	13.3	34.4	331900
Bermuda ⁴	6.7	19	64237
Cayman Is.	6.1	18.3	58435
Cuba	2.8	19.3	11265629
Dominica	8.9	53.7	72003
Dominican Republic	5.3	37	10403761
<i>Former Netherland Antilles⁵</i>	10.5	36.7	223123
Grenada	6.5	54.9	105897
Guadeloupe	2.2	50.8	403750
Guyana	4.1	5.9	799613
Haiti	2.2	24.3	10317461
Jamaica	8.8	45.2	2783888
Martinique	2.3	32.5	386486
Puerto Rico	2.2	4.7	3688318
St. Kitts-Nevis	7.9	49.2	54191
St. Lucia	13.4	58.8	182273
St. Vincent & Grenadines	6.6	50.8	109373
Suriname	1.8	4.4	539276
Trinidad & Tobago			1341151
UK Virgin Is.	25.5	51	28341
US Virgin Is.	10.9	8.8	106405

Sources: WTTC and UNSTA online tables

⁴ 2010 population figure.

⁵ Bonaire, Curacao, Saba, St. Eustatius and St. Maarten.

If we define large countries as those with a population over one million, the group includes six large countries: Cuba, the Dominican Republic, Haiti, Jamaica, Puerto Rico and Trinidad and Tobago. It can be expected that these countries have a more diverse resource base and therefore may have less of a critical dependence on tourism. Not surprisingly therefore, the value added contribution of tourism in these countries is found to vary in the 2 – 9% range, which is below the average for the group of countries. Although the larger countries show lower figures for the contribution of tourism value added to GDP, the absolute sizes of their tourism sectors make them major players in the regional industry. For example, Anguilla with tourism earnings amounting to 78 percent of total export earnings had 547 rooms in 2010 compared to 66,790 rooms in the Dominican Republic, 28,304 rooms in Jamaica, 15,153 in the Bahamas and 6,775 in Barbados.

Table 2. Selected Caribbean Countries by Linguistic Grouping

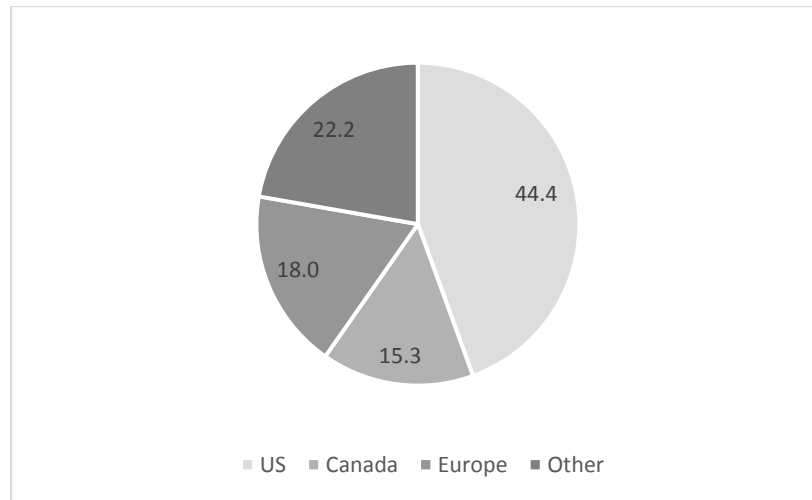
Dutch	English	French	Spanish
Aruba	Anguilla	Guadeloupe	Cuba
Bonaire	Antigua and Barbuda	Haiti	Dominican Republic
Curacao	The Bahamas	Martinique	Puerto Rico
Saba	Barbados		
St. Eustatius	Belize		
St. Maarten	Bermuda		
Suriname	British Virgin Is.		
	Cayman		
	Dominica		
	Grenada		
	Guyana		
	Jamaica		
	Montserrat		
	St. Kitts & Nevis		
	St. Lucia		
	St. Vincent & Grenadines		
	Trinidad and Tobago		
	Turks & Caicos		
	USVI		

Guyana and Suriname stand out as small countries with relatively large land masses where tourism has not traditionally been a leading industry and is therefore relatively small. Guadeloupe and Martinique also have low GDP contributions which may be related to their institutional arrangements as French Departments. Cuba is a special case not only because of its size but more especially because the US-led embargo that it operates under impacts the level and pattern of economic activity in this sector.

Tourism arrivals in the Caribbean are dominated by three main source markets, namely the US, Canada, and Europe, with the US being the leading one. As figure 4 illustrates, 44 percent of Caribbean tourists originated in the US, 18 percent came from Europe, 15 percent from Canada and the remaining 22 percent were from 'other' countries in 2014, which is typical. Although this ranking of source markets holds for most countries, exceptions include Antigua and Barbuda, Barbados, Curacao, Dominica Grenada, Guyana and Suriname. The leading market for Barbados and Antigua and Barbuda, Curacao and Suriname is Europe, overwhelmingly the UK for the first two, and The Netherlands for the last two. The category of 'other' countries typically reflects the often overlooked importance of tourists from other countries within the Caribbean. This is especially important for Curacao, Dominica, Grenada, Guyana and Suriname. Particularly in the cases of Curacao, Guyana and Suriname, the high numbers in this category is also attributable to a rising interaction with Brazil and other South American neighbors.

The pattern of major source markets for tourists has major implications for the performance of the industry in the Caribbean and for policies to strengthen the industry. It indicates the close economic links which these countries have with the global economy and the underlying vulnerability to economic shocks that originate in the source markets. In addition, the concentrated pattern with essentially three countries (US, UK, and Canada) accounting for around 70 percent of total arrivals to the region raises the question of what can be done to diversify markets and thereby increase the resilience of the regional industry. As the composition of global tourist spending shifts toward China and other emerging markets, the continued reliance on the traditional markets comes under question. It becomes a question of what cost-effective strategies can be used to diversify the market as part of a growth strategy.

Figure 4. Caribbean Arrivals by Major Market Share, 2014



Source: Caribbean Tourism Organization

The Caribbean tourism product is by its nature essentially a leisure product. The 2015 WTTC report indicates that tourist spending on leisure activities in the Caribbean amounted to 90.6 percent of total spending with business spending accounting for the remaining 9.4 percent. Caribbean tourism also caters overwhelmingly to foreign tourists with 70 to 80 percent of total spending for the region as a whole being done by tourists from outside the region.⁶

So far we have focused on stopover tourism to the exclusion of cruise tourism which is very important in the Caribbean. For example, in 2014, the total number of cruise arrivals in Caribbean countries amounted to 20.6 million compared to 22.2 million stopover arrivals. For research purposes, cruise tourism tends to get less attention than stopover tourism chiefly because its value added contribution to the host economy is lower than that for stopover tourism, and it is less subject to domestic policy-making because of its international nature. It is clear that this area deserves more detailed research in order to inform policy-making in this area and strengthen the hands of governments in their negotiations with international operators. However, for the purposes of this paper the focus will be exclusively on stopover tourism, mindful that some of the conclusions will be relevant with regard to cruise tourism also.

⁶See (World Travel and Tourism Council, 2015); <http://www.wttc.org/-/media/files/reports/economic%20impact%20research/regional%202015/caribbean2015.pdf>

Table 3. Tourist Arrivals by Major Markets, 2014

	US	%	Canada	%	Europe	%	Other	%	
Anguilla	45,446	64.1	3,709	5.2	7,968	11.2	13,804	19.5	70927
Antigua	95,332	38.2	27,701	11.1	91,277	36.6	35,006	14.0	249316
Aruba	576,783	53.8	43,767	4.1	80,155	7.5	371,377	34.6	1072082
Bahamas	1,102,493	77.5	144,101	10.1	82,712	5.8	92,554	6.5	1421860
Barbados	118,508	22.8	65,813	12.7	231,559	44.6	103,718	20.0	519598
Belize	199,321	62.1	26,397	8.2	38,904	12.1	56,595	17.6	321217
Bermuda	159,326	71.0	29,120	13.0	22,813	10.2	12,987	5.8	224246
Cayman	287,969	75.2	24,908	6.5	36,405	9.5	33,534	8.8	382816
Cuba ¹	-		1,174,972	39.1	730,304	24.3	1,096,682	36.5	3001958
Curacao	52,942	11.7	12,406	2.8	185,446	41.1	200,159	44.4	450953
Dominica(a)	17,900	25.0	2,684	3.7	13,291	18.6	37,744	52.7	71619
Dominican R.	1,784,486	34.7	706,394	13.7	1,183,784	23.0	1,466,713	28.5	5141377
Grenada	35,313	26.4	13,270	9.9	31,292	23.4	53,645	40.2	133520
Guyana	84,103	40.9	26,681	13.0	11,107	5.4	83,933	40.8	205824
Haiti(a)	317,371	75.9	32,606	7.8	36,703	8.8	31,498	7.5	418178
Jamaica	1,296,457	62.3	419,898	20.2	261,081	12.6	102,745	4.9	2080181
Montserrat	2,041	23.2	678	7.7	2,433	27.6	3,652	41.5	8804
Puerto Rico	1,538,508	91.1	21,670	1.3	36,001	2.1	92,293	5.5	1688472
Saint Lucia	142,746	42.2	41,502	12.3	93,610	27.7	60,300	17.8	338158
St. Kitts-Nevis	64,223	61.3	8,153	7.8	10,835	10.3	21,519	20.5	104730
St. Maarten	266,611	53.3	51,146	10.2	106,848	21.4	75,315	15.1	499920
St. Vincent & Gr..	19,838	28.1	7,203	10.2	20,784	29.4	22,888	32.4	70713
Suriname	7,797	3.1	1,826	0.7	113,261	45.0	128,727	51.2	251611
Trinidad & Tobago	158,501	38.4	54,877	13.3	79,839	19.4	119,320	28.9	412537
Turks & Caicos(a)	297,309	80.8	38,767	10.5	8,475	2.3	23,613	6.4	368164
TOTAL	8,671,324	44.4	2,980,249	15.3	3,516,887	18.0	4,340,321	22.2	19,508,781

