

Small-scale Tourism Development
In
Communist Cuba

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AUTHOR'S DECLARATION

I hereby declare that I am the sole author of this thesis. This is a true copy of the thesis, including any required final revisions, as accepted by my examiners.

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Abstract

Tourism is arguably the world's largest industry today, and has been adopted as an economic staple by countless low-income countries. However, while the tourism industry can bring much needed foreign capital into a country's economy, it has also proven to have severe environmental, economic and social implications on host countries. With these implications come the drive for sustainable and ecotourism approaches, and more recently, pro-poor tourism, which is tourism that aims to generate net benefits specifically for the poor population of the tourism community or country.

The purpose of this study is to explore the potential for pro-poor tourism strategies to be implemented in low-income countries, and evaluate the obstacles to implementing these strategies in small-scale tourism locations. The study site for this research is a small rural community in Communist Cuba, and the main objectives of the research are to evaluate the current economic linkages that exist within the study site; determine the thoughts and feelings of the local people with respect to their local tourism industry; evaluate the degree to which the study site is currently following pro-poor tourism principles and what possibilities exist for more to be done; and to offer recommendations for the case study location.

In addition to a comprehensive literature review on the progression of Cuba's tourism industry since the Revolution to present date, this research employs further methods to examine Cuba's small-scale tourism industry including semi-structured and informal interviews with residents employed by the tourism industry, residents employed in sectors other than tourism, as well as local farmers. Further, participant observation is carried out over a three month period on the island, with one month spent specifically at the study site.

The results of this study demonstrate that Cuba's Communist political environment both fosters and hinders pro-poor tourism development. In terms of employment and agriculture, the State goes to great ends to utilize local resources to supply the local economy, however, with respect to entrepreneurship and the rigid regulations dictated by the State, pro-poor development is inhibited. Not surprisingly, Cubans generally have a positive opinion of the tourism industry, primarily because it has directly increased the standard of living of many, yet for those who do not work in tourism, State wages and monthly rations are inadequate, pushing many to find other means to make ends meet. These factors have swayed many people to dealings on the black market and to seek out legal and illegal employment within the tourism industry, both of which have serious implications on the country's economy.

The main conclusion drawn from this study is that Cuba's small-scale tourism industry is in fact benefiting the country's rural population, and generally, the residents' standard of living within the study site has improved with its introduction. While the Cuban government has not purposefully adopted pro-poor tourism principles, some of the country's Communist practices naturally lead to their adoption, i.e. maximizing internal economic linkages where possible, widespread local employment, and maximizing the use of regional and national foodstuffs to support the country's tourism industry. On the other hand however, and as this thesis will reveal, Communism works in direct opposition to the adoption of many pro-poor practices.

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Chapter 1

Introduction

1.1 The Research Problem

Tourism and its related activities account for eleven percent of the world's gross domestic product, approximately eight percent of global employment figures, and tourism is arguably the world's largest industry, accounting for a higher share of world trade than oil or automobiles (Roe, Goodwin and Ashley, 2004). Additionally, the World Tourism Organization reports that the tourism industry is still in its infancy, with only seven percent of the market's potential being tapped (Roe et al., 2004; Teo, 2002). With figures like these it is not surprising that tourism is often considered to be a universal panacea for third world development and is being increasingly adopted as an economic staple by numerous low-income countries.

While these statistics are impressive, tourism has generally been viewed as a mixed blessing, bringing with it both positive and negative impacts for the host country. Alongside the positive financial benefits of tourism comes an array of negative environmental and socio-cultural impacts (Hardy and Beeton, 2001). A close examination of the global tourism industry in the last several decades suggests that it has often neglected to protect local lands, preserve cultures, or increase the standard of living of the local poor. These negative attributes contributed to the rise of sustainable tourism development, a concept aimed at fostering development that considers the balance of

socio-cultural, economic and environmental factors, while giving a voice to citizens and future generations, both within the developed and less-developed world. Sustainable tourism can trace its roots to the concept sustainable development, a concept which evolved out of international conferences (e.g. The Stockholm Conference on Humans and the Environment in 1972) and literature in the 1970s (Ecological Principles for Economic Development by Dasmann, Milton and Freeman, 1973). The concept continued to be discussed at the Brandt Commission Report of 1980, the World Commission on Environment and Development of 1987, and the United Nations Conference on Environment and Development in Rio in 1992 (Hardy and Beeton, 2001). This momentum led to the evolution of the concept sustainable tourism. However, while sustainable tourism has been widely discussed within academia, many argue that although the rhetoric surrounding the concept may be useful, its goals are rarely realized. Instead the focus has been placed primarily on the business viability of tourism projects rather than on the balance of all factors, and therefore environmental and cultural factors have been neglected (Hardy and Beeton, 2001).

To answer the call of sustainable tourism development, we saw the rise of ecotourism throughout the 1980s. Many countries that had adopted tourism as a primary industry were faced with the dilemma of conserving their natural settings while at the same time, achieving short-term economic gains. Ecotourism proved to be a promising means to generate foreign currency for many of these countries while providing incentives for wise conservation practices (Kruger, 2005). Ecotourism has been successful in bringing much needed capital to many low-income countries, but it has also brought an array of problems, relating to economic dependence on the tourism industry,

economic leakage, as well as varying degrees of environmental damage and cultural degradation due to a lack of comprehensive planning (Borrini-Feyerabend, 2002, Sindiga, 1999).

Ecotourism is said to have originated out of the call for sustainable tourism development, but after closer examination, it appears that in many circumstances, tour operators are simply cashing in on ecotourism as a marketing gimmick. While in theory and on paper, both sustainable tourism and ecotourism claim to make positive changes to the tourism industry, in practice this may not be the case. There is much room for improvement within the tourism industry and pro-poor tourism principles have been introduced to place the local citizens' needs at the forefront of tourism development.

Pro-poor tourism (PPT) was introduced because it was believed that the 'people' aspect of tourism development was often falling to the periphery in sustainable and alternative tourism discussions. Therefore, there has been a push for PPT to become a core element of sustainable tourism development (Ashley and Haysom, 2004). Pro-poor tourism is defined as "tourism that generates net benefits for the poor" (Ashley, Goodwin and Roe, 2001:1). It aims to initiate small and medium scale enterprises, and foster community driven tourism development that gives poor people a voice and the chance to participate actively. Rather than being a distinct form of tourism, PPT is essentially a set of principles and strategies that aim to utilize the tourism industry to aid the local population (Ashley, Boyd and Goodwin, 2000).

Pro-poor tourism is a relatively new concept, both in theory and in practice. To date, its practical applications have been few, but in exploring the cases offered by the organization Pro-poor Tourism, it appears that these efforts have been effective. To date,

various pro-poor tourism strategies have been implemented throughout Africa, South America, South East Asia, as well as the Caribbean. However, there is a need to further explore PPT and apply its principles in multiple locations so as to understand its usefulness and applicability under different circumstances.

1.2 Research Purpose and Scope

Today, many tourism destinations within low-income countries are experiencing a high degree of economic leakage and, therefore, much needed capital is leaving these locations. This study will address the need for further case study research on the feasibility of implementing pro-poor tourism strategies in small-scale tourism destinations. It will also explore the factors that create advantageous conditions to promote pro-poor tourism strategies and those that restrict it, as well as the possible benefits to host communities and countries if pro-poor tourism strategies are put into practice. Therefore, the purpose of this study is to explore the potential for pro-poor tourism strategies to be put into practice in low-income countries, and evaluate the challenges associated with implementing these strategies in small-scale tourism locations.

In order to address the overarching goal of this research, the Cuban tourism market was used as a case study. Before the Cuban Revolution in 1959, the island had a booming tourism industry, and was a main competitor within the Caribbean for tourist arrivals (Jaywardena, 2003; Henthorne and Miller, 2003). However, the Revolutionary government quickly abandoned tourism for internal development, and visitor numbers dropped abruptly, save a few visitors from Eastern Europe. Domestic tourism, on the

other hand, actually flourished throughout the country under the new government (Henthorne and Miller, 2003; Insight Guides Cuba, 2003).

It was not until the mid-1970s that Cuba began reintroducing international tourism into its economy, and this was still only in small measures. However, after the fall of the USSR, Cuba was forced to further open up its Communist economy due to its severe economic crisis, and tourism appeared to be a logical and lucrative economic development strategy (Henthorne and Miller, 2003).

Much against the personal wishes of Fidel Castro, tourism was once again integrated into the Cuban economy, and it did not take long for the country to reignite its tourism industry, quickly becoming a major contender in the Caribbean tourism market (Henthorne and Miller, 2003). Today Cuba ranks third in tourist arrivals in the Caribbean, and while this stride is clearly an accomplishment, it must be noted that this status comes without American tourists. Additionally, if and when the U.S. lifts the travel and trade embargo on Cuba, the influx of tourists to the island will most likely be substantial, with a flight from Miami to Havana being less than an hour. Some scholars argue that even if the embargo is not lifted, by 2010 Cuba may still become the number one Caribbean destination in visitor arrivals (Henthorne and Miller, 2003; Jayawardena, 2003). It is with this remarkable stride in tourism development, alongside its political environment, that makes Cuba's experience unique and worthy of attention.

Today there is a significant amount of literature concerning Cuba's mass tourism industry. However, there is potential for much more tourism research to be conducted in the country, particularly in the area of small-scale tourism development; how and where this type of tourism is progressing across the country, who is benefiting, and whether

opening the country's economy has benefited the local people. Finally, as Cuba expands its tourism industry, there is great opportunity to investigate the potential, and barriers for pro-poor tourism strategies to be initiated across the country.

This research will contribute to the comparatively new body of literature on pro-poor tourism. Cuba will form the basis of this case study, and it is hoped that that the findings will offer insight into how small-scale tourism is developing in the country and if, in fact, local Cubans are benefiting, both monetarily and socially, from tourism. In addition, the Cuban case study presents an added dimension to pro-poor tourism research due to its Communist political and economic background, as it appears to date that all PPT case study research has been conducted primarily in open economies. The results of this research may prove to be useful to policy makers in government and non-government organizations who are interested in promoting tourism development in Cuba that benefits the centralized government, the country as a whole, and the local small tourism communities.

1.3 Research Goal

This study examines whether pro-poor tourism strategies have been or can be implemented within the country of Cuba. The goal of this study is to determine the role of small-scale tourism development in benefiting local people, and if pro-poor tourism principles can aid in this development.

This research seeks to answer the following questions:

- 1) Are any pro-poor tourism strategies already being employed in the study area in Cuba?
- 2) Does Cuba's Communist government create a favourable environment for pro-poor tourism strategies to be implemented?
- 3) Are the local people in the study area currently benefiting directly from tourism?
- 4) What are the factors promoting or hindering the implementation of pro-poor tourism strategies in the study area and Cuba as a whole?
- 5) What types of pro-poor tourism strategies are suitable for the study area?

1.4 Research Objectives

This research has six main objectives:

- 1) To investigate and describe the current state of tourism at the study site;
 - What is the study site offering with respect to ecotourism?
 - Who is participating/employed in the industry?
- 2) To evaluate the current economic linkages that exist within the study site, exploring the strength, weaknesses and opportunities of these linkages, and to recommend opportunities to enhance these linkages;
 - Are tourism facilities making efforts to purchase local products for their businesses?

i.e. –local produce, building materials, labour, art

- 3) To evaluate the role that the local and national government plays in small-scale tourism development;
 - Are tourism communities able to retain a percentage of the profits of their local tourism industry, or do all of the profits go directly to the central government?
- 4) To determine the thoughts and feelings of the local people with respect to their local tourism industry;
 - Has their standard of living increased with the introduction of tourism?
 - Since the introduction of the tourism industry, has the community infrastructure improved?
- 5) To evaluate the degree to which the study site is currently following pro-poor tourism principles and what possibilities exist for more to be done;
- 6) To offer recommendations to the case study location and the Cuban government, addressing the areas where improvements can be made to promote pro-poor development.

The following report has been organized as follows: chapter 2 consists of a literature review, with an overview of the progression of sustainable tourism, ecotourism and the relatively new body of literature, pro-poor tourism. Chapter 3 examines Cuba's history and its current political and economic state. Chapter 4 discusses the methodology adopted for this study. Chapter 5 exhibits the key findings of the study, and chapter 6 includes a discussion on the key findings. Finally, chapter 7 offers recommendations and the conclusions of the study.