Source: CTO Statistics; a: Jan.-Nov.

III Empirical Evidence of Tourism-Led Growth

It is reasonable to expect that tourism activity would tend to have a positive impact on economic growth given the fact that its proceeds contribute to all the components of aggregate national expenditure: consumption, investment, government spending and net exports. In addition, it has potentially large spillover effects in terms of its impact on the balance of payments, employment, tax revenue and generation of activity in other industries. Nonetheless, it is also conceivable for tourism to have a negative impact on economic growth where, for example, tourism expansion may increase the relative price of non-traded goods with positive effects on revenue, with that price increase leading to a lowering of demand for capital used in the traded goods sector and subsequent de-industrialization in that sector. In addition, tourism activity may put upward pressure on general price levels resulting in lower overall employment and welfare (Chou, 2013) (Chao, et al., 2006). It is therefore essentially an empirical matter whether the overall impact of tourism on GDP in a particular country is positive or not.

A considerable literature has sprung up over the last two decades to explore the hypothesis, commonly referred to as the tourism-led growth hypothesis (TLG), that tourism has a significant positive impact on GDP growth (Pablo-Romero & Molina, 2013)⁷. This literature consists of various tests of the hypothesis in different countries and groups of countries to determine the existence of a relationship between tourism growth and economic growth, and whether the relationship, if any, is positive or not. However, another significant possibility pursued by the literature is for the causal relationship to be reversed, with aggregate economic development impacting the growth of the tourism industry. The typical explanation is that economic growth may be accompanied by a policy environment and improvements in infrastructure and human capital standards that provide favorable conditions for tourism growth. To test for this alternative hypothesis, referred to as the economic-driven tourism growth hypothesis, studies typically employ Granger-type causality tests to determine whether causation flows from tourism to growth or the other way around.

Investigation of the TLG hypothesis has been pursued using the gamut of methodologies including time-series, panel-data, and cross-section studies, computable general equilibrium models and Cobb-Douglas production functions. The research has mostly examined the existence of a relationship between GDP growth and tourism growth (often using cointegration methods) with some attention to the direction of causation between the two.

In a comprehensive review of the literature on empirical studies of the TLG hypothesis, Pablo-Romero and Molina (2013) analyzed a large number of studies which were grouped in terms of time-series, panel-data and cross-section methodologies. The evidence overwhelmingly favoured the TLG hypothesis. Out of 63 time-series studies they found that 41 supported the validity of the hypothesis, 12 found the existence of a two-way relationship between GDP

⁷ Pablo-Romero and Molina 2013 carry a useful survey of this literature.

growth and tourism growth (i.e., tourism boosting GDP growth and the latter creating feedback growth of tourism value added), 8 found an inverse relationship (causation from GDP growth to tourism growth) and two found no support for any relationship. Out of 20 panel-data studies, 14 supported the hypothesis, 4 found a two-way relationship, one found an inverse relationship and one found no support for any relationship. Finally, there were only four cross-section studies considered with three finding in favor of the TLG and one finding no relationship. Although there was a smaller number of panel-data and cross-section studies, these had the advantage of including a larger number of countries and more variables. It should be noted that although the evidence favors the validity of the TLG hypothesis, there was doubt whether tourism contributed to long-term development through the strengthening of technological innovation and investment.

In terms of the factors underlying the relationship, a number of noteworthy aspects emerge. The leading factor in favor of a strong impact of tourism on growth is specialization, i.e., the higher the share of tourism value added in total GDP, the stronger the TLG impact. Although country size, per se, does not count as a significant factor, it is observed that the more specialized countries tend to be smaller and they indeed tend to show higher overall growth. It was also observed that higher specialization in tourism was associated with higher levels of education of working-class employees. There was some indication that countries starting from a smaller economic base showed faster tourism-led growth, with low and medium-income countries showing more positive results while the evidence was weaker in the case of high income countries. The studies explored the effects of other factors including economy size, the absolute size of tourism value added and the wealth of the population. None of these factors was found to be significant, leading to the conclusion that tourism can stimulate real per capita economic growth in countries big or small, rich or poor, large or small economies, or those with high or low tourism GDP.

The finding among a substantial number of studies of a feedback effect of GDP growth on tourism is noteworthy, which may be interpreted to imply the importance of public policy aimed at providing good infrastructure and general conditions for the industry. In general, the magnitude of the impact of tourism as an engine of growth depends significantly on domestic economic structure, i.e., whether the economy is dominated by small or large firms, the level of openness to international competition, and the strength of inter-industry linkages within the economy. There are also indications that the performance of tourism industry is highly influenced by general macroeconomic conditions in the world at large. The tourist industry is found to be highly vulnerable to exogenous factors such as international economic shocks, natural disasters and political instability. Evidence of this is found in the negative impact of the industry in 2001-3 following the 9/11 event in 2001 and SARS outbreak in 2003, and the downturn in 2008-9 which is attributable to the effects of the international financial crisis and the swine flu and bird flu scares at that time. The evidence shows that tourism GDP is more highly affected by these kinds of events than overall GDP but the industry also shows resilience, bouncing back quickly in 2004-7 and after 2010 (Ivanov & Webster, 2013).

Some of the studies used international arrivals as the variable to measure tourism activity on the implicit assumption of a close relationship between arrivals and the economic contribution of the industry. This assumption has been brought into question as there is evidence that increased arrivals may be associated with lower earnings per tourist arrival, which may be explained by discounting of accommodation rates and other prices, or even whole-scale currency devaluation aimed at boosting the industry. There is the implication that though price-cutting in different forms may result in higher numbers of arrivals, the outcome may be reductions in the total earnings of the industry. This issue is explored further in Section V of this paper.

Apergis and Payne (2012) carry out a test of the TLG hypothesis in Caribbean countries with significant results. Apergis and Payne investigate the TLG hypothesis and test the causal relationship between tourism growth and economic growth for nine Caribbean countries over the period 1995-2007, using panel cointegration tests. The model tested has GDP per capita as a function of the real exchange rate and the number of international travel arrivals per capita. The nine countries, chosen on the basis of data availability, are Antigua and Barbuda, Bahamas, Dominica, Dominican Republic, Grenada, St Kitts and Nevis, St Lucia, St. Vincent and the Grenadines and Trinidad and Tobago. Of these countries, all except the Dominican Republic, St. Vincent and the Grenadines and Trinidad and Tobago show numbers of annual arrivals that are higher than their populations, which is taken as an indication of their specialization in tourism.

The main finding of Apergis and Payne 2012 is that tourism growth has a long-run positive equilibrium impact on GDP performance, i.e., the TLG holds for these countries. In addition, they find that per capita GDP also has a positive impact on international tourist arrivals per capita, indicating bidirectional causality between tourism activity and economic growth in these countries. This is a very significant result which indicates not only the importance of the industry in Caribbean countries, but also underlines the importance of a supportive policy environment and conducive conditions such as good infrastructure and other service standards for the growth of the industry.

IV Performance of the Caribbean Tourism Industry

With tourism being so important to economies in Caribbean countries, the performance of this industry plays a major role in overall economic performance in this region. One way to judge the performance of the regional tourism industry is to see how well it is keeping up with the growth of the industry worldwide. For this purpose, this paper will look at the trends of tourist arrivals and earnings in the Caribbean relative to global performance trends. While it will not be possible to draw firm conclusions based on the statistical analysis to be presented, it is expected that a narrative about tourism performance in the Caribbean will emerge that will be useful for policy purposes and as a guide to further research. We shall proceed by taking the Caribbean region as a whole and making comparisons with other regions, conscious that Caribbean averages cover ranges of variable performances. We shall then examine the performances at the country level to see what further insights can be learned.

Regional Comparisons

On the basis of available data from the World Travel and Tourism Council, it is possible to consider the average annual growth rates of tourism receipts of the major regions of the world over the period 1990-2012. As Table 4 shows, the Caribbean Region recorded the lowest growth rate of receipts over that period with average annual growth at 4.9 percent. The Caribbean growth rate is also below the global average suggesting that Caribbean countries as a group would have been losing ground in terms of the share of global tourism receipts. This is illustrated by Figure 5 which shows a steady decline in the share of world tourism receipts being obtained by the Caribbean Region from 3.2 percent to 2.1 percent over the period 1988-2012. The figure shows the late 1990s as a period of significant improvement in the market share of the Caribbean Region but consistent decline since the beginning of the 21st century. This may be an indication that the Caribbean industry has been impacted especially severely by recent shocks, particularly the September 2001 terrorist attack in New York and the 2008-09 international financial crisis.

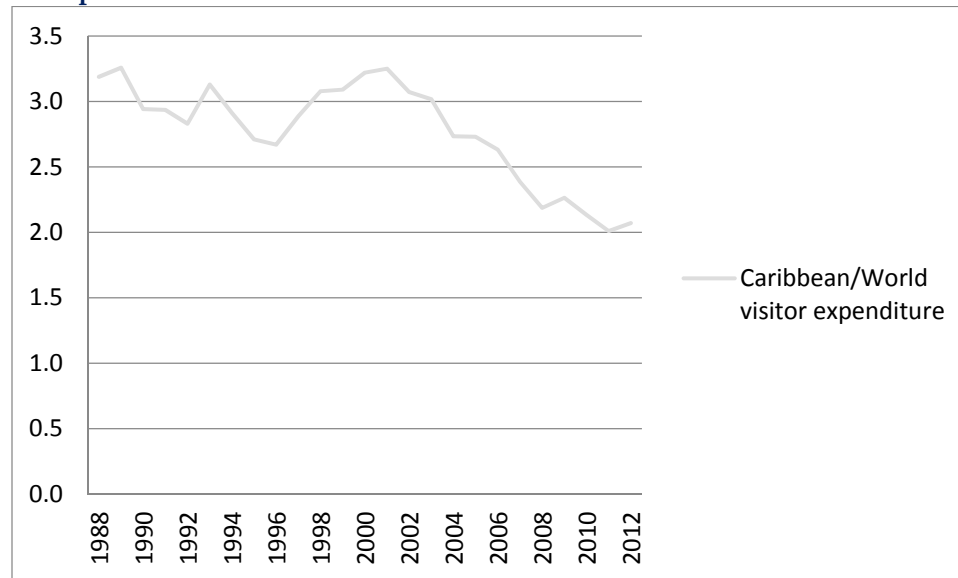
It is significant to observe that in terms of arrivals numbers, the Caribbean Region has not shown the same level of decline indicated by the earnings trend. As Figure 6 indicates, the share of Caribbean arrivals in total world tourist arrivals was at about the same level in 2010 as it was in 1970. The share of Caribbean tourist arrivals showed decline from 1988 to 2010 but at a smaller rate than that of earnings. The arrivals data show a sharp decline in 2001, followed by a quick recovery and subsequent decline from 2003. It is evident that arrivals growth has done better than that of earnings in the last decade and half suggesting the impact of discounting of prices to attract tourists in constrained market conditions.

Table 4. Average Annual Growth Rates of Tourism Receipts by Region, 1990-2012

	Avg. Annual Growth Rate, 1990-2012
Caribbean	4.9
Europe	5.4
Latin America	7.6
Middle East	11.2
North Africa	7.2
North America	5.4
Northeast Asia	10.6
Oceania	6.9
Southeast Asia	8.7
Sub-Saharan Africa	9.3
Africa	8.2
Asia (not including South Asia)	9.8
World	6.6

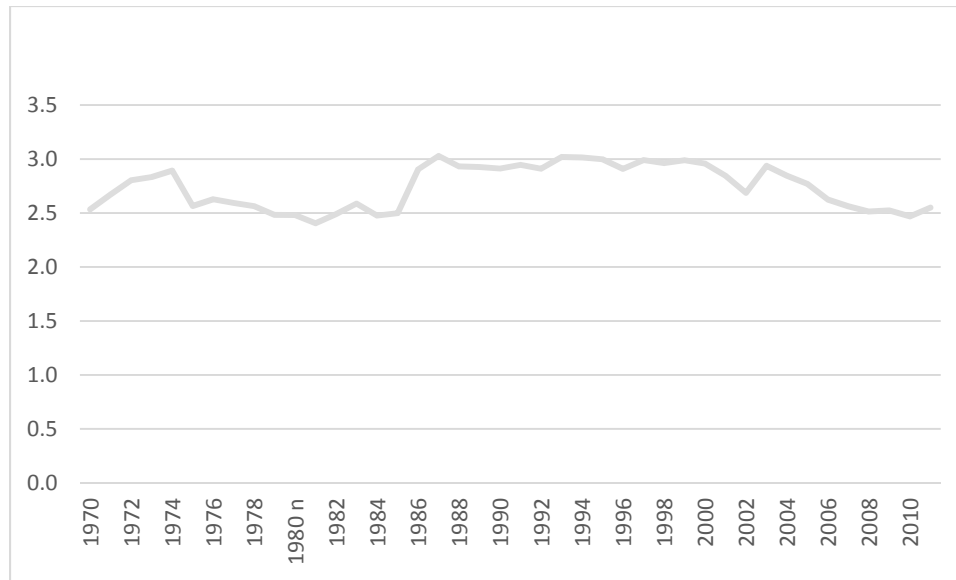
Source: Based on WTTC database data

Figure 5. Tourism Receipts of the Caribbean Region As a Percentage of World Receipts



Source: World Travel and Tourism Council

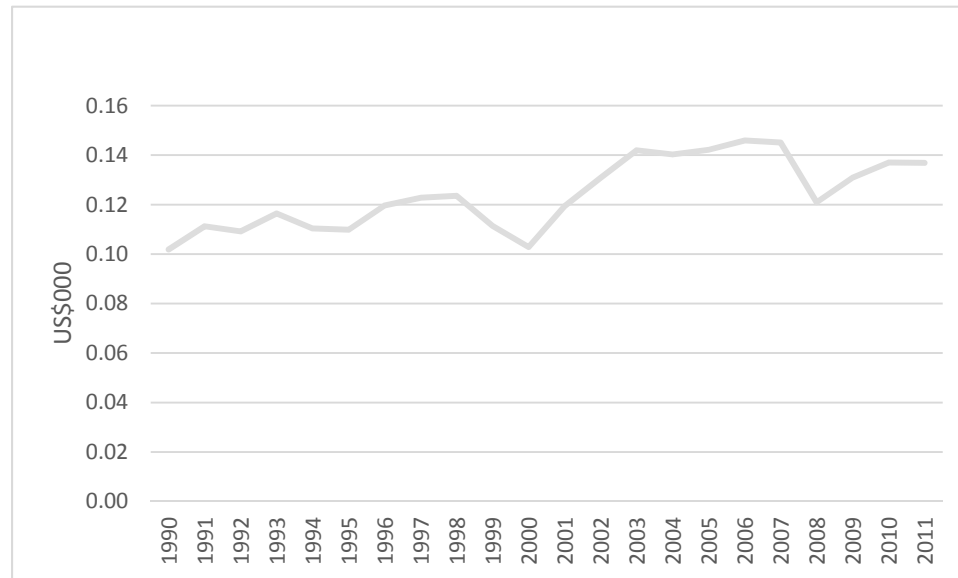
Figure 6. Caribbean Arrivals as % of Global Arrivals (%)



Sources: World Travel and Tourism Council, Caribbean Tourism Organization

While the shares of Caribbean arrivals and earnings have trended downward, average nightly spending per tourist to the Caribbean has shown gradual increase in absolute terms from \$102 in 1990 to \$137 in 2011. As figure 8 shows, this spending dropped sharply after the September 2001 New York attack and the 2008-09 recession, but recovered after either event. Taken altogether, the regional indicators show the Caribbean Region struggling to maintain its share of the world tourist market, significantly impacted by recent international shocks and generally losing ground in terms of its share of the growing world tourism market.

Figure 7. Average Spending per Tourist Night of Stay



Sources: Caribbean Tourism Organization

Country Performance Perspective

Within the regional perspective presented in the section above, there is wide variation in terms of how the tourism industry has performed in individual Caribbean countries. The view in terms of individual countries is valuable, reinforcing and supplementing the insights about the state of the regional tourism industry.