Chapter 2

Literature Review

2.1 Introduction

The purpose of this literature review is to examine the main concepts that will contribute to this thesis. The chapter begins with a general overview of the tourism industry, looking at its broad positive and negative aspects. The review will then briefly look at sustainable tourism development and the debate surrounding its practicability and validity in practice. The next section will examine what ecotourism is, why countries are adopting it and its general benefits and disadvantages. The review will go on to explore the concept of pro-poor tourism, what it is, why tourism is considered a feasible approach to help many of the world's poor, and will provide some strategies and examples of PPT initiatives. It will also investigate how the active involvement and participation of the local community can aid in making the pro-poor initiative successful and sustainable.

2.2 Tourism: An Overview

Today, the majority of world tourism expenditures take place within high-income countries, with Europe accounting for approximately half of the international tourism receipts annually (Neto, 2003). However, those countries in which tourism contributes most to the national economy are not necessarily those with the highest level of tourist

receipts. In the 1990s, arrivals, receipts, and receipts per visitor all grew more rapidly in low-income countries than elsewhere (Roe et al, 2004).

Tourism in low-income countries is growing rapidly, and has become a principal export for 83% of low-income countries, and within one third of these countries, tourism is the principal export (Braman and Amazonia, 2001). The countries where tourism contributes most to the GDP are typically small island nations (i.e. the Caribbean), where tourism has become a well-developed industry due not only to the fact that there are few economic alternatives, but also because of the resources that benefit tourism (i.e. climate, beaches, etc). For instance, in countries where tourism dependence is high (e.g. small islands) “tourism can account for 30-90% of GDP, 50-90% of exports, and can employ 20-50% of the population” (Braman and Amazonia, 2001).

Tourism is often touted for bringing foreign currency into low-income countries, however, a significant percentage of this much-needed currency does not necessarily reach the host destination or people due to economic leakage. It is generally estimated that on average 55% of all tourist money never reaches host destinations or leaks out, particularly in low-income countries. However these leakages range from as low as 25% in India, to as high as 75% in specific cases, such as the Caribbean (Mowforth and Munt, 1998; Cattarinich, 2005). Beyond economic leakage, tourism has also brought a number of negative environmental and socio-cultural impacts to host nations and communities. A close examination of tourism in the last several decades suggests that it has often neglected to protect local lands, preserve cultures, or increase the standard of living of the local poor. These damaging attributes contributed to the rise of sustainable tourism development, a concept aimed at fostering development that considers the balance of

environmental, socio-cultural and economic factors, while giving a voice to today's citizens and future generations (McCool and Stankey, 2001; Timothy, 1998). Recently however, academics and practitioners have recognized that the needs of the poor people living in tourism destinations have often been overlooked and are now attempting to take tourism to another level with the introduction of pro-poor tourism. This concept is discussed further in section 2.5.

2.3 Sustainable Tourism Development

Sustainable tourism development emerged as one of numerous responses to address not only the needs of small tourism communities, but also as a reply to the Brundtland Commission Report, which called for more sustainable actions worldwide (McCool and Stankey, 2001). These actions were developed to reduce the negative impacts associated with human activity, and to strengthen the economies of many low-income countries, while improving their quality of life (McCool and Stankey, 2001).

Although there is no single agreed upon definition of sustainable tourism development, it has been defined by Butler (1993) as:

Tourism which is developed and maintained in an area (community, environment) in such a manner and at such a scale that it remains viable over an indefinite period and does not degrade or alter the environment (human and physical) in which it exists to such a degree that it prohibits the successful development and wellbeing of other activities and processes (Butler, 1993: 29, as cited in Wall, 1997).

In addition, Simpson (2001) offers a breakdown of some of sustainable tourism's core elements:

- *Comprehensive*- including social, environmental, political implications
- *Iterative/Dynamic*- readily responding to environmental and policy changes;
- *Integrative*- functioning within wider approaches to community development;
- *Community Oriented*- all stakeholder needs are addressed through community involvement;
- *Renewable*- incorporating principles which take into account the needs of future generations; and
- *Goal Oriented*- a portfolio of realistic targets results in equitable distribution of benefits. (Simpson, 2001: 7)

Sustainable tourism development has been hailed as a promising vehicle for addressing the negative impacts associated with tourism, while at the same time maintaining the industry's long-term viability (Liu, 2003). In exploring the literature, sustainable tourism has gained much support both on philosophical and practical grounds, however, many argue that the industry has been slow to actively adopt and implement its principles (Simpson, 2001). Alternatively, there is also evidence in the literature of a certain degree of pessimism toward the validity of sustainable tourism development. A common criticism is that the term lacks integrity, as many argue it has become a 'buzzword' and marketing gimmick (Hardy and Beeton, 2001). It can also be argued that sustainable tourism development is merely rhetoric, offering few practical and tangible solutions to the negative implications associated with tourism. Additionally, Hardy and Beeton (2001:171) have criticized the concept for "implying a weak parochial approach,

whereby too much emphasis has been placed on business viability to the detriment of the environment and cultural factors and their connections with other sectors.

In light of these criticisms, the concept of sustainable tourism development needs to be re-evaluated, with the goal of placing more focus on practical approaches to address the ‘people’ aspect of tourism development. Liu (2003) notes that a meaningful way to evaluate sustainable tourism development is to assess if it is in fact meeting the needs of the local community with respect to providing an improved standard of living both in the short and long term, as well as the degree of local involvement. While it is important that all forms of tourism directly involve local communities, this author argues that small-scale tourism has the potential to cater to local involvement and decision making in tourism development. The following section will explore ecotourism and its potential to contribute to community development.

2.4 Ecotourism

The term ecotourism emerged in the late 1980s alongside the general acknowledgement and support for more sustainable practices, both within our broader society and in the tourism industry specifically (Diamantis, 1999). As countries were faced with the dilemma of conserving their natural settings, while at the same time achieving short-term economic gains, they turned to ecotourism with its promise of generating foreign currency, and providing incentives for wise conservation practices (Kruger, 2005). On the demand side, consumers were looking for something different, with their desires shifting away from the traditional mass tourism experience toward more individualistic and enriching experiences (Diamantis, 1999).

These experiences can range from light hiking within a protected area, birding, snorkelling, mountain biking, kayaking/canoeing, and backcountry camping to name a few. Ecotourism is said to represent only 5 percent to 10 percent (depending on how the term is defined) of the global travel market, however, it continues to gain popularity worldwide. Growth rates for the ecotourism market “are estimated to range between 10% to 30% annually compared to 4% for tourism overall” (Vincent and Thompson, 2002: 153). Interestingly, for an industry that is growing so quickly, there is still little agreement on its definition. This lack of consensus can be attributed to the extensive range of so-called ecotourism activities offered by the countless tourism operators both domestically and internationally, and the equally broad range of tourist demands (Neto, 2003).

Ecotourism was first defined by Caballos-Lascurain as

“travelling to relatively undisturbed or uncontaminated natural areas with the specific objective of studying, admiring, and enjoying the scenery and its wild plants and animals, as well as any existing cultural manifestations (both past and present) found in these areas” (Caballos-Lascurain, 1987:14, as cited in Diamantis 1999).

Within this definition it appears that the activities that ecotourists participate in can only be within well preserved or protected areas, however, it is apparent in today’s ecotourism industry this is not necessarily the case (Diamantis, 1999). Beyond this, the definition makes no reference to the responsibility of the ecotourism industry for preserving these undisturbed and uncontaminated areas, and it also neglects to address the economic impacts or the resource degradation associated with the industry. Further, it makes no mention of visitor satisfaction. However, some academics appreciate this definition as it

makes specific reference to indigenous cultures who often live in these settings (Diamantis, 1999; Figgis, 1993).

While there is no single agreed upon definition of ecotourism by academics and practitioners, there are in fact characteristics that almost all agree upon. Sirakaya, Sasidharan, and Sonmez (1999) conducted a content analysis of the 25 most widely accepted definitions of ecotourism. From this analysis they found that ecotourism is operationally characterized as a type of tourism as well as a form of development that produces:

- 1) a minimal negative impact on the host environment;
- 2) an evolving commitment to environmental protection and conservation of resources;
- 3) a generation of financial resources to support and sustain ecological and socio-cultural resources;
- 4) an active involvement and cooperation of local residents as well as tourists in enhancing the environment; and
- 5) economic and social benefits to the host community

(Sirakaya, Sasidharan, and Sonmez, 1999, as cited in Vincent and Thompson, 2002:153).

It seems unlikely that any agreement on a definition will arise in the near future, and therefore it is useful for practitioners to have Sirakaya's, Sasidharan's, and Sonmez's (1999) outline of ecotourism's most accepted characteristics to refer to before and during tourism planning initiatives as it ensures that a broad range of elements are being considered, thereby promoting some degree of sustainable tourism development.

2.4.1 Ecotourism: Why are countries adopting it?

Ecotourism has often been hailed worldwide as a panacea for economic development within many low-income countries. It has been argued that ecotourism can provide means to fund conservation and research, protect biological diversity, benefit rural and indigenous communities, provide benefits for the poor, promote environmental consciousness and responsible travel, educate travellers and finally, contribute to building world peace (Honey, 1999). With a reputation like this it is understandable why so many countries are initiating ecotourism ventures.

National governments, particularly within low-income countries, have looked to ecotourism as a means of contributing to national, regional and local development. Lumsdon and Swift (1998) point out that governments around the world are widely adopting ecotourism opportunities based on four factors:

- 1) It makes best use of their natural assets;
- 2) It requires less capital requirement than mass tourism in terms of infrastructure;
- 3) It disperses tourism spending to regional economies; and
- 4) It allows small-scale development, in comparison, for example, to multinational concerns involved in the construction of an integrated resort (Lumsdon and Swift, 1998: 157-158).

There are a number of tangible benefits associated with ecotourism, particularly economic benefits. The tourism industry suffers from a high degree of economic leakage (i.e. 25% to 75% of profits leak out of a host country through the purchase of goods, to the

airline, to the hotel chain, etc), and while ecotourism does not necessarily add substantially to a host destination's GDP, it does however have the ability bring the host community much needed capital and employment. It can also create strong economic linkages with other sectors throughout the broader community, creating multiplier effects in peripheral rural economies (Cattarinich, 2005; Diamantis, 1999; The International Ecotourism Society, 2007). On the other hand, ecotourism can also lead to damaging economic implications. Although ecotourists spend a significant amount of money on these trips, the amount of money that reaches the destination is questionable. In addition, with most of the destinations being remote, having rudimentary infrastructure, there is often little for sale other than the experiences (Wall, 1997). Therefore, the income generated from ecotourism is generally smaller than mass tourism, but it nevertheless has the ability to take economic strain off local communities. As Wall (1997) argues, a significant number of communities have adopted ecotourism as their sole economic staple, making them increasingly vulnerable to the sporadic fluctuations of the tourism industry, potentially leaving some communities in an even worse predicament in the long run.

Ecotourism originated out of the call for sustainable tourism development, but at a closer look it appears that in many circumstances, tour operators may simply be cashing in on it as a marketing gimmick. The original purpose of ecotourism, to be a tool for rural development (Honey, 1999), has almost totally been lost and, therefore, this author argues that for ecotourism to be truly sustainable it must, at its core, include local communities in the planning, managing and monitoring of these tourism ventures. While in theory, both sustainable tourism and ecotourism claim to make positive changes to the

tourism industry, in practice this is not always the case. In an effort to put sustainable tourism into practice, pro-poor tourism was introduced, which is attempting to put destination area people in the forefront of tourism development.

2.5 Pro-Poor Tourism

Generally defined, pro-poor growth is “growth that enables the poor to actively participate in and significantly benefit from economic activity” (Kappel, Lay and Steiner, 2005:27). It is a useful concept that not only attempts to classify growth patterns, highlighting those attempts that lead to poverty reduction and those that do not, but also assesses the quality of growth for the poor (Kappel et al, 2005).