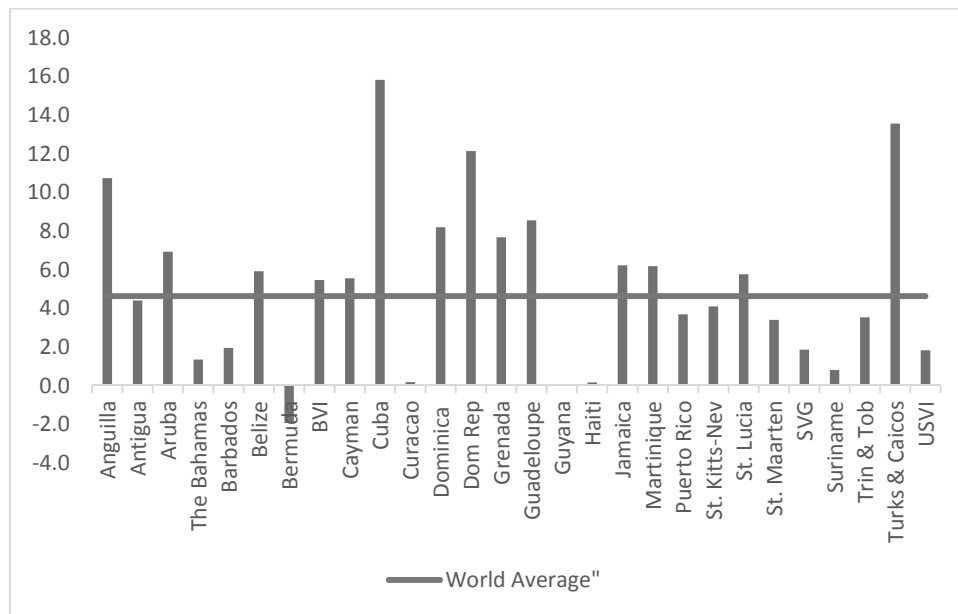
For the most part, the analysis in this section is based on annual data for earnings and arrivals over the period 1980-2014. The data is divided into two periods: 1980-2000 and 2000-2014. The specification of the two periods is useful as we shall see that the Caribbean industry shows distinctly better performance in the early period compared to the more recent one. Among other things, this may be partly attributable to changing composition of the regional industry as more countries give emphasis to tourism to join the more traditional, well established destinations. In this analysis, we use worldwide averages as a key benchmark.

With reference to figures 9 and 10, it is evident that arrivals growth was generally better in the 1980-2000 period than the 2000-14 period. In the earlier period, 14 out of the 28 countries cited show average annual growth of arrivals higher than the global average compared to 10 countries in the later period. It is significant to note that in both periods, but more so in the later period, the traditional tourist countries with long established industries generally show below average growth rates (Antigua and Barbuda, The Bahamas, Barbados, Bermuda, Puerto Rico, St. Kitts-Nevis, St. Maarten, US Virgin Islands). The exceptions include Anguilla, The Dominican Republic, Jamaica and Turks and Caicos which could be described as traditional tourist destinations and have achieved above world average arrivals growth in both periods. Another group of

countries with above average growth may be described as the *newcomers*, including Aruba, Belize, Cuba Curacao, Guyana, Haiti and Suriname, where tourism received major boosts of policy emphasis in the 1980s.

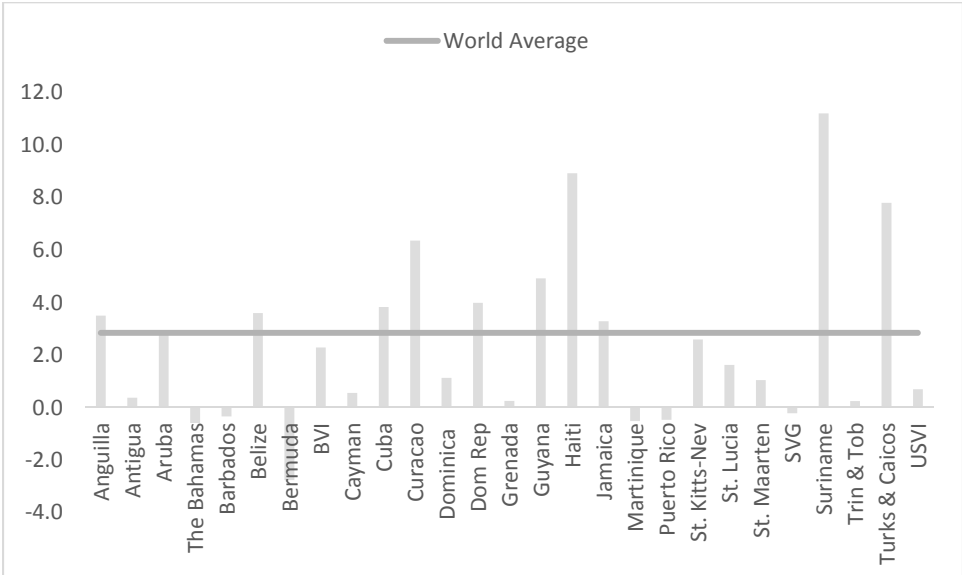
The pattern in terms of which countries are the better performers and the general trend of higher growth in the earlier than the later period is generally replicated when we look at the growth of tourism earnings instead of arrivals (see figures 11 and 12). However, especially in the earlier period, the growth of tourist earnings is higher than the world average benchmark for more of the countries. In the later period only six countries from the group included in this study are above the world average growth benchmark. These comparisons seem to suggest that the more ‘mature’ tourist destinations may be reaching a saturation point in terms of their attractions and may therefore be relying on rising prices to maintain earnings. They suggest a need for these countries to seriously review their tourism industries to ensure that their attractions are being suitably adapted to the changing tastes and circumstances of the global tourist market.

Figure 8. Average Growth Rate of Arrivals by Country, 1980-2000 (%)



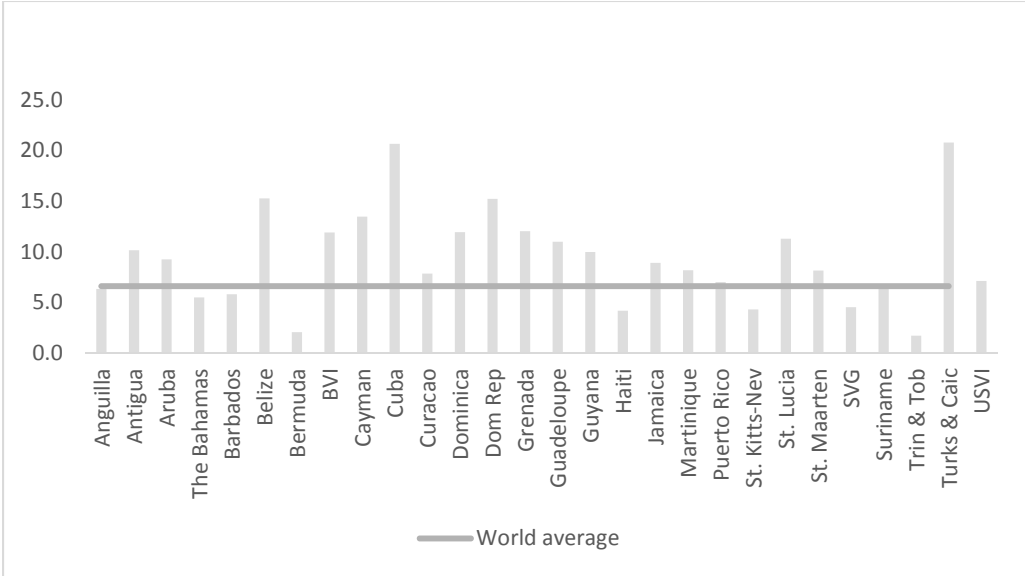
Sources: Caribbean Tourism Organization

Figure 9. Average Growth Rate of Arrivals by Country, 2000-14 (%)