From the concept of pro-poor growth emerged its application to the tourism industry. Pro-poor tourism, initiated by the International Centre for Responsible Tourism, the International Institute for the Environment and Development and the Overseas Development Institute, along with academics, was introduced because it was believed that the ‘people’ aspect of tourism development was often falling to the periphery in sustainable and alternative tourism discussions and, therefore, there has been a push for it to become a core element of sustainable tourism development (Ashley and Haysom, 2004). Pro-poor tourism appears to be an attempt to ground sustainable tourism ideals.

Pro-poor tourism promotes tourism development that works towards increasing net benefits for the local poor. Ashley, Goodwin and Roe, who are arguably the leading academics in the PPT field, define the concept as:

Tourism that generates net benefits for the poor. Pro-poor tourism is not a specific product or sector of tourism, but an overall approach. Rather than aiming to expand the size of the sector, PPT strategies aim to unlock opportunities – for economic gain, other livelihood benefits, or engagement in decision making – for the poor (Ashley et al, 2001:1).

Generally speaking, PPT means doing business differently. It attempts to create and enhance linkages between tourism-related businesses and the local poor in an attempt to gear tourism development toward increased local participation and poverty reduction (Pro-poor Tourism Partnership, 2005:a).

Pro-poor tourism attempts to initiate small and medium enterprises, and foster community driven tourism development that gives the local poor population a voice and the chance to participate actively. It is ultimately a set of principles and strategies rather than a distinct form of tourism. The core principles and strategies of PPT include:

Table 2.1: Pro-poor Tourism Principles
Participation. Poor people must participate in tourism decisions if their livelihood priorities are to be reflected in the way tourism is developed.
A holistic livelihoods approach. Recognition of the range of livelihood concerns of the poor (economic, social, and environmental; short-term and long-term). A narrow focus on cash or jobs is inadequate.
Balanced approach. Diversity of actions needed, from micro to macro level. Linkages are crucial with wider tourism systems. Complementary products and sectors (for example, transport and marketing) need to support pro-poor initiatives.
Wide application. Pro-poor principles apply to any tourism segment, though strategies may vary between them (for example between mass tourism and wildlife tourism).
Distribution. Promoting PPT requires some analysis of the distribution of both benefits and costs – and how to influence it.
Flexibility. Blue-print approaches are unlikely to maximize benefits to the poor. The pace or scale of development may need to be adapted; appropriate strategies and positive impacts will take time to develop; situations are widely divergent.

Commercial realism. PPT strategies have to work within the constraints of commercial viability.

Cross-disciplinary learning. As much is untested, learning from experience is essential. PPT also needs to draw on lessons from poverty analysis, environmental management, good governance and small enterprise development.

(Ashley et al., 2000; DFID, 1999; Roe and Urquhart 2004; as cited in Chok et al., 2007:147)

2.5.1 Why Tourism and Pro-Poor Growth?

Tourism is prevalent in numerous low-income countries where many of the world's poorest people live. The introduction of PPT initiatives allows for the industry's full potential to be realized in bringing benefits to local people. While tourism development often does not lead to poverty reduction, the industry does have a variety of characteristics suited for PPT development (Ashley et al., 2001).

The basis of tourism is to deliver the visitor to the product, thereby creating opportunities for local access to markets for a variety of goods and services. There is also potential to create economic linkages between tourism operators, local entrepreneurs and poor producers (e.g. farmers and artisans). In realizing and capturing these linkages there is a greater potential for the host community to acquire financial benefits. In addition, tourism offers employment to host populations and employs a relatively high number of women, thereby having the potential to promote gender equality within the destination (Roe et al., 2004).

Tourism has the ability to provide significant export opportunities for those nations who have few other industries or natural resources. Additionally, tourism is increasingly drawing visitors to remote areas, which has brought new economic

opportunities to rural communities, often inhabited by the poor. As is often the case, tourism in these remote destinations is based on the area's natural and cultural attributes, which are assets shared by local poor populations (Ashley et al., 2001). Therefore, the poor may have much to contribute to the industry with respect to local, cultural, and ecological knowledge.

There may also be more potential to influence the pro-poor nature of business development in tourism than in other sectors because business interests and engagement in sustainable and responsible tourism have increased in recent years and, therefore, the debate around the topic already exists. As well, governments continue to have a strong role in planning, licensing, regulating, and marketing the tourism industry and, furthermore, tourism is one of the few sectors that is still based on 'master plans', providing an invaluable entry point to influence the sector at the national level (Pro-poor Tourism Partnership, 2005:c).

Tourism is an industry well-suited to promote pro-poor growth, however, without proper planning, tourism will often neglect the poor population within the host community. In order for PPT initiatives to be successfully implemented and continue into the long term, a number of strategies must be put into practice on the local, national and international levels.

2.5.2 Pro-Poor Tourism Strategies

Pro-poor tourism attempts to approach tourism development from a different angle and, while the concept is still relatively new, a number of lessons and examples can

be drawn both from the existing tourism industry and from those PPT initiatives that are currently in place. Ashley, Goodwin and McNab (2000:5,6) offer six strategies to enhance the pro-poor tourism agenda, these include:

1) *Put poverty issues on the tourism agenda* – Firstly, it is important for governments, business owners and the local community to recognize that initiating PPT development is different than traditional tourism, however, it can be incorporated into the existing tourism development strategy of a destination. It also requires strategic intervention, cooperation, and collaboration on a number of levels.

2) *Enhance economic opportunities and a wide range of impacts* –

- Poor people's opportunity for economic participation within their community must be improved and expanded, which can be accomplished by focusing on the obstacles that they encounter while at the same time maximizing employment opportunities.
- Greater attention must be given to ensuring that the needs and concerns of the local poor are considered in decision-making initiatives.

3) *A multi-level approach* -

- Destination level – partnerships must be developed between tour operators, NGOs, local government bodies, and residents to maximize benefits and outcomes.
- National policy level – initiate a variety of policy reforms regarding tourism and non-tourism issues (i.e. planning, training, infrastructure, etc).
- International level – encourage responsible behaviour among tourists and business owners.

4) *Work through partnerships, including business* - a major component of the pro-poor approach to tourism is to instigate partnerships between stakeholders. There is no prescribed technique to create these partnerships, and therefore a number of methods may be adopted to ensure that all parties are represented. Additionally, the behaviour and attitudes of the visitor must be altered if PPT is to become economically viable and sustainable.

5) *Incorporate PPT approaches into mainstream tourism* – while it may appear that PPT strategies would best suit small niche markets, they should also be applied to mass tourism markets in an attempt to minimize barriers for the local poor. Furthermore, their livelihood concerns should be considered in future tourism planning.

6) *Reform decision-making systems* – meaningful participation by the local poor must be encouraged and tourism planning and development must take into consideration the interests and livelihood priorities of these people. This can be achieved in three ways:

- Strengthen rights at the local level to enable residents to have their voices heard in development decisions;
- Create an environment that fosters participatory planning and collaboration; and
- Offer incentives to encourage private investors to enhance local benefits.

2.5.3 Pro-Poor Tourism Techniques

Assessing the livelihood impacts of tourism does not just imply counting the number of jobs or wage income offered to the poor; rather it is about unlocking opportunities to enable the poor to participate in the industry. It is about making the poor people's involvement in the industry more meaningful and giving them more opportunity

to participate, rather than simply expanding the overall size of the sector (Ashley et al., 2000; Ashley and Roe, 2002). Strategies for making tourism more pro-poor oriented can be grouped into three categories: enhancing economic benefits, creating other livelihood benefits (i.e. social, environmental, and cultural), and providing less tangible benefits such as public participation.

Economic strategies include:

- Expanding employment and local wages can be achieved through the creation of local jobs, as well as offering training to the local poor to prepare them for wage work (Pro-poor Tourism Partnership, 2005:b).
- Expanding local business opportunities for the poor which may include businesses that sell inputs for the local tourism industry, i.e. food, fuel, building material, or businesses that offer products to the tourists themselves, i.e. guided tours, handicrafts, restaurants (Pro-poor Tourism Partnership, 2005:b).
- Working towards spreading incomes beyond individual earners to the wider community, thereby developing a collective community income (Pro-poor Tourism Partnership, 2005:b).

While all three of these strategies are crucial in PPT development, it is the wage employment that brings the immediate benefits to the poor. Wage employment has the ability to lift a poor household from insecurity to security; however, regular wage work may only be available to a small number of individuals who are poor. For many others, small earnings from casual labour will foster a survival strategy, meaning that they will continue to be poor but are less vulnerable and more capable of meeting their daily needs.

It is also important to note that PPT initiatives will not benefit the poor population equally; often the poorest 20% remain poor (Ashley et al, 2000; Ashley et al, 2001).

Livelihood strategies include:

- Capacity building, training and empowerment for the local poor.
- Mitigation of environmental, social and cultural impacts associated with tourism and fair access to resources for local people.
- Improved access to services and infrastructure for the poor, including health care, security, etc. (Pro-poor Tourism Partnership, 2005:b)

Strategies focused on policy, process and participation can create:

- More supportive policy and planning frameworks that allow the poor to participate in tourism development.
- Increase in participation by the local poor population in decision-making to ensure the poor are consulted and have a voice in tourism development by the government and the private sector. At the very least there should be an increased flow of communication and information, i.e. meetings, sharing of news and plans.
- Pro-poor partnerships with government and the private sector. (Pro-poor Tourism Partnership, 2005:b)

While the above mentioned strategies are of a very broad nature, they do highlight the elements that need to be addressed in tourism development to make the industry more pro-poor oriented. From each of the previously mentioned three streams, a number of more specific strategies must be generated that best suit the destination area. In other words, efforts should be context specific.

According to Ashley et al. (2005), one way to expand local economic linkages and reduce leakage is by bringing local producers into the supply chain, for instance hotels and tour operators need to assess how they can increase their purchasing of locally-produced products, some of which include:

- Furnishings – arts, crafts, tables, mats, candles;
- Operational supplies – uniforms, bed linen;
- Guest amenities – recycled paper, handmade soaps;
- Services – floristry, entertainment; and
- Local food items (Ashley et al., 2005).

Another approach to promoting PPT is to build partnerships and links with local farmers. While some local hotel food and beverage supplies may originate within the host country, there is often little effort to create direct links between parties. Some of the potential links include:

- Aiding farmers in improving their production and delivery standards;
- Building on farmer partnerships to explore options for further agricultural-based products and value added products; and
- Profiling local food, providing interpretation and information to guests, or even incorporating food and farm-based activities into excursions (Ashley et al., 2005).

There are also opportunities to offer excursions and tours that involve local people and products, some of which include:

- Integrating local interaction and shopping into excursions;
- Developing a wide range of excursions tailored to client groups;
- Ensuring high quality guiding with local knowledge; and

- Increase training for local entrepreneurs and guides (Ashley et al., 2005).

There are also opportunities to harness foreign and local capital through tourist spending power, some of which include:

- Support for product quality and innovation;
- Working with local partners to ensure security of tourists in the community;
- Providing information to tourists;
- Provide business advice and support to local entrepreneurs; and
- Support destination-wide initiatives, such as festivals, regeneration of infrastructure, and the development of a local brand, thereby fostering positive guest experiences and customer loyalty, and positive word of mouth advertising (Ashley et al., 2005).

These are a few examples of PPT initiatives, and although they offer practical and feasible approaches to local tourism development that can aid the poor, they will not necessarily work in every destination and, to a certain degree, initial progress in pro-poor tourism development is largely trial and error. It is therefore important for host communities to create partnerships between local businesses, government, private enterprises and the local residents, and work towards fostering communication and collaboration between all parties. Once these partnerships have been created, the next step is to tap into possible economic linkages that best suit the region. The following section will explore the benefits of community participation in tourism development, with respect to pro-poor tourism.

2.5.4 Community Participation and Pro-Poor Tourism

Within the literature there is much discourse on the benefits of participatory planning and a call for an increase in community participation and involvement in decision making with respect to tourism development. For instance, Ashley and Roe (2002) argue that community-based tourism initiatives have the ability to increase local resident involvement in tourism development, and have become an important component of pro-poor tourism. While the call for increased local participation is not new, recently there have been claims that these initiatives need to be more inclusive, meaningful and long lasting. As with many concepts, community participation can be defined in a number of ways. For the purpose of this paper the definition provided by Tosun (2005:338) is used, community participation is...

A tool to design tourism development in such a way that intended beneficiaries (indigenous people) are encouraged to take tourism development matters into their own hands via mobilizing their own resources, defining their felt needs, and making their own decisions about how to use tourism for meeting their own needs.

In assessing community involvement in tourism generally, local communities have often not embraced the opportunity to steer their own tourism industry. Mair, Reid and George (2005) argue that this occurs for two reasons: first, many tourism communities do not recognize their inherent power and, second, rural host communities are rarely sufficiently organized to communicate their needs effectively and, therefore, any attempt to negotiate in tourism development is unsuccessful.

Tourism planning has traditionally occurred in a top-down manner, and as a result has often neglected the voices and needs of local residents, specifically the poor. Many scholars argue today that participatory development can neither be a top-down or a

bottom-up approach, rather decision making must occur both horizontally and vertically to ensure that all voices are heard and needs addressed (Hall, 1999; Heath and Wall, 1992). The hierarchical institutional structures related to tourism development need to be replaced by more democratic, two-way planning processes that work towards empowering local residents and businesses, enabling them to design policies that cater to their interests and build upon existing resources (Dahles and Keune, 2002). Despite the fact that these stakeholders may have conflicting interests, for tourism development to be environmentally, socially and economically sustainable, while at the same time addressing the needs of the local residents, including the poor, the views of the broader community must be acknowledged and addressed. Arguably, it is only through stakeholder cooperation and coordination in tourism development that we can begin to break down the unequal distribution of power and wealth that is dominant in many popular tourism destinations (Liu, 2003; Welford, Ytterhus and Eligh, 1999).

There are a variety of benefits associated with local participation in tourism development. For instance, active community involvement that takes into consideration the needs, fears and interests of residents and local businesses before and during the development process, has the potential to minimize direct opposition or conflicts, while at the same time curtailing unnecessary social impacts. Participation is also said to lead to enhanced design of tourism projects, including more cost-effective and timely delivery of plans, an increase in valuable local economic linkages, less corruption, and more equitable distribution of benefits (Hardy and Beeton, 2001). Additionally, participation and collaboration can 'add value' within the local community by embracing the

knowledge, insights and capabilities of the people and, lastly, collaboration adds to the legitimacy of tourism development (Bramwell and Sharman, 1999).

The benefits associated with community participation can only be achieved with appropriate planning and policy implementation which includes education and training for the community, as well as access to financial assistance for residents to facilitate their involvement (Wall, 1997). Community participation in tourism development can be extremely challenging and at times discouraging. It can also be difficult to coordinate the interests and needs of so many stakeholders, while at the same time keeping all parties satisfied (Tosun, 2005). Additionally, not every community has the authority and power to steer their tourism industry, and in fact, may not want to. However, meaningful community participation has many benefits for tourism communities and continual efforts should be made to foster greater participation within low-income countries and rural destinations.

2.6 Pro-Poor Tourism and its Critics

While these PPT strategies may seem valuable on paper, the field has become increasingly contested and debated, with some academics arguing that the PPT dialogue is little more than supplementary rhetoric to the already exhausted sustainable development debate. As Hall and Brown (2006:13) ask, “does PPT simply offer another route by which economic imperialism, through tourism, may extend its tentacles, or is it an appropriately liberating and remunerative option?”. Further, Hall argues that pro-poor tourism is nothing more than “another form of neoliberalism that fails to address the

structural reasons for the north–south divide, as well as internal divides within developing countries (Hall, 2007:114).

Pro-poor tourism promotes tourism in rural and remote areas, however, the potential to diversify the local economy also translates to an assimilation into the global economy, the adoption of a new set of trade laws, the creation or promotion of unbalanced power relations, as well as the introduction of social and environmental impacts (Chok, Macbeth and Warren, 2007; Mastny, 2002; Mowforth and Munt 2003). As Chok et al. (2007) argue, at present the PPT agenda seems to be prescribed primarily by corporate and bureaucratic interests, whose motive is to gain political backing to maintain tourism as a policy priority. These authors argue further that PPT must be critically evaluated to see whether tourism will make the local poor population more vulnerable due to its environmental impacts, restricting access to local resources, as well as replacing traditional livelihoods.

2.7 Summary

The literature discussed in this chapter reveals that there is a need to further explore pro-poor tourism and its potential in tourism destinations. Sustainable tourism and ecotourism have been successful in bringing many important economic, environmental and social issues to the forefront. However, as Ashley and Haysom (2004) suggest, the ‘people aspect’ of tourism development was often being ignored in sustainable and ecotourism discussions. It is with respect to human capital that PPT attempts to address the gap in tourism development and research.

Chapter 3

Cuba: A Glance at One of the Last Communist Societies

3.1 Introduction

This chapter offers background information on Cuba, providing context for the research results that will be discussed in later chapters. The chapter begins with a general overview of the country's geographic, demographic, and economic information. This is followed by a more focused discussion on Cuba's history with respect to tourism, including the period preceding the Revolution, the Revolutionary period, as well as the collapse of the Soviet Union. The following section explores Cuba's turn to tourism as a primary economic staple, and its progress over the last fifteen years. The final section of this chapter discusses life in Cuba today, with a focus on issues concerning the black market, illegal activities, employment and income, with a look into how these issues are affecting the tourism industry, the local people, and the Cuban government today.

3.2 Cuba: A General Overview

The Caribbean has long been popular for its sun and white sand beaches, and Cuba, the largest and most populated island in the Caribbean with 11 million people, has plenty of both. Cuba has a land mass of 110,922 sq. km, and according to Honey (1999:185), has “5,794 kilometres of coastline, 289 beaches, more than 1,600 small

islands and cays (cayos), coupled with nearly year-round good weather”. In fact, Cuba has more coastline than all the Caribbean islands combined. This island, located at the mouth of the Gulf of Mexico, is approximately 85 percent of the size of England, and three times the size of the Dominican Republic (Cervino and Cubillo, 2005). Additionally, the island hosts four biosphere reserves, three major national parks, and the Caribbean’s most important wetland (Jayawardena, 2003).

Although Cuba is often considered a developing nation, with its 2004 per capita Gross Domestic Product (GDP) adjusted for purchasing power parity at \$3000 USD, it actually ranks 50th out of 177 countries on the United Nations 2006 Human Development Index. Therefore Cuba falls into the ‘High Human Development’ range of the index (UNDP, 2007). The life expectancy for the average Cuban is 77 years, the infant mortality rate is stated to be approximately 6 deaths per 1000 live births, and 99.8 percent of Cubans are considered to be at least functionally literate (UNDP, 2007; CIA Factbook, 2007). The country’s primary agricultural products consist of sugar, tobacco, citrus fruits, coffee, rice, potatoes and beans, and besides tourism its main industries are sugar, petroleum, tobacco, and nickel (CIA Factbook, 2007).

3.3 A Glimpse at Cuba’s More Recent History

Cuba is located a mere 145 km south of the Florida Keys, and it is this close proximity to the United States that has played a significant role in shaping Cuba’s more recent history. Cuba was the last major Spanish colony to gain independence, when in December of 1898, Spain surrendered its control of the island to the United States (US) with the Treaty of Paris. On January 1st 1899 the Spanish flag came down and Cuba was

transformed from a Spanish colony to a semi-colony of the United States (GlobalSecurity.org, 2005). In 1902, the US granted Cuba its independence; however, under the Platt Amendment, the US maintained the right to intervene in Cuban affairs as well as veto Cuban economic, and foreign relations policy decisions. While this amendment was repealed in 1934, the US continued to possess a strong political and economic presence on the island, which in turn allowed them to support a number of dictatorial leaders which ended with Fulgencio Batista, when he was overthrown in 1959 by Fidel Castro and his Revolutionary army (Nelson, 2006).

Once in power, the new revolutionary government made clear its Communist ideology, and quickly began nationalizing American owned land and businesses on the island. These actions led to the termination of diplomatic relations between the two countries and the US implemented a trade embargo on Cuba and also banned US citizens from traveling to the country (Weinmann, 2004). Relations continued to deteriorate and in April 1992, US ports were closed to any ship that had stopped in Cuba in the previous six months, and in October of the same year the US passed the Torricelli Bill which prohibited all subsidiaries of US companies from trading with Cuba. In 1996, US President Clinton passed the Helms-Burton Act, giving US nationals the right to prosecute in U.S. courts foreign companies who had invested in expropriated Cuban property (Honey, 1999). In 2000, there was a slight shift in policy by the US and the government permitted minimal exports of food to Cuba, however, relations between the two countries continue to be strained, and the US insists that relations will not be normalized until Cuba shifts its political ideology (Nelson, 2006).

3.4 Cuba's Tourism Booms

3.4.1 Pre-revolution Era: 1920s

Cuba's first tourism boom occurred in the 1920s. Prohibition in the United States brought many Americans to Cuba, turning the island into an American Riviera for the rich and famous. The landscape of the country transformed when gambling was legalized and "American developers built villas, luxury resorts, casinos, race tracks, country clubs, golf courses, polo and tennis grounds, and marinas on the island" (Honey, 1999:185). However, this first boom in tourism was rather short lived, spanning less than a decade due to the Great Depression and the end of prohibition (Honey, 1999).

3.4.2 Pre-revolution Era: 1945-1958

Cuba's second tourism boom occurred in the 1950s due to plummeting sugar prices, the dictator Batista's promotion of foreign investment in the country, as well as the recent introduction of jet flights and package tours. What was considered more elitist travel in the 1920s had now expanded to include middle-and working class American travelers (Honey, 1999). While Cuba was a very popular destination worldwide during this period, the primary market was American citizens, accounting for 86 percent of arrivals. Travel to the island from the US was made easy with Pan Am Airlines operating sixty to eighty flights every week from Miami. Additionally, one could also choose to take a steamer or car ferry which made regular trips between Key West and Cuba (Honey, 1999).

Tourism became one of Cuba's chief sources of employment and hard currency during this period. Tourist arrivals increased by 94 percent between 1948 and 1957, and brought Cuba's share of tourism in the Caribbean up to 21 percent, ahead of the Bahamas, Puerto Rico and Jamaica, its major competitors (Cervino and Cubillo, 2005; Henthorne and Miller, 2003; Jayawardena, 2003). Additionally, in 1956 the Caribbean had a total room stock of 10,134, with Cuba having 3,176 of these, or 37 percent, more than the combined room total of the next four competing destinations (Puerto Rico, Jamaica, the Bahamas and Dutch Antilles), and by 1958, Cuba's room count had jumped to 7,728 (Cervino and Cubillo, 2005; Jayawardena, 2003).

Much of the development during this period can be attributed to various US Mafia families, as these families managed, controlled and extracted a large percentage of the profits made from the tourism industry (Jayawardena, 2003). While tourism on the island consisted of the traditional sun, sand and sea, the industry also drew many for its gambling, its night life, and its sex trade. In the late 1950s, Havana alone had an estimated 100,000 prostitutes and 279 brothels (Jayawardena, 2003). However, this tourism boom was also short-lived, and Batista's corrupt leadership and "close personal and business ties to organized crime, prostitution, illegal drug dealing, and gambling cast a dark shadow over the good times" (Honey, 1999:185). By 1958 tourist arrivals had dropped 34 percent as civil unrest and violence grew in Havana, when police and gang warfare slayings grew out of control, and guerrilla warfare was increasing on the eastern end of the island. Under the rule of Batista, Cuba's primarily US dominated tourism industry became a symbol of decadence and corruption, and it was at this point that the seeds of the Revolution were planted. The slow but steady support for the Cuban

Revolution by the local people was bad news for Batista and the country's tourism industry, but promising news for competing Caribbean islands (Henthorne and Miller, 2003; Honey, 1999; Jayawardena, 2003).