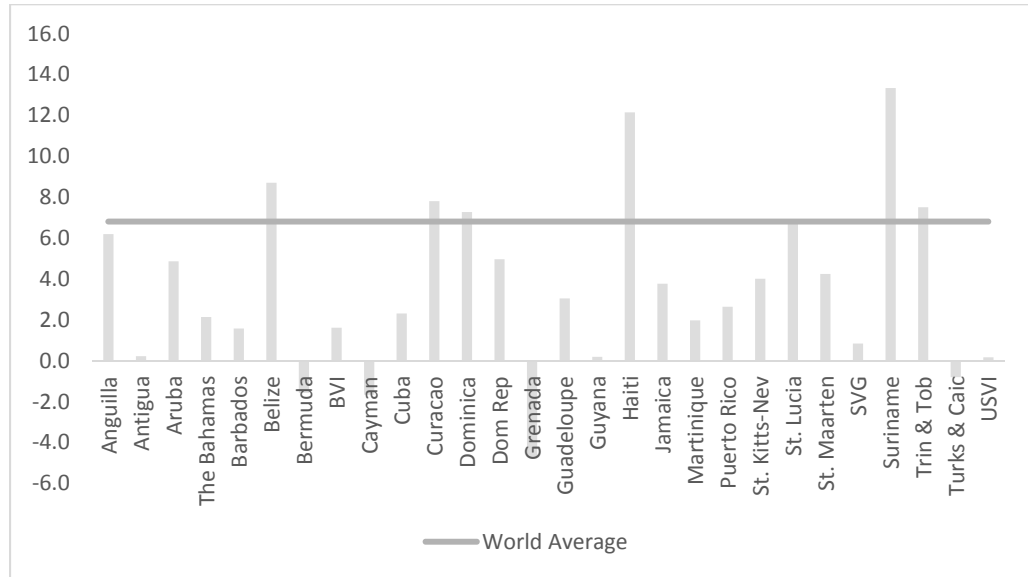
Sources: Caribbean Tourism Organization

Figure 10. Average Growth Rate of Tourist Spending by Country, 1980-2000 (%)



Sources: Caribbean Tourism Organization

Figure 11. Average Growth Rate of Tourist Spending by Country, 2000-14 (%)



Sources: Caribbean Tourism Organization

V Relative Price Factors

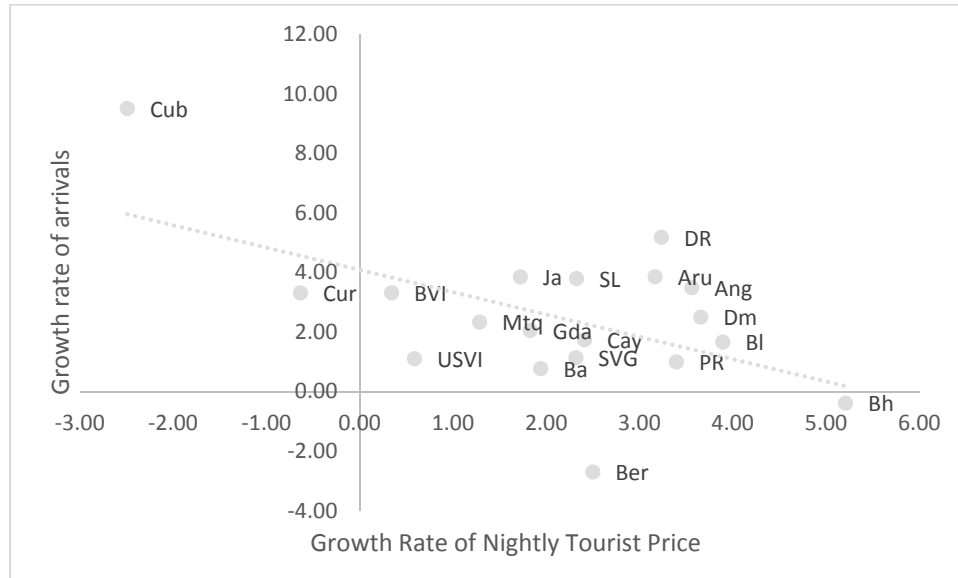
It can be expected that a major factor influencing the growth performance of the tourism industry would be its price competitiveness, i.e., the relative cost of a vacation in a particular destination. We would like to get a sense of the impact of this factor, conscious however that by its very nature, the growth performance of this industry is subject to many other factors some of which are subjective and qualitative. For this purpose, we construct an indicator we call the tourism price calculated as:

$$\text{Tourism price} = \frac{\text{Total annual tourism earnings of the country}}{\text{Total number of annual arrivals} \times \text{Average length of stay}}$$

In figure 13, we plot a scatter diagram of the average annual growth rates of arrivals over the period 1990-2014 on the average annual rate of increase of the tourism price for a group of 19 countries for which the required data are available. Fitting a linear trend line to the scatter points we get a downward-sloping line which is consistent with the idea of declining tourist demand as the tourism product price rises. We also plot the arrivals growth against tourism prices averaged over 2007-11 to see how arrivals growth is related to absolute prices instead of price increases, obtaining a similar downward-sloping trend

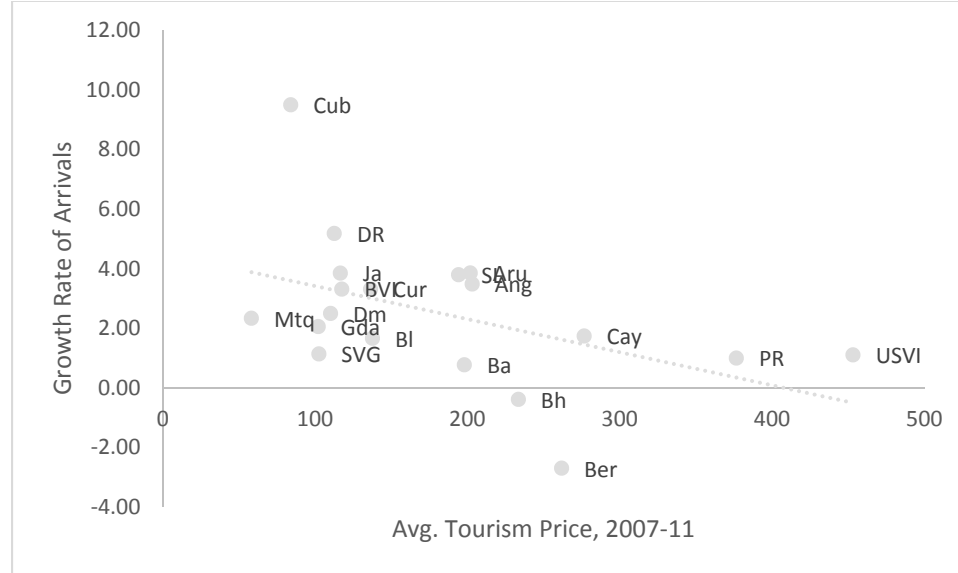
(see figure 14). These downward-sloping trend lines are noteworthy because they are an indication that price factors matter, and matter significantly, in the determination of the performance of tourist destinations. This is a significant finding in the context of the tourism industry where demand may be influenced by a wide array of subjective variables.

Figure 12. Relationship of arrivals growth and average tourism product prices, 1990-2014



Sources: Caribbean Tourism Organization

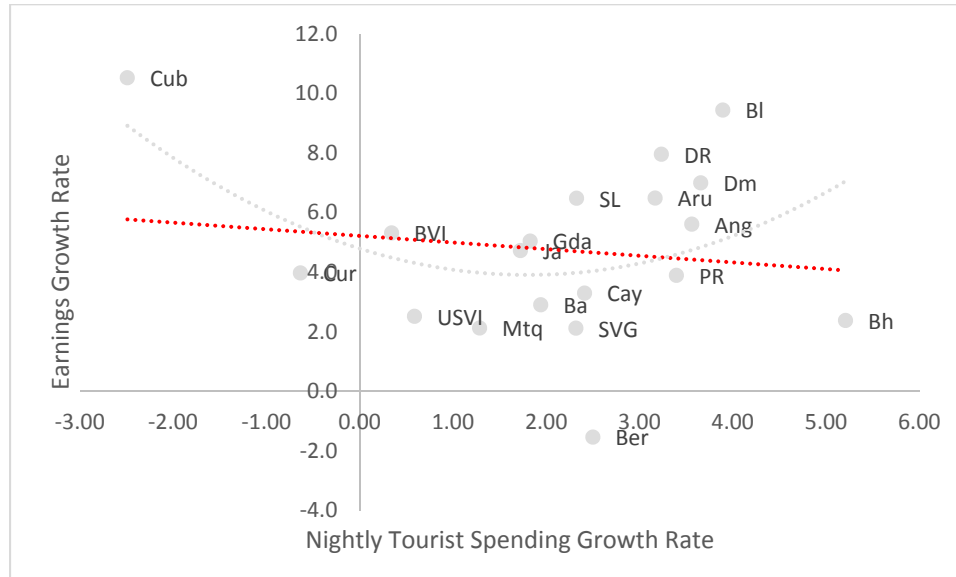
Figure 13. Relationship of arrivals growth and average tourism product prices, 2007-11



Sources: Caribbean Tourism Organization

Finally, in figure 15, we plot the growth rate of tourism earnings against the average rate of increase of the tourism price, obtaining findings that complement the ones above in interesting ways. First of all, the linear trend line obtained is downward-sloping but with a lower gradient than the ones related to arrivals growth, upholding the inverse relationship between tourism price and earnings but a less strong relationship. Furthermore, when a second order polynomial trend line is fitted to the scatter points, a curve is obtained that slopes up to the right. This seems consistent with the conclusion indicated in the section above that while rising prices reduce arrivals, they may be effective in maintaining the buoyancy of total earnings, i.e., there is evidence of price inelasticity in the short run. It may also be partly explained by the relatively high dynamism of the newcomers to the industry such as Belize, Dominica, The Dominican Republic and Aruba which show high rates of increase in the tourism price but are still at lower prices compared to the more mature destinations. It may also be that higher price increases are associated with more improvements in tourism attractions. In general, an important implication of this analysis is that the incentive to maintain the growth of arrivals through higher price competitiveness may be compromised when looked at from the point of view of the producers.