3.4.3 Post Revolution Era: 1959-1988

Fidel Castro's forces seized power of Cuba in January 1959, and for a brief period after this, the new Revolutionary Government, as well as the American travel industry, attempted to conduct business as usual despite the decaying relationship between the two countries. At this point, Castro was still interested in having tourism as a source of foreign currency, and the government began pouring millions of dollars into tourism, expanding and modernizing hotels, as well as improving highways and airports (Honey, 1999). In October 1959, Cuba hosted the weeklong annual convention for the American Society of Travel Agents (ASTA), which brought 2,500 delegates to Havana. Fidel Castro attended the conference, assuring the ASTA that Cuba's goal was to continue to expand its tourism industry. At the convention Castro presented a magazine published by the country's new tourism commission that proclaimed "1959 the 'Year of Liberation' and Cuba the 'Playground of the Americas' and promising investors 'virtually unlimited possibilities for profit making ventures'" (Honey, 1999:186).

Unfortunately, a series of unforeseeable events brought the conference to a sudden halt. On October 18, a defected Cuban (living in Miami) flew an old World War II B-26 over Havana dropping anti-Castro leaflets. In retaliation, Cuban antiaircraft gunners opened fire on the plane. Although at this point the cold war had not come into full force, Cuba had already situated itself as a political ally with the Soviet Union, and

with these incidents, the already delicate relationship between Cuba and the US was easily shattered (Honey, 1999). Not long after this episode, the Cuban government nationalized all of the country's hotels as well as 150 other US based investments. By 1960, the number of tourists to Cuba slumped to 61,098 from 272,265 at its peak in 1957, and by 1961 dropped even further to 4,108. This drop in visitor numbers can be attributed to several factors, namely the US imposed embargo on Cuba in 1960, and the barring of American citizens to travel to Cuba, which began in 1962. In addition to these, the 1961 Bay of Pig invasion, the 1962 Cuban missile crisis and the general hysteria present in the media, all contributed to the demise of Cuba's international tourism industry (Honey, 1999).

The loss of the country's tourism industry did not create a huge setback in the eyes of the new leaders because Cuba's strategy for economic and social development did not consider tourism its number one priority. In fact, Fidel Castro and his affiliates rejected much of the societal ills that were associated with the tourism industry under Batista's rule, (i.e. gambling, drugs, prostitution, and organized crime (Cervino and Cubillo, 2005). Throughout the 1960s, Cuba's tourism industry became almost non-existent, with only 3000 recorded visitors in 1968 (some of whom came from Eastern Europe) arriving for the island's renowned health spas. It was during this same period that domestic tourism flourished as new laws and programs under the Revolution were put into place to encourage local people to partake in tourism in some of the island's most beautiful sites (Henthorne and Miller, 2003; Insight Guides Cuba, 2003). For decades, Cuban workers and their families were able to partake in government subsidized vacations in some of the country's most beautiful locations, and domestic tourism

remained primarily as a service rather than a revenue generating business (Honey, 1999; Jayawardena, 2003).

As the focus on tourism diminished, the Cuban government began to turn its attention once again to sugar, tobacco, and minerals for its primary exports. The favourable bartering arrangements that had been created between Cuba and the USSR enabled the island to export its sugar at artificially high prices (at five times the world price), in exchange for agricultural machinery, crude oil and technology. The Soviets needed Cuba's close proximity to the US and Cuba needed the Soviet's products (Cervino and Cubillo, 2005).

While it is widely believed that Cuba did not attempt to revive its tourism industry until after the fall of the USSR, according to Jayawardena (2003) it was actually during the mid-1970s that the country began to slowly reintroduce tourism to stimulate economic growth. In 1975, the Revolutionary government began putting money into hotel construction, and not long after Cuba was recording yearly growth rates in visitor numbers (Jayawardena, 2003). In 1976 the government created the National Institute of Tourism (INTUR) with the goal of managing international tourism, policy development, and collecting tourism data. Cubatur was also created as a subsidiary of INTUR, which became the country's only travel agency. It was at this point that Cuba began offering State run package tours to beach resorts and Havana nightclubs, and Varadero became increasingly popular as a destination. By 1977, visitor numbers totaled 66,600 which was a 700 percent increase over 1974; however, these numbers were still less than 20 percent of the pre-Revolutionary levels (Honey, 1999).

As sugar prices began to fall in the early 1980s, Cuba's communist party made the decision to continue to expand and modernize its tourism industry, and by 1984 tourism earnings totaled \$80 million annually with less than 200,000 tourists. What was interesting about Cuba's tourism industry during this period was that approximately 80 percent or more of the tourism dollars remained in the country. This was impressive when compared to other low-income country's where it is common to find up to 80 percent of tourism dollars either never entering the country or 'leaking out' (Honey, 1999).

Eventually, nearing the end of the 1980s, the government motioned to make tourism their primary source of foreign exchange due to the difficult times facing the USSR. As financial support from the Soviets gradually began to diminish, Cuba was forced to implement a fast-track development initiative. To achieve their medium and long-term goals the government opened the country to foreign investment and joint ventures (Jayawardena, 2003). Honey (1999) states, to initiate this process, the government "broke the INTUR-Cubatur monopoly (in 1987) by creating the first 'autonomous' - that is, semigovernmental - development corporation, Cubanacan, to seek foreign capital on a fifty-fifty basis in hotels and tourism infrastructure projects" (Honey, 1999:188).

As the island tourism industry continued to expand, tourist hotels began accepting only US dollars rather than the Cuban peso. Cubans citizens however, were not legally permitted to possess US dollars, and as a result were banned from these hotels and restaurants. Essentially, the only Cubans permitted in these establishments were hotel

employees and tour drivers, and with this, Cuba's tourism apartheid began to take shape (Honey, 1999).

3.4.4 The "Special Period"

The fall of the USSR proved to be detrimental to the Cuban economy with the loss of much needed trade and products. Various sources estimate that Cuba's economy dropped anywhere between 35 percent and 70 percent between 1989 and 1993, which is not surprising considering 85 percent of the island's trade was conducted with the Soviet bloc (Cervino and Cubillo, 2005; Henthorne and Miller, 2003). The abrupt fall of the USSR and the severe US trade embargo threw Cuba into its worst economic crisis, which in turn endangered the island's national health care system, free education and countless other social programs. In the absence of the much needed Soviet subsidies, the Cuban government implemented a program called "Special Period in Time of Peace", which entailed wide-ranging economic reforms, including opening up the island to further foreign investment, liberalizing farm markets, legalizing the US dollar and permitting the establishment of small-scale Cuban private enterprises (Corrales, 2004; Honey, 1999).

The Soviet Union's fall left the Cuban government with little choice but to restructure their Communist economy and adopt various capitalist principles. Tourism, which had long been viewed as an unproductive economic sector by the Communist government, was soon embraced as a key economic activity on the island and assisted in Cuba's reintegration into the global economy. The country's moderate tourism development prior to the Soviet bloc's collapse proved to be effective, and although the collapse created an economic downturn for Cuba, tourism was able to slowly grow in the

aftermath (Henthorne and Miller, 2003; Jayawardena, 2003). Between 1989 and 1993, international tourist numbers increased by 73 percent from 315,000 to 544,000 and additionally, tourism receipts rose by approximately 350 percent from \$204 million to \$720 million. Cuba was once again becoming a contender in the Caribbean tourism market (Seaton, 1997).

To meet the needs of the country's tourism growth, the government authorized self-employment in 1993, offering a variety of entrepreneurship opportunities to local Cubans. Licenses for more than 150 occupations (many catering to the tourism industry) were granted and individuals began to set up shop in businesses ranging from plumbers and electricians, to bicycle taxis, ice cream vendors, restaurateurs, and private bed and breakfasts. Initially, the government granted more than a quarter million small business licenses (Gayoso, 2006).

Cubans were keen to open their own businesses; however, this was not an easy task due to the hefty start up fee (which in many cases was often made possible by remittances from family members living in the US). Additionally, the government imposed a number of regulations regarding how business was to be conducted, and where the entrepreneurs were to buy the necessary products for their enterprise (Gayoso, 2006). When the country's economic condition finally began to improve toward the end of the 1990s, the situation did not become any easier for the self-employed: rather the opposite occurred. As Gayoso (2006) notes, the government began initiating "a series of highly repressive procedures against the self-employed, including high taxes, continuous onerous inspections, and, ultimately, cancellation of a large number of categories under which individuals could obtain licenses" (Gayoso, 2006:40).

Although tourism brought much needed currency into Cuba, life was extremely difficult during the Special Period and citizens were forced to cope with constant food and power shortages. Rationing had been introduced across the country in 1961, with the intent of providing every citizen with a basic supply of food, clothes, and household products to ensure a level of equality. As Elwood (1998) states, due to the economic situation in the 1990s, rations were decreased and the amount allotted to each individual became scarcely enough to live on, lasting half-way through the month (Elwood, 1998). It was in light of Cuba's deteriorating economy and these difficult times that a 'second economy' began to surface across the country, both in the development of legal private business and illegal market activity in US dollars, also known in Cuba as the 'black market'. These two economies continue to exist today, with State run enterprises generally using the Cuban peso, and private enterprises and black market transactions for the most part occurring in Cuba's new currency, the convertible peso (CUC) (Jennissen and Lundy, 2003).

3.4.5 Tourism Progress 1989-Present

Tourism continued to expand on the island throughout the 1990s. Between 1990 and 1994, Cuba's tourism industry grew a remarkable 16 percent annually, compared to the 4.7 percent growth rate for the Caribbean as a whole. By the mid-1990s, Cuba ranked sixth in the Caribbean for tourism numbers. To foster this growth the government established the Foreign Investment Ministry in 1994 to seek overseas capital to finance various sectors of the economy, excluding defense, national security, public health and education (Honey, 1999; Wood and Jayawardena, 2003). Cuba's tourism initiative

granted massive tax breaks and a variety of incentives to investors. In the mid-1990s, the Ministry of Tourism was negotiating 200 potential joint venture projects with companies from 28 countries, and by 1995, “tourism ranked as Cuba’s second highest gross foreign exchange earner (US \$1.1 billion for 1995) after sugar (US \$1.2 billion), and within a year it had become number one” (Honey, 1999:193). Much of the development during the 1990s was focused around the expansion of facilities in Varadero, with some attention on projects in other regions.

In the mid-1990s Cuba finally saw employment expand, with growth rates ranging between four to eight percent annually between 1996 and 2001, and tourism employing a considerable portion of the population. Between 1995 and 2001 the number of hotels expanded by approximately 20 percent, and room capacity nearly doubled (Winson, 2006). During the same period foreign exchange earnings from the country’s international tourism industry increased from US \$1.1 billion to US \$1.84, and as much as “30 percent of tourism’s net profits were going into health care, education and other government programs, with the rest being reinvested in the tourism industry itself” (Winson, 2006:12). Beyond simply expanding its tourism industry, Cuba has also made significant strides in its petroleum, mining, and transportation sectors, primarily through joint ventures (Henthorne and Miller, 2003).

While tourism has been praised for rescuing Cuba from its economic crisis, it has also had an impact on the country’s socialist economy and its citizens. As Seaton (1997) argues, two institutionalized effects became apparent with the rise of tourism on the island, one deliberate, and the other unintentional.

Firstly, in order to meet the service standards expected by richer Western visitors Cuba was forced to make special provision for tourists which included developing new hotels and supplying them with goods often unavailable to the general population, or severely rationed, due to the shortages which had arisen after perestroika, and the continuing American blockade of Cuba. Secondly, though all Cubans were officially paid the same by the state mainly in Cuban dollars, it was possible for those working in hotels and restaurants to earn more by their direct access to American dollars (worth more than 10 times Cuban dollars) and through extra wage payments (also in dollars) made from gratuities received from tourists (Seaton, 1997:314).

This discrepancy in wages was an important factor in influencing some Cubans to leave their professions to work in the tourism industry. The tourism work environment has long been an attractive alternative for the highly educated Cuban population. This has occurred primarily due to the discrepancy in earnings of various professions. For example, doctors earn roughly 350 Cuban pesos a month (US \$20). A waiter also earns 350 Cuban pesos monthly, but in addition, can also earn US \$17 in tips per day (Wood and Jayawardena, 2003). Further, tourism workers employed by foreign owned companies actually bring a significant amount of money into Cuba. Today, foreign companies operating hotels are required to pay their workers in US dollars, equating to approximately US \$400-500 a month per employee. The government then takes this money and pays the employees in Cuban pesos, often at a conversion rate of 1 Cuban peso per 1 US dollar, despite the fact that the market exchange rate is 26 Cuban pesos to the dollar (Cervino and Cubillo, 2005; Sixto, 2006).

Today the average Cuban monthly wage is 312 Cuban pesos, an increase from 223 in 1999, unfortunately however, Cuban pesos have little buying power on the island today. In 1993 the US dollar became legal tender across the country which set in motion Cuba's two economies, and the situation did not improve with the introduction (in 2004)

of the government's new currency 'convertible pesos' (CUC) (Mesa-Lago, 2005; Ritter, 2005). Even though State entities selling items in hard currency no longer accepted the US dollar, life has remained just as difficult for those Cubans earning their wages only in Cuban pesos. Today, the average Cuban's standard of living continues to be at a lower level than prior to the downturn of the 1990s (CIA Factbook, 2006; Mesa-Lago, 2005).

It is clear that Cuba's tourism industry has been important in supporting the country, but today various advocacy groups and academics argue that, in some circumstances, the Cuban government is exploiting its citizens and violating international labour laws and human rights (Sixto, 2006). For example, as Sixto argues, the government has constructed their tourism resorts in a fashion that separates tourists from the local population, and Cubans are not permitted to interact with foreigners, which is also known as tourism apartheid (Sixto, 2006). The goal behind this is to have tourists enjoy their vacation without leaving their isolated areas, therefore having little knowledge of the internal structure of the Cuban society, and leave the country at the end of their vacation concluding that Cubans are poor but generally content. However, the Cuban government's segregation policy has in no way deterred locals from attempting to benefit from visiting tourists (Groen, 2002; Sixto, 2006). Prior to the 1990s it was rare to find Cubans approaching tourists for money, or offering services, in part because the police could detain the individual, but also because during that time citizens could only use the Cuban peso and it was illegal for them to possess US dollars. However, today Cubans offer a range of services (i.e. transportation, dance lessons, Spanish lessons, guided tours) to tourists without licenses to do so, despite the fact that they can be punished by the State. Research indicates that most Cubans who offer these services claim that the

amount they can earn outweighs the risk of being caught and punished by the State (Colantonio, 2004; Groen, 2002).

3.4.6 Cuba's Tourism Industry into the Future

Over the course of the last decade Cuba has recorded the highest rate of growth in tourism arrivals among Caribbean nations, and is currently the third most popular destination in the region. What makes Cuba's tourism growth most impressive is that the country has gained such strides without the US market (Cervino and Cubillo, 2005). What is more, some academics believe that by 2010 Cuba will move into the number one position in the Caribbean, regardless of whether or not the US travel ban is lifted. Today's tourism dependent Caribbean nations are anxiously watching Cuba's tourism industry wondering what the potential effects will be if the US tourism ban is eventually lifted (Wood and Jayawardena, 2003). The majority of Cuba's tourism arrivals come from Europe, specifically Spain and Italy, however, Canada is the single largest source country, accounting for approximately 24 percent of arrivals to the island. The number of tourists arriving from Latin America (Mexico, Argentina, Columbia, and Chile) is also on the rise, and Japan and China, among other Asian countries are slowly starting to show a presence on the island (Cervino and Cubillo, 2005; Henthorne and Miller, 2003).

While the majority of Caribbean destinations experience their high-season during the northern hemisphere's winter months, Cuba also experiences a second high-season during the North's summer months (Cervino and Cubillo, 2005). Cuba has been successful in attracting a large European market, who tend to travel during the island's

summer months (June to September), while Canada and countries from Latin America offset this seasonality by traveling in the winter months. It is not only beneficial that Europeans travel to Cuba in the summer to prevent a long low-season, but they also tend to stay longer and spend more than tourists from other locations (Cervino and Cubillo, 2005).

In an effort to expand its tourism industry and move away from solely beach resort travel, the Cuban Ministry of Tourism has recently targeted eight regions across the country, particularly focusing on their beautiful colonial architecture or natural environment to attract tourists. Currently tourism is concentrated in Havana and Varadero, which combined account for 70 percent of the island's tourism revenue (Cervino and Cubillo, 2005). The other six regions host the majority of the island's natural, historic, and cultural attractions, including seven UNESCO World Heritage Sites. To utilize these sites, the government has implemented a number of initiatives, namely expanding upon its potential ecotourism industry. In 2003, the government redefined ecotourism as 'nature tourism', and placed high priority on the future planning of this type of tourism (Cervino and Cubillo, 2005; Winson, 2006). What is interesting about Cuba's nature tourism is that it extends beyond just utilizing the island's natural areas, and is also perceived to include 'rural tourism'. The government is beginning to market a tourism experience where tourists visit rural communities and small farms to learn about Cuba's rural way of life (Winson, 2006). The officials claim that rural tourism on the island is being developed based on the principles of economic, social, environmental and cultural sustainability. However, as Winson (2006) argues, because rural tourism is

relatively new across the country it is yet to be determined if this development is in fact occurring in a sustainable manner.

While Cuba has made great strides with respect to its tourism development, the industry has not been the revenue generator the government had once hoped it would be. Today, the country suffers from a high degree of economic ‘leakage’, a result of importing a variety of goods to support their tourism industry. When tourism was reintroduced in the 1990s, almost all products used by the hotels and restaurants on the island had to be imported since very little was produced locally (Cervino and Cubillo, 2005; Padilla, 2003). It is estimated that in Cuba “the leakage rate, including profit-sharing with the hotel chains and the value of goods and services imported for the tourism enterprise, exceeds the 40-50 percent rate that applies to most of the Caribbean destinations and may approach 75 percent. This would mean that only one of every four dollars spent by tourists on their vacations in fact remain in Cuba” (Padilla, 2003:84). Other estimates offer a more generous view of the situation, as Cervino and Cubillo (2005) state, through international joint ventures the percentage of local production of tourism products has increased from 12 percent in 1990 to 67 percent in 2001. In addition to economic leakage out of the country, Winson (2006) also argues that currently only a small proportion of tourist revenue is actually staying in the small-scale tourism communities across the island, with much of the profits going back into other larger projects. This is apparent in some small tourism communities where infrastructure is severely run down or non-existent. Although the Cuban government is making efforts to maximize local production of tourism products, the increase in foreign ownership in the

tourism sector may be further deteriorating rather than improving the problem of economic leakage (Honey, 1999).

3.5 Trouble in Paradise: Life in Cuba Today

3.5.1 The Inadequate Salary Wage

When reviewing the tourism literature concerning Cuba it appears that the country's development in the industry is well documented, however, information pertaining to the everyday lives of Cubans and how tourism is affecting the local people is much more difficult to find. Although tourism has grown steadily on the island, it can be argued that the local people are not necessarily feeling the benefits of the industry. A report released in October 2004, by the University of Miami's Institute for Cuban and Cuban-American Studies stated:

Daily life has become increasingly difficult for the average Cuban. Shortages of food and electricity, a deteriorating transportation and health system, a drastic decline of basic services provided by the state are creating tense conditions that could lead to increased social unrest. Housing is woefully inadequate, infrastructure is crumbling, blackouts are a part of everyday life, certain areas go 13–15 days without water service, and shortages of basic medicines such as aspirin abound (Sixto, 2006:316).

Cuba is often praised for providing education, health care, housing and food for its citizens, and also for subsidizing or reducing costs for various services, i.e. electricity. However, the majority of Cubans who work for State-run enterprises find it increasingly difficult to make ends meet on their State salary and rations alone (Ritter, 2005; Sanchez, 2007). In 2005, Castro raised the minimum wage from 100 to 225 Cuban pesos per

month, with the average Cuban income increasing from 282 to 312 Cuban pesos per month (Ritter, 2005). However, this increase has done very little to lessen the hardship of survival for most Cubans, in fact, Jennissen and Lundy (2003: 190) argue,

“it is estimated that a Cuban family of four, in which at least two people are working and receiving an average salary, would require double their earned income in order to guarantee a minimum consumption of food, hygiene products and commercial services”.

Ritter (2005) indicates that virtually all Cuban citizens attest that their monthly State wage only allows them to purchase 10 to 14 days worth of basic foodstuffs from rationing vendors, while for the rest of the month the remaining necessities must be purchased with other income sources.

Once a family's monthly rations run out, they will often turn to the State's hard currency (former dollar) stores to purchase goods, which accept only convertible pesos and have tax levels up to 140 percent. Local Cubans use these stores (*Tiendas*) to purchase rice, oil, frozen meat, and other non-perishable products. Vegetables are purchased from private farmers markets or State-run vegetable markets, both of which are market determined, and are therefore relatively expensive. And finally, there is the black market, where you can find almost anything if you are willing to pay the price, which is also market determined and fairly high (Ritter, 2005).

Although the government's salary increase was a nice gesture, it continues to leave locals with very little buying power in the government's convertible peso (CUC) food markets since Cuban pesos equate to very little in convertible pesos (26 Cuban pesos per convertible peso in 2005). Due to this inadequacy, Cubans must find supplementary sources of income, in either “old pesos” or convertible pesos (which is preferred) to ensure their survival (Ritter, 2005). There are a number of methods in which

Cuban residents acquire CUC, with one of the most common being remittances from family members or friends that live outside the country. Remittances are a very important form of income for many Cubans; and by the year 2000, remittances into the country amounted to \$US 700 million collectively, and close to \$US 1,000 million in the first years of the 2000s (Ritter, 2005; Ross and Fernandez Mayo, 2003). Another common approach to acquire CUC is by working in the tourism industry, which has allowed a number of individuals to earn tips from their legitimate or illegitimate work in this sector, thereby raising their standard of living. Cubans can also obtain CUC by working for foreign businesses operating within the country, which have been known to give their employees bonuses in CUC. While these income supplements are technically illegal, the government tolerates it. Finally, in Cuba today there are approximately 120,000 individuals earning their incomes through legal self-employment, with some of the most lucrative being in-home restaurants and private home room-rentals. There are also a large number of individuals earning their living through illegal self-employment, however, these numbers are unknown (Gayoso, 2006; Ross and Fernandez Mayo, 2003; Ritter, 2005).

Clearly these funds lessen the burden for some families, but for those individuals who have no access to CUC, the challenge of basic survival, while not impossible, is increasingly difficult. Due to this struggle, Ritter (2005) notes that more and more Cubans have now turned to economic illegalities and the black market to support themselves, and as long as the State salaries in 'old pesos' continue to fall short of providing the necessities for survival, Cubans will continue to seek out means (often illegal), to obtain additional incomes (Ritter, 2005).

3.5.2 Economic Illegalities and Black Market Activity

While a significant number of tourists visiting Cuba today spend their vacation at resorts with all-inclusive packages, there are also a growing number of tourists who are choosing to travel around the island on their own. For these more independent travelers, it is commonplace to be approached by Cubans who are quick to offer an array of services or items in exchange for CUC, which range from cigars at below market cost, to guided tours around the city, or taxi rides in unlicensed cars (Jennissen and Lundy, 2003). The increase in these types of illegal activities is how some Cuban citizens are managing to survive today in light of the inadequacies of the State wages.

The black market and other illegal activities have been present in Cuba throughout the Revolution. Since the introduction of the rationing system in 1961, people have sold the rationed items they did not want, or traded for the products they did want. “In this way, the rationing system converted virtually everyone into a mini-capitalist, searching for opportunities to sell and to buy” (Ritter, 2005:349). Today however, many argue that tourism has been a key factor in the expansion of these activities, and the number of people who participate in them. Ritter (2005) notes that many Cubans claim that almost every resident on the island is involved in some way or another in economic activities that are deemed illegal by the government. Interestingly, Cubans do not consider many of these illegal acts to be unethical, “one might say that there is a pervasive culture of illegality in the Cuban economy and society at this time” (Ritter, 2005:342).

There are also a number of individuals who commit acts that are considered illegal and criminal by the greater Cuban society. The individuals who commit these

crimes have been branded as *jineteros or jineteras* (names traditionally given to male and female prostitutes, a growing problem associated with Cuba's tourism industry), however today the nicknames encompass more than just selling sex and are used to describe those who try to latch on to the tourist dollar (Colantonio, 2004). This way of life is generally known as *jinoterismo*, and beyond just male and female prostitutes, it also includes beggars, freelance tour guides, drug dealers, and those selling stolen alcohol or other goods. The number of Cubans maintaining a living through *jinoterismo* is steadily increasing across the island, with many gravitating towards the island's tourism centers (Colantonio, 2004).