Figure 14. Earnings Growth and Nightly Tourist Spending Trends, 1990-2011



Sources: Caribbean Tourism Organization

VI Concluding Remarks

Tourism remains an important factor in the Caribbean as countries seek after engines of growth to boost development and stability in insecure international conditions. The regional industry has lost ground in terms of its share of the expanding global market with the countries with the more ‘mature’, established tourism industries showing particular sluggishness. Moreover, in the aftermath of recent international shocks affecting the Caribbean industry, there has been an evident tendency for recovery of tourism earnings to lag behind arrivals. This suggests the need for increased investment to upgrade the tourism product and attractions in order to match changes in tastes and the composition of the global tourist market. Empirical evidence supports the view that tourism makes a significant positive contribution to economic development in Caribbean countries. It also finds a feedback relationship with economic growth being favorable to the performance of the tourism industry, suggesting an important role for the policy environment and good infrastructure and other service standards to the growth of the tourism industry. Particular attention needs to be paid to price competitiveness since our analysis points to the conclusion that price matters among the large range of factors that have significant impact in this market.

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<http://www.wttc.org/-/media/files/reports/economic%20impact%20research/regional%202015/caribbean2015.pdf>

Annex 1: Total Arrivals by Country, 1980-2014

Arrivals (000)	1980	1981	1982	1983	1984	1985	1986	1987
Anguilla	5.7	6.2	6.7	7.8	10.8	15.4	16.7	21
Antigua and Barbuda	100	99.9	101.8	116.5	145.4	156	166.2	177
Aruba	188.915	221.3	220.2	195.2	210.2	206.7	181.2	231.6
The Bahamas	1181.26	130.64	1101.13	1239.75	1278.5	1368.3	1375.22	1479.855
Barbados	369.915	352.555	303.795	328.338	367.652	359.135	369.77	421.859
Belize	62	64.2	67.3	64.2	88.4	93.4	93.8	99.3
Bermuda	491.64	429.801	416.627	446.461	417.461	405.8	459	476.8
British Virgin Is.	97	109.6	113.7	118.9	121.5	129.9	145.7	172.7
Cayman	120.241	124.6	121.2	130.8	148.5	145.1	166.1	209
Cuba	94	121	139.3	162.3	206.6	240.5	281.9	293.4
Curacao	184.7	176.3	174.4	110.6	130	126	128.2	134.8
Dominica	14.4	15.9	19	19.6	22.2	21.5	24.4	26.7
Dominican Republic	301.07	451.2	480	502.4	562.3	660.2	785	911.3
Grenada	29.4	25.1	23.2	32.5*	39.5	52	57.3	57.4
Guadeloupe	156.5	132.8	189.4**	194	163.5	216.4	246.3	292.6
Guyana	40.0*	40.0*	41.4	45	47.3	47.0*	46.8	59.8
Haiti	136	139.2	135.0*	145.0*	141.4	149.7	111.7	121.8
Jamaica	395.34	406.4	467.8	566.2	603.4	571.7	663.6	738.8
Martinique	158.5	157	176.2	176	183.8	193.5	183.3	233.9**
Puerto Rico	1679.34	1573.4	1563.7	1529.8	1496.4	1544.9	1572.6	1871.7
St. Kitts & Nevis	32.8	35.5	34.5	34.3	39.8	46.1	55.1	64.6
St. Lucia	88	68.6	70.2	77.8	86.2	94.5	111.7	122.6
St. Vincent & Grenadines	50.4	44.7	37.1	37.7	38.5	42.1	42.1	46
Suriname	48.4	54.3	51.6	39.3	35.8	31.6	28.7	27
Trinidad and Tobago	199.2	186.8	190	190	191.5	187.1	191.3	201.7
USVI	380	343.7	340	345	369.5	411.5	469.8	580
Total Arrivals	6801.76	5676.7	6489.25	6955.55	7479.61	7842.04	8385.29	9307.81

Annex 1: Total Arrivals by Country, 1980-2014

Arrivals (000)	1988	1989	1990	1991	1992	1993	1994	1995
Anguilla	25.7	28.448	31.181	29.692	30.426	37.658	43.705	38.531
Antigua and Barbuda	195	198.651	205.7	204.7	217.9	249.4	262.9	219.986
Aruba	278	344.36	432.762	501.324	541.7	562	582.1	618.916
The Bahamas	1474.98	1575.07	1561.665	1427.035	1398.895	1488.68	1516.035	1598.135
Barbados	451.485	461.259	432.092	394.2	385.5	396	425.6	442.107
Belize	164.3	172.8	216.4	215.4	247.3	284.5	328.1	130.809
Bermuda	425.9	416.049	432.706	385.252	373.5	412.5	416	387.535
British Virgin Is.	176	175.795	176.613	145.649	116.944	198.176	236.038	219.51
Cayman	218.7	209.722	253.158	237.351	245.9	278.6	314.4	361.444
Cuba	309.2	326.304	340.329	424.041	460.6	544.1	617.3	762.666
Curacao	155.2	193.032	207.673	205.648	206.9	214.1	226.1	223.788
Dominica	31.8	35.184	45.087	46.312	47	51.9	56.5	60.471
Dominican Republic	1216.4	1400	1530	1416.8	1523.8	1636.4	1766.9	1775.87
Grenada	61.8	68.596	82	85.002	87.6	93.919	108.957	108.007
Guadeloupe	328.7	284.012	288.407	370.5	340.5	452.7	555.6	640
Guyana	71.1	67.394	64.219	72.802	74.9	107.1	112.8	105.536
Haiti	122	122	120	119	89.5	76.7	70.3	145.369
Jamaica	648.9	714.777	840.777	844.607	1057.2	1105.4	1098.3	1147.001
Martinique	280	311.7	281.517	315.131	320.7	366.4	419	457.226
Puerto Rico	2280.5	2443.8	2559.7	2710.176	2723.967	2916.489	3013.596	3140.262
St. Kitts & Nevis	69.6	72.1	75.7	83.9	88.264	88.6	94.185	78.868
St. Lucia	125.3	132.832	138.427	159.034	177.488	194.136	218.567	232.305
St. Vincent & Grenadines	47	50.1	53.913	51.629	53.1	56.691	54.892	60.206
Suriname	21.1	20.7	28.478	25	29.808	38.543	42.26	43.441
Trinidad and Tobago	187.7	194.228	194.021	219.654	234.759	248.815	253.153	259.784
USVI	555.5	451.764	462.5	470.3	478	549.5	540.5	454
Total Arrivals	10419.5	10991.4	11638.5	11727.4	12138.2	13190.2	13980.8	14209.1

Annex 1: Total Arrivals by Country, 1980-2014

Arrivals (000)	1996	1997	1998	1999	2000	2001	2002	2003
Anguilla	37.5	43.2	43.9	46.8	43.8	48.0	44.0	46.9
Antigua and Barbuda	228.2	240.4	234.3	239.6	236.7	222.0	227.0	224.0
Aruba	640.8	646.0	647.4	683.3	721.2	691.4	642.6	641.9
The Bahamas	1633.1	1617.6	1527.7	1577.1	1544.0	1537.8	1513.2	1510.2
Barbados	447.1	472.3	512.4	514.6	544.7	507.1	497.9	531.2
Belize	132.8	145.9	176.1	180.8	195.8	196.0	199.5	220.6
Bermuda	389.7	379.7	370.0	354.8	332.2	278.1	284.0	256.6
British Virgin Is.	243.7	244.3	279.1	285.9	281.1	295.6	281.7	317.8
Cayman	373.2	334.0	354.0	345.0	354.1	334.1	302.8	293.5
Cuba	1004.3	1170.1	1415.8	1602.8	1774.0	1774.5	1686.2	1905.7
Curacao	214.3	205.0	198.6	198.3	191.2	204.6	218.0	221.4
Dominica	63.3	65.4	65.5	73.5	69.6	66.4	69.2	73.2
Dominican Republic	1925.6	2211.4	2309.1	2649.4	2972.6	2868.9	2793.2	3282.1
Grenada	108.2	110.7	115.8	125.3	128.9	123.4	132.4	142.4
Guadeloupe	625.0	660.0	693.0	711.0	807.0	773.4		
Guyana	92.0	75.7	65.8	74.9	105.0	95.1	104.3	100.9
Haiti	150.1	148.7	146.8	143.4	140.5	141.6	140.1	136.0
Jamaica	1162.4	1192.2	1225.3	1248.4	1322.7	1276.5	1266.4	1350.3
Martinique	477.0	513.2	548.8	564.3	526.3	460.4	446.7	453.2
Puerto Rico	3091.7	3363.7	3211.0	3138.7	3466.1	3303.8	3233.9	3343.8
St. Kitts & Nevis	84.2	88.3	93.2	84.0	73.1	70.6	67.5	69.0
St. Lucia	235.7	248.4	252.2	260.6	269.9	250.1	253.5	276.9
St. Vincent & Grenadines	57.9	65.1	67.2	68.3	72.9	70.7	77.6	78.5
Suriname	53.2	61.4	54.6	57.3	56.8	58.4	58.2	102.6
Trinidad and Tobago	265.9	324.3	334.0	358.2	398.6	383.1	384.2	409.1
USVI	372.6	392.9	422.3	483.8	545.9	527.2	520.2	537.9
Total Arrivals	14483.0	15465.2	15830.1	16524.6	17617.2	16971.2	15834.7	16961.5

Annex 1: Total Arrivals by Country, 1980-2014

Arrivals (000)	2004	2005	2006	2007	2008	2009	2010	2011
Anguilla	54.0	62.1	73.0	77.7	68.3	57.9	62.0	65.8
Antigua and Barbuda	245.8	245.4	253.7	261.8	265.8	234.4	229.9	241.3
Aruba	728.2	732.5	694.4	772.3	826.7	812.6	824.3	869.0
The Bahamas	1561.3	1608.2	1600.9	1527.7	1463.0	1327.0	1370.2	1346.4
Barbados	551.5	547.5	562.6	572.9	567.7	518.6	532.2	567.7
Belize	230.8	236.6	247.3	251.4	245.0	232.2	241.9	250.3
Bermuda	271.6	269.6	299.0	305.5	263.6	235.9	232.3	236.0
British Virgin Is.	304.5	337.1	356.3	358.1	346.0	308.8	330.3	337.8
Cayman	259.9	167.8	267.3	291.5	302.9	272.0	288.3	309.1
Cuba	2048.6	2319.3	2220.6	2152.2	2348.3	2429.8	2531.7	2716.3
Curacao	223.4	222.1	234.4	299.8	408.9	366.7	341.7	390.1
Dominica	80.1	79.3	84.0	77.8	81.1	74.9	76.5	75.5
Dominican Republic	3450.2	3690.7	3965.1	3979.6	3979.7	3992.3	4124.5	4306.4
Grenada	133.9	98.5	118.7	129.1	130.4	113.4	110.5	118.3
Guadeloupe								
Guyana	122.0	116.6	113.5	134.1	129.6	141.3	151.9	156.9
Haiti	96.4	112.3	107.8	386.1	258.1	387.2	254.7	348.8
Jamaica	1414.8	1478.7	1678.9	1700.8	1767.3	1831.1	1921.7	1951.8
Martinique	470.9	484.1	503.5	501.5	481.2	441.6	478.1	496.5
Puerto Rico	3631.3	3701.7	3703.9	3679.4	3503.9	3162.3	3103.3	3042.2
St. Kitts & Nevis	117.6	126.9	133.0	123.1	128.8	96.1	98.3	94.8
St. Lucia	298.4	317.9	302.5	287.4	295.8	278.5	305.9	312.4
St. Vincent & Grenadines	86.7	95.5	97.4	89.6	84.1	75.4	72.5	73.9
Suriname	137.8	159.8	152.9	162.5	150.7	150.6	204.5	220.5
Trinidad and Tobago	443.0	463.2	457.4	449.5	432.6	430.6	388.3	430.9
USVI	566.8	593.8	570.6	587.1	574.2	562.6	589.8	531.9
Total Arrivals	18014.8	18744.6	19274.1	19635.6	19586.4	18980.4	19314.6	19920.4

Annex 1: Total Arrivals by Country, 1980-2014

Arrivals (000)	2012	2013	2014
Anguilla	64.7	69.1	70.9
Antigua and Barbuda	246.9	243.9	249.3
Aruba	903.9	979.3	1072.1
The Bahamas	1421.8	1364.2	1421.8
Barbados	536.3	508.5	519.6
Belize	277.1	294.2	321.2
Bermuda	230.1	236.3	224.4
British Virgin Is.	351.4	366.1	386.0
Cayman	321.7	345.4	382.8
Cuba	2838.6	2852.6	3003.3
Curacao	420.9	440.8	453.6
Dominica	79.0	78.3	81.5
Dominican Republic	4562.6	4689.8	5141.4
Grenada	116.2	116.5	133.5
Guadeloupe			
Guyana	176.6	200.1	205.8
Haiti	349.2	419.7	465.2
Jamaica	1986.1	2008.4	2080.2
Martinique	487.8	489.7	489.6
Puerto Rico	3184.1	3204.8	3246.0
St. Kitts & Nevis	97.9	101.0	104.7
St. Lucia	306.8	318.6	338.2
St. Vincent & Grenadines	74.4	71.7	70.7
Suriname	240.0	249.1	251.6
Trinidad and Tobago	454.7	434.0	412.5
USVI	580.3	570.0	601.9
Total Arrivals	20773.0	21126.2	22236.7

Annex 2: Total Tourist Expenditure by Country, 1980-2014

Total Expenditure (US\$M.)	1980	1981	1982	1983	1984	1985	1986	1987
Anguilla								
Antigua and Barbuda	42.0	49.0	58.9	77.1	109.7	132.5	156.2	186.7
Aruba	137.5	156.4	163.1	114.5	118.4	120.8	158.1	203.6
The Bahamas	595.5	639.1	654.5	770.5	801.5	995.0	1104.9	1150.0
Barbados	251.0	261.9	251.1	251.6	284.2	309.0	326.9	378.7
Belize	7.0	7.5	7.5	8.0	10.0	11.1	41.0	47.3
Bermuda	280.0	287.9	301.6	335.5	340.0	356.7	407.2	447.7
British Virgin Is.						67.8	88.8	110.8
Cayman	44.6	52.7	56.2	61.6	70.9	85.5	93.5	120.0
Cuba						116.4	150.0	185.0
Curacao						70.6	89.2	94.0
Dominica						8.7	11.2	12.8
Dominican Republic	167.9	223.2	272.7	282.3	315.0	368.2	420.0	545.0
Grenada						32.4	39.6	42.1
Guadeloupe						95.0	163.0	188.0
Guyana						18.0	19.0	24.0
Haiti						69.2	63.0	69.0
Jamaica	241.7	284.3	337.8	399.2	406.6	406.8	516.0	595.0
Martinique						92.8	107.8	210.0
Puerto Rico	615.4	649.7	699.2	690.7	681.2	757.7	792.6	955.4
St. Kitts & Nevis						31.0	38.0	47.4
St. Lucia	32.9	29.4	32.4	39.7	42.4	90.0	118.0	126.2
St. Vincent & Grenadines								
Suriname								
Trinidad and Tobago	151.1	151.9	178.6	205.7	197.8	197.3	83.2	91.6
USVI	304.3	317.5	312.5	356.3	434.0	507.4	509.8	639.4
Total Expenditure								