Economic illegalities of various sorts are common in most countries, however, in Cuba's case, these activities are primarily rooted in the country's economic policies. These policies have created an economic environment where residents must live outside the law as part of their survival strategy. Unfortunately, there is relatively little literature concerning illegal economic activities in Cuba today, but its existence and scale is known by many (Ritter, 2006). Ritter (2005) discusses the various categories of economic activities in Cuba. They are as follows:

- *The Formal Economy*: This is legal economic activity which includes State enterprises, mixed enterprises and cooperative enterprises. It also includes licensed self-employment.
- *The Underground Economy*: This is extra-legal economic activity (outside the regular and fiscal regime of the State) and involves the generation of income as well as the production and exchange of goods and services in unlicensed businesses or through unauthorized means. The goods and services produced here however, are legal.

- *The Criminal Economy*: These are illegal economic activities which involve the production of illegal products, i.e. drug manufacturing and sales, prostitution, theft, etc. (Ritter, 2005:344).

It is in the underground economy that much of Cuba's economic transactions take place. As Ritter (2005:344) contends, the underground economy consists of:

1. Legitimate underground economic activities (“The production and exchange of legal goods and services although they are outside State control. Though tolerated elsewhere, in Cuba such unauthorized activities are considered criminal.”);
2. Underground activities operating within State firms or the public sector;
3. Underground activities operating within registered self-employment activities;
4. Unrecorded and unofficial income supplements paid by mixed or State enterprises;
5. Unrecorded and unofficial payments from customers to employees; and
6. “Black markets” or illegal exchange of goods and services.

Ritter (2005:346; 2006:150) also discusses more specifically some of the illegalities that occur in the underground economy:

- State cigar makers steal cigars from the factory to re-sell them;
- A mother purchases powdered milk in the black market for her child;
- Jobs in the tourism industry that have the potential to make tips are sold to applicants by the hiring decision-maker;
- Some tourists are overcharged ‘by mistake’ for their meals or in their purchase of goods, some servers will charge an extra beer on a tourist's bill, or sometimes a tip will be automatically included on the bill total;

- A home owner unlicensed as a room rental facility illegally rents out rooms to tourists;
- A bed and breakfast (*Casa Particular*) inspector overlooks a home owner illegally renting out a second unlicensed room for a payment;
- Individuals sell items door to door, i.e. spaghetti, eggs, fish, lobster;
- A security guard working for a State dollar store (*Tienda*) steals an item and resells it for 20 percent more than the official State price.

These are only a few of a long list of activities that occur in Cuba's underground economy. The scale of these illegal activities across the country is vast. *Por la izquierda*, or 'from the left', is how many residents refer to the black market, and some Cubans claim that everything imaginable can be purchased in it. The irony lies in the fact that much of what is sold on the black market has been stolen from State enterprises (Ritter, 2005; Sanchez, 2007).

To monitor these types of activities and to prevent further illegalities, the government established the *Comités para la Defensa de la Revolución* (CDRs), which acts as a neighbourhood monitoring committee. While in some communities the CDRs are effective at preventing illegal economic activities, these officials must also obtain supplementary sources of income to survive. Therefore, it is not uncommon to find CDR employees involved in various illegal activities, and as a result, are less likely to prosecute a neighbour or a friend committing similar acts (Ritter, 2005). As Ritter's research reveals, the State police also play a role in monitoring and preventing illegal economic activities. It is very common to find police officers stopping individuals on the street (particularly in Havana), asking for their identification card and questioning their

actions. However, police officers are also known for “overlooking possible or actual infractions, out of friendship for the perpetrator, empathy for the situation that they find themselves in, or possibly a pay-off of some sort” (Ritter, 2005:355).

As mentioned earlier, it has been argued that tourism has been a major factor in the increase in illegal economic activities in Cuba, and while this may be true to some degree, it must also be recognized that the government’s inadequate monthly rationing system is also a factor (Ritter, 2005). Illegal acts occur in every country, but in Cuba even those citizens who do not wish to break the law are often driven to do so for mere survival. The government claims that these acts are a result of corruption, and has confined its policy response primarily to increasing the amount of policing, but has neglected to recognize the root of the problem (Ritter, 2005). Until the State makes some serious reforms within its economy these illegal economic acts will persist throughout the island, and perhaps even escalate. In Sanchez’s (2007: A16) article, one local Cuban commented, “The government calls it corruption, we call it survival, subsistence. We’re not criminals. Pay us what we deserve. Put food in the markets. Watch the corruption disappear”.

3.6 Cuba’s Cuentapropistas

Prior to the Cuban government’s expansion of small-scale private enterprises, only 10,000-15,000 Cubans were self-employed, but in 1993 when 117 new occupations were opened to self-employment these numbers rose dramatically. Within eight months of passing the new law 151,130 residents were self-employed, by 1995 that number rose to 170,000, and the number of permitted occupations also increased to 158 (Peters, 1997).

In January of 1996 the sector reached its peak at 209,606, but by September of the same year the numbers had dropped by 12 percent to 184,922. Since that time, the number of self-employed Cubans has been slowly decreasing, and today there are only approximately 120,000 (Gayoso, 2006; Peters, 1997). These small-scale enterprises are officially known as self-employment (*'trabajo for cuenta propia'*, or work on one's own account, but the word *cuentalpropista* is often used to refer to self-employed individuals), and for the most part, these businesses are limited to the person holding the license, no other employees (Peters, 1997).

Cuentapropistas are found primarily catering to the tourism and service industries, and include businesses such as beauty shops, shoe repair, car and bicycle taxis, and dance and music teachers, among a variety of other occupations. One of the most popular types of businesses are home restaurants known as *Paladares*, which today have become very popular and generate a substantial amount of competition for State restaurants. A meal at a *paladares* ranges from 10-15 CUC compared to the 25-35 CUC one would pay for a meal served in a State owned tourist facility (Colantonio, 2004). *Paladares* purchase their food products from State dollar (CUC) stores, State operated agricultural markets, as well as private farmers markets, and they play an important role in supporting private farmers markets in tourism areas (Ross and Fernandez Mayo, 2003). However, the government has restricted what types of food can be served in *paladares* (no beef or shellfish), they may only seat up to twelve customers at one time, and only the proprietor's family can be employed (the only business permitted to have employees) (Colantonio, 2004; Peters 1997).

Another popular small-scale business across the island is bed and breakfasts, also known as *Casa Particulares*. The government grants licenses to those individuals who have the initial fee, suitable homes, and enough rooms to accommodate their family with one extra room for two tourists (Colantonio, 2004). *Casa Particulares* have grown in popularity over the years. In 1995 it was estimated that over seven percent of individual tourists visiting Havana stayed in this type of lodging, by 1997 this number increased to 21 percent, and to 23 percent in 2002. In 1998 alone it was “estimated that taxable income produced by the private accommodations sector equaled four percent of the total revenues of the tourism industry and 36 percent of the state accommodations sector” (Colantonio, 2004:31). Bed and breakfasts have grown in popularity as Table 1.1 demonstrates, with the number of licensed *Casa Particulares* in Havana alone tripling between 1998 and 2002.

Table 3.1: The Number of Bed and Breakfasts Registered as Tax Payers

Province	1998	1999	2000	2001	2002
Havana	17	2,284	2,568	2,705	2,730
Cuba	1,537	4,234	5,044	5,178	4,980

Source: Colantonio, 2004:31

As can be seen in the table above the number of private accommodations decreased between 2001 and 2002, and although this drop is not necessarily significant, it represents the beginning of a general decline of small-scale private enterprises across the island. This decline has occurred primarily due to the number of regulations and restrictions that the Cuban government has implemented in order to limit the growth of private businesses (Peters, 1997; Ritter 2005). As mentioned, *cuentapropistas* are

prohibited from hiring employees in all businesses (with the exception of restaurant/food services). These small businesses lack access to a legal wholesale supply system, but are also subject to regulations regarding where they are permitted to purchase products for their enterprise. *Cuentapropistas* must compete against State enterprises, they must make monthly tax payments, they are not permitted to use public media for marketing purposes, and starting in 1996, they were forced to pay income tax (Peters, 1997; Ritter, 2005). To ensure that *cuentapropistas* are abiding by the laws, the government will send out secret police to pose as tourists. Those found not complying with the regulations are fined by inspectors, or in some circumstances their business license is confiscated (Jennissen and Lundy, 2003; Sixto, 2006).

Beyond these more formal regulations, Gayoso (2006) states that there is anecdotal evidence suggesting that the demise of small private restaurants is also occurring due to harassment and economic repression by the government. Additionally, there is a vigorous campaign against licensed *Casa Particular* owners, because the government now considers them unfair competitors with State-owned tourist hotels. While the government believes these actions have limited the growth of private businesses, what it has actually done is pushed more of these entrepreneurs into the unofficial or black market sector (Gayoso, 2006). Ritter (2005) also argues that the more complex the governments regulations and restrictions have become for small-scale enterprises, the more *cuentapropistas* have turned to illegal activities.

To get around paying the initial fee and the monthly taxes, but still enjoy the extra income, some families rent out rooms illegally to tourists. Other individuals can be found serving dinner to tourists in their unlicensed *paladares*. However, it is also very common

to find licensed *cuentapropistas* turning to the black market to purchase hard to find items, or simply to purchase products at a cheaper price. To cover up their actions (because products must be purchased from official State stores), some owners will purchase receipts for products bought in State stores from neighbours, friends and family to protect themselves in the case of an unexpected inspection (Pumar, 2002). Another common case is *paladares* owners offering prohibited dishes to customers, one of the most popular being lobster. The owners do not include these items on their menu; rather they verbally make them known to trusted customers. Although illegal activities are common practice among *cuentapropistas*, Cubans generally have a positive attitude toward the self-employed (Pumar, 2002, Peters and Scarpaci, 1998).

It has become clear that the Cuban government is making it increasingly difficult to become or remain self-employed, but for those licensed *cuentapropistas* that have managed to stay in business, the profits can be substantial. A significant proportion of *cuentapropistas* earn more than State employees, some even earning more than individuals in professional occupations. Various accounts state that small business owners can potentially earn three and a half times the average Cuban salary (Peters and Scarpaci, 1998). With such high earning potential it is understandable why many Cubans wish to have a licensed (or unlicensed) small business.

3.7 Cuban's Thoughts on Tourism

Tourism can be an invasive industry, and as a result residents in popular tourism destinations will often have mixed feelings about it. Some enjoy the money tourism brings, others like that it creates more jobs, however, on the other hand, tourism is also

known to be culturally intrusive and environmentally degrading. Colantonio (2004) completed research in 2003 on Cuban's feelings toward tourism. The survey sample was randomly chosen in a few of Havana's 'tourist poles', and consisted of 160 interviewees. The study had two main purposes, "the first one was to evaluate residents' perceptions of the environmental, social and economic impacts of tourism in their area. The second purpose was to assess their perception of issues related to the strategic planning of tourism" (Colantonio, 2004:20).

Some of the main findings of the study regarding residents' perceptions of tourism were as follows:

- Over one-third of the respondents believed prostitution to be one of the main negative effects caused by tourism in their neighbourhood. Therefore, 83 out of 160 interviewed considered *jineterismo* (prostitution) to be positively correlated with tourism development.
- The majority of residents (86.8 percent) felt that so far tourism has either had a positive impact or little impact, with the remaining residents (13.2 percent) feeling that tourism had a negative or no impact.
- For those residents who felt tourism had a positive effect, their rationale was that tourism is associated with economic development, environmental revitalization, cultural and social revitalization, as well as more vitality. Residents who had a negative view toward tourism felt that it created personal insecurity, caused an increase in crime rates, and it also amplified population displacement.
- The survey also revealed that 85 percent of residents would welcome further tourism development in their area. The most popular responses regarding why they would

welcome further development were: tourism would bring more “prosperity and economic development”, it would allow for “cultural exchange with tourists”, additionally, respondents felt that tourism would promote “cleanliness” as well as “environmental revitalization”. Some residents also believed that more tourism could bring more vitality and “dynamism” to their neighbourhood. (Colantonio, 2004:32-33)

Colantonio (2004) also attempted to find out the degree of resident participation in tourism planning and decision-making, and asked respondents to express their opinion of the statement: “Local residents are always audited directly or via delegates about tourist development plans in this area” (Colantonio, 2004:39). The results of this question revealed that over two-thirds of the respondents disagreed or strongly disagreed with the statement, while just over ten percent responded neutral views on this question, and the remaining one-tenth agreed or strongly agreed. As Colantonio (2004) concludes from this portion of the study, residents’ involvement in urban tourism planning is far from adequate, even though the Cuban government is notorious for making claims otherwise. Participatory planning in Havana, and across the island, is lacking due to unsatisfactory participation by important stakeholders, particularly the local people.