Annex 2: Total Tourist Expenditure by Country, 1980-2014

Total Expenditure (US\$M.)	1988	1989	1990	1991	1992	1993	1994	1995
Anguilla		28.1	34.6	30.8	35.2	43.3	51.0	48.5
Antigua and Barbuda	242.3	267.1	298.2	314.0	242.9	276.8	293.4	246.7
Aruba	273.3	309.8	353.4	396.3	442.4	464.1	450.7	520.6
The Bahamas	1149.5	1309.5	1332.9	1222.4	1243.6	1304.2	1334.1	1346.2
Barbados	460.0	527.8	493.5	459.7	462.5	528.0	597.6	611.8
Belize	22.1	29.4	44.5	44.8	59.7	69.3	71.4	77.1
Bermuda	440.5	450.8	490.1	456.0	443.0	504.5	525.3	486.9
British Virgin Is.	120.8	124.7	132.6	106.7	101.9	181.7	211.9	195.4
Cayman	176.2	177.4	235.7	222.3	284.7	336.0	414.3	488.6
Cuba	223.0	230.0	243.4	387.4	567.0	729.0	850.0	1100.0
Curacao	81.1	98.0	238.4	232.2	161.3	193.8	186.5	175.4
Dominica	14.0	18.5	25.0	28.1	26.4	28.9	31.4	34.1
Dominican Republic	768.3	818.4	899.5	877.5	1007.1	1223.7	1428.2	1570.8
Grenada	46.0	30.8	37.5	41.7	42.3	48.1	58.6	57.6
Guadeloupe	220.0	203.3	197.1	233.6	270.7	369.8	330.2	380.4
Guyana	30.0	28.1	26.8	30.3	31.2	44.5	85.0	32.6
Haiti	75.0	46.0	46.0	46.0	35.0	30.0	27.0	90.2
Jamaica	525.0	593.0	740.0	764.0	858.0	942.0	973.0	1068.5
Martinique	230.0	272.0	240.0	254.9	282.0	331.9	379.0	384.0
Puerto Rico	1112.4	1234.5	1376.9	1435.7	1519.7	1628.1	1728.3	1827.6
St. Kitts & Nevis	53.8	52.5	57.7	67.5	67.4	69.8	76.9	65.1
St. Lucia	134.2	144.6	153.8	173.4	207.9	221.0	224.1	265.8
St. Vincent & Grenadines		50.5	56.0	53.0	41.1	44.0	44.0	41.1
Suriname		7.8	10.7	10.7	19.0	17.0	13.0	21.2
Trinidad and Tobago	83.1	84.5	94.7	100.9	109.2	82.0	87.3	72.5
USVI	657.3	621.4	697.0	777.9	816.1	901.6	919.6	822.3
Total Expenditure		8556.0	8767.8	9377.2	10613.1	11391.7	12031.0	12858.7

Annex 2: Total Tourist Expenditure by Country, 1980-2014

Total Expenditure (US\$M.)	1996	1997	1998	1999	2000	2001	2002	2003
Anguilla	48.0	57.2	58.1	56.2	55.2	61.0	55.3	61.7
Antigua and Barbuda	257.9	277.5	281.6	290.0	290.5	272.1	273.8	299.8
Aruba	613.5	668.3	729.9	720.7	807.3	815.8	827.2	850.2
The Bahamas	1397.5	1416.1	1354.1	1582.9	1734.5	1647.7	1759.8	1757.4
Barbados	632.9	657.2	703.0	716.0	776.9	711.2	679.0	823.2
Belize	88.6	88.0	108.3	111.5	120.2	120.5	132.8	156.2
Bermuda	475.2	477.7	480.5	477.2	421.3	349.7	378.8	347.9
British Virgin Is.	258.3	364.8	361.1	321.3	366.8	390.6	335.8	316.4
Cayman	456.3	501.2	533.6	524.6	559.2	585.1	607.0	518.3
Cuba	1333.0	1515.0	1759.0	1901.0	1948.2	1840.4	1769.1	1999.2
Curacao	185.5	200.5	261.1	220.2	219.6	202.3	217.2	223.6
Dominica	36.6	48.3	46.5	48.8	47.3	49.6	45.3	52.0
Dominican Republic	1780.5	2099.4	2153.1	2483.3	2860.2	2798.3	2730.4	3127.9
Grenada	59.4	147.6	154.1	169.7	178.4	163.0	173.7	174.2
Guadeloupe	353.9	371.5	390.1	400.2	454.2	435.3	370.3	374.4
Guyana	109.0	112.0	108.0	106.2	75.1	60.5	49.3	25.8
Haiti	95.6	107.1	131.0	135.0	128.0	105.0	108.0	95.6
Jamaica	1092.2	1131.4	1197.1	1279.5	1332.6	1233.0	1209.5	1351.1
Martinique	382.1	399.9	414.9	404.0	302.0	203.1	201.1	247.6
Puerto Rico	1898.3	2046.3	2232.9	2138.5	2387.9	2728.1	2486.4	2676.6
St. Kitts & Nevis	66.8	67.3	76.0	67.7	58.4	61.9	57.1	75.4
St. Lucia	269.5	284.8	284.4	275.1	279.6	233.8	210.8	283.3
St. Vincent & Grenadines	63.7	70.6	73.2	76.5	82.3	89.0	91.0	91.2
Suriname	13.8	8.5	1.9	9.3	15.8	14.4	3.4	3.9
Trinidad and Tobago	109.7	192.6	201.2	209.6	212.8	200.9	242.0	248.9
USVI	781.0	894.1	940.6	955.0	1205.9	1234.1	1195.4	1256.5
Total Expenditure	14205.0	15035.2	15679.9	16920.2	16606.4	16209.6	17438.2	18734.7

Annex 2: Total Tourist Expenditure by Country, 1980-2014

Total Expenditure (US\$M.)	2004	2005	2006	2007	2008	2009	2010	2011
Anguilla	59.2	85.9	107.1	115.0	109.0	93.8	99.4	112.0
Antigua and Barbuda	337.4	309.5	326.7	337.8	334.0	305.1	297.7	311.9
Aruba	1052.8	1094.7	1059.4	1208.0	1346.5	1215.9	1241.7	1348.3
The Bahamas	1884.5	2068.9	2057.4	2191.7	2501.0	2014.2	2146.8	2141.6
Barbados	825.1	887.5	1049.0	1178.7	1173.5	1052.6	1021.9	952.7
Belize	172.7	174.7	252.9	292.9	281.5	211.4	250.7	256.8
Bermuda	393.4	394.2	454.2	513.2	401.8	331.3	385.5	434.8
British Virgin Is.	325.3	412.7	438.8	451.0	446.8	373.8	389.4	388.2
Cayman	519.0	371.3	533.8	498.8	546.3	561.3	403.8	465.0
Cuba	2113.6	2399.0	2235.0	2236.0	2346.9	2082.4	2218.4	2503.1
Curacao	223.6	244.0	277.2	327.2	378.3	361.4	385.0	453.3
Dominica	60.3	55.9	68.2	64.7	87.2	83.6	94.1	95.0
Dominican Republic	3151.6	3518.3	3916.8	4064.2	4165.9	4048.8	4209.1	4436.1
Grenada	132.9	94.4	114.7	126.6	106.3	96.2	96.9	105.2
Guadeloupe	372.1	306.0	299.0	344.0	384.0	293.0	510.0	582.0
Guyana	27.1	35.1	37.1	50.5	59.0	35.0	80.5	95.0
Haiti	92.7	79.5	125.9	189.9	275.6	314.8	167.0	162.0
Jamaica	1436.6	1545.1	1870.6	1910.1	1975.5	1925.4	2001.2	2008.3
Martinique	291.5	282.1	305.2	299.0	364.0	339.4	389.3	429.2
Puerto Rico	3024.0	3238.6	3369.3	3413.9	3535.0	3175.8	3210.7	3142.8
St. Kitts & Nevis	102.6	121.2	131.6	124.8	110.1	83.5	89.5	94.1
St. Lucia	326.8	341.7	285.7	532.5	461.4	419.8	562.0	582.2
St. Vincent & Grenadines	95.6	103.9	113.3	110.0	96.0	87.5	86.2	91.7
Suriname	17.0	44.6	94.8	66.6	77.4	63.6	90.9	60.9
Trinidad and Tobago	341.5	453.0	382.2	463.1	396.9	366.6	449.5	472.0
USVI	1356.0	1431.6	1467.6	1512.2	1157.1	1021.3	1012.5	1087.8
Total Expenditure	20093.2	21373.4	22622.5	23116.7	20957.4	21889.7	22812.0	22287.6

Annex 2: Total Tourist Expenditure by Country, 1980-2014

Total Expenditure (US\$M.)	2012	2013	2014
Anguilla	114.0	123.0	128.0
Antigua and Barbuda	319.0	299.0	
Aruba	1399.4	1497.0	
The Bahamas	2311.6	2284.3	
Barbados	909.9	952.0	
Belize	319.6	374.9	386.7
Bermuda	392.1	391.0	337.4
British Virgin Is.	397.8	420.5	458.9
Cayman			
Cuba	2613.3	2627.0	2682.3
Curacao	542.8	583.0	
Dominica	78.1	102.0	126.4
Dominican Republic	4736.3	5063.5	5637.1
Grenada			
Guadeloupe		671.0	
Guyana	64.0	77.0	
Haiti	447.0	568.0	
Jamaica	2069.6	2112.0	2236.0
Martinique	380.0	397.8	396.9
Puerto Rico	3192.9	3333.5	3438.1
St. Kitts & Nevis	93.7		
St. Lucia	590.1	650.8	
St. Vincent & Grenadines	92.6	91.7	92.5
Suriname	71.0		
Trinidad and Tobago			
USVI	1152.8	1232.2	
Total Expenditure	23851.2		