While Colantonio’s study only focused on Cubans living in Havana, it potentially represents the opinions of other Cubans across the county living in popular tourism areas, and many of the finding closely coincide with the feeling of those participants of this study. Tourism was generally viewed in a positive light by the majority of those surveyed, however participation in decision-making by local residents appears to be

minimal in Cuba. This is not surprising considering Communist principles dictate a top-down approach within government.

In addition to these findings by Colantonio (2004), other researchers and Cubans often comment on Cuba's deteriorating infrastructure as a significant problem across the country today. Years of neglect have left inadequate public transportation, crumbling houses, insufficient sewage systems and waterworks, and frequent power outages. Although tourism is bringing hard-currency into the country, it appears that much of this money is going toward more mass tourism development, rather than being re-invested back into local infrastructure of small-scale tourism communities (Ritter, 2006; Winson, 2006).

3.8 Conclusion

Cuba's tourism industry, while bringing much needed foreign income into the country, has also introduced a myriad of problems. Tourism has played a role in creating two economies in the country, and today the division between those who have access to CUC and those who do not is becoming increasingly obvious, as seen in the degree of economic inequality. Today we are also seeing the growing problem of Cubans 'chasing dollars', with highly qualified people leaving their professions to work as taxi drivers, waiters and housekeepers in order to acquire CUC, and the higher standard of living that these jobs potentially offer (Hamilton, 2002; Jennissen and Lundy, 2001). The revitalization of Cuba's tourism industry has also revived the country's sex trade, consumerism, and counterrevolutionary activities, which had been severely diminished in the post-revolution era. Finally, the substantial increase in joint-venture projects, while

initiating development across the island, has also left the Cuban government in danger of losing autonomy and control of the country and its resources (Jennissen and Lundy, 2001). However, Cuba is not only at an interesting time in its tourism development, but also in its positioning within the global community. With the Castro regime having been in power for nearly half a century, and Fidel Castro recently stepping down and assigning power to his brother Raul Castro in August 2006, the country's political future is brought into question, but it seems that there is little doubt that tourism will continue to be an important part of it.

Cuba has made significant strides in its tourism industry over the last twenty years. Ranking third in tourist arrivals in the Caribbean today, it is likely that the country will continue to move up in the ranking over the course of the next decade. Additionally, if and when the U.S. lifts the travel and trade embargo on Cuba, the influx of tourists to the island will most likely be considerable (Henthorne and Miller, 2003; Jayawardena, 2003). It is due to this rapid development that Cuba must mindfully plan its tourism industry, ensuring that the needs of the local people are being met and that they are using their human capital to its fullest potential.

Chapter 4

Methods

4.1 Research Framework

The research conducted in this thesis subscribes to an interpretive approach to qualitative research (Creswell, 2003; Esterberg, 2002; Neuman, 2000). The essence of the interpretive research approach is the systematic examination of socially meaningful action. Within this tradition, the researcher does not commence his or her research with a preconceived theory of the way the world works; rather they immerse themselves into the world of those being studied (Esterberg, 2002; Neuman, 2000). The interpretive approach maintains that individual knowledge is achieved through social constructions, and therefore the goal of the researcher is to determine what meanings individuals place on their actions, and because these actions are subjective, it is the researcher's task to ascertain how these people have formed meanings to their actions. The observations made throughout the study then aid the researcher in understanding and interpreting how these individuals or groups of individuals construct and maintain their social worlds (Esterberg, 2002; Neuman, 2000).

Since meaning is created by social groups and is therefore context specific, it is understood within the interpretive tradition that no concrete laws can stem from the research findings. However, what can be drawn from the research is a greater understanding of the phenomenon under study (Neuman, 2000).

The interpretive approach was selected for this research because the author believes that the reality of the Cuban people has been created through historical and current social practices. Therefore, in order to truly understand how tourism practices, and in particular pro-poor tourism principles are integrated into the island's economy, one must understand the realities individuals and the greater society has constructed.

4.2 Research Design

As has been mentioned, the interpretive tradition is well suited to field research or the case study approach, and this thesis is also based on a qualitative case study approach. The case study has become prevalent within qualitative research since its goal is to establish a holistic understanding of cultural systems of action. It is a type of empirical inquiry that aims to examine a contemporary phenomenon within its natural environment (Tellis, 1997; Yin, 2002). This investigation is conducted through an in-depth observation of individuals in their real-life context and in doing so reveals “the meanings, values, interpretive schemes, and rules of living used by people in their daily lives” (Neuman, 2000:73).

The qualitative case study approach was suitable in this study for various reasons. First and foremost, quantitative research methods would not have offered a practical research approach to achieve the goals of this research. The qualitative case study approach rather, enabled the author to gain an in-depth understanding of the study area and its inhabitants, as well as the local tourism industry. Additionally, the case study is a flexible approach to research that enables the researcher to cater the research goals to the needs of the study (Neuman, 2000). Having the flexibility to interview a variety of people

as the opportunity arose, and to adapt interview questions in order to tap into a particular individual's knowledge, validates the adoption of the qualitative case study for this research. Finally, the case study satisfies three elements of the qualitative tradition: describing, understanding, and explaining (Tellis, 1997).

4.3 Data Collection

The data for this study was collected during a three month field visit to Cuba, during the months of June, July and August of 2006. During the first two months, the author travelled around the country conducting research for her advisor and also travelled to several small-scale tourism and ecotourism destinations. In the author's initial research proposal, it was stated that the intention was to conduct the study in two locations at opposite ends of the island. However, after visiting these sites and conducting a few interviews it was soon realized that they were not conducive to accomplishing the type of research required for this study, particularly because both were very remote, very small, and had few tourists.

Throughout the course of the first two months, the author spoke with various individuals who worked in the tourism industry and they recommended focusing on one specific location for the case study, claiming that it was a suitable community both in size and structure for this type of research. These recommendations were accepted and the author spent four and a half weeks in this community to collecting data, which proved well suited for this research. In order to keep the participants anonymous, the study site will not be revealed, however, it is a community of approximately 6500 residents, it has a large agricultural sector, and it boasts a stunning national park.

While the data in this study primarily comes from the research conducted at the study site, the author has also included some of the data that was collected while visiting the two initially planned study sites. Additionally, the knowledge attained by the author while traveling the country through personal observation and conversation with local Cubans has also contributed to this study.

4.3.1 Semi-Structured Interviews

A series of semi-structured, in-depth interviews were used for this study. Semi-structured interviews, which are often used for qualitative case studies, tend to be more flexible than structured interviews that follow a rigid protocol. The goal of the semi-structured interview is to explore a topic more openly with the interviewee with the intent of having the participant communicate their thoughts, feelings, opinions and ideas in their own terms. Throughout the interview, the interviewer and interviewee come together in an attempt to create meaning about a specific phenomenon (Esterberg, 2002; Neuman, 2000).

The open-ended nature of the interview questions allow the author to probe deep into the interviewees' responses to gain a greater understanding of the underlying phenomenon being studied. Additionally, because the interviews are of a more fluid nature, the participant's responses actually shape the direction of the interview; therefore each interview is customized to the interviewee (Esterberg, 2002). Another advantage of the semi-structured interview is the free exchange of thoughts between the interviewer and participant, often giving the participant a certain level of comfort as each share personal experiences (Neuman, 2000). Finally, because semi-structured interviews are

often an on-going process with no distinctive beginning and end, the researcher is able to conduct further interviews with the participant if more information or clarification is needed, or also if the interviewer wishes to do a member check and have the participant validate the interview material (Neuman, 2000).

Purposive sampling was used when recruiting interview participants with the intent of identifying various groups of individuals who worked in different areas of the tourism industry. In using purposive sampling in the semi-structured interview process it was hoped that an in-depth understanding of these various groups could be achieved (Palys, 1997; Neuman, 2000). Snowball sampling was also used in this study as several participants recommended interviewing other individuals they knew, believing that they would have useful information to contribute to the study.

The author was able to find a translator within the study community; he was a twenty year old local resident who was studying at the University of Havana. For the purpose of this study a false name has been assigned which is George. George's parents owned a *Casa Particular* and he was home for the summer months to help with the family business. George was the first person the author met upon arriving at the study site, he was waiting at the bus drop off attempting to find an arriving tourist to stay at his aunts *Casa Particular* because his parents Casa Particular was full. George spoke fluid English, which the author recognized instantly as an asset, since having travelled for the previous two months, found very few Cuban's, other than tour guides, who were bilingual. During a discussion, George mentioned that he stated he would be interested in assisting the author in her research. In discussing with George the research goals of this study and the types of people the author wanted to speak with, he helped set up

interviews with some local participants, further, when the author arranged her own interviews George would attend to aid in communication. Having a local translator was instrumental not only for the author’s communication with participants, but also because having a local resident set up the meetings and accompany the author to the interviews established a level of trust with the participant and contributed to the depth of the interview.

There were a total of 25 semi-structured interviews conducted for this study. The participants for these interviews ranged from licensed *Casa Particular* owners, to travel agents, to local food vendors (see Table 4.1). The interviews took place during the four and a half weeks spent at the study site. Initial participants were individuals who had a specific role in the tourism sector in the community and were found through the help of the author’s translator. Additional participants were found through the use of purposive and snowball sampling.

Table 4.1 Interview Participants

Participants Categories	Number of Participants
Licensed Casa Particular Owners	4
Souvenir/Handicraft Vendors	2
Produce Vendors	2
Hotel Employee	1
Cubanacan Employees/ State Guides	4
Local Farmers	3
Local Citizens	5
Taxi Drivers/ Bus Driver	2
Member Check Interviews	2

The semi-structured interviews were guided by a series of general questions that applied to all interviewees (Appendix 1). The general themes that were discussed in all the interviews included: the participants' thoughts and feelings on the tourism industry in the community; whether tourism had affected their standard of living; if there were community meetings concerning tourism issues, and if not, would they be interested in attending if there were; the degree of local economic linkages being created with the increase in tourism locally; and how or if the town's infrastructure had changed with the increase of tourism. Beyond these general themes, the interviews were tailored to each participant's specific background.

As previously mentioned, the semi-structured interview is known for its ability to create a sense of trust between the interviewer and interviewee and this proved to be very helpful during the interview process. Because the author was visiting Cuba on a tourist visa and did not have any official research status, some people were suspicious of her and at first did not wish to participate in an interview. This unwillingness to trust is not surprising since many Cubans are wary of sharing their personal opinions with foreigners, specifically those of a critical nature. However, over time many people in town became familiar with the author and a certain level of trust was created, either directly between her and various local people or because individuals expressed their trust in her to their family members or friends. With this, they also trusted that their identities would remain anonymous. This level of trust proved effective in the interview process because it appears that many participants shared their true thoughts and feelings in their responses. However, one can never be entirely certain of the level of truth in an

interview, particularly in Cuba, where many citizens are cautious of what they say because it is difficult to truly know one's degree of loyalty to the Revolution.

Finally, in those instances where it was possible, the author returned to the interviewee to conduct a member check to ensure that they felt the information that had been recorded was an accurate representation of their thoughts.

4.3.2 Informal Interviews

Informal interviews also proved to be a very effective tool in this research. The informal interview differs from the semi-structured interview in that it tends to be more spontaneous and free-flowing and often carries on more like a conversation than an interview. The topics discussed evolve from the situation of hand, and typically the interviewer does not have a list of prepared questions (Esterberg, 2002).

Numerous informal interviews were conducted during the fieldwork at the study site. As the author began to meet more residents at the study site, and the residents learned about her purpose for visiting the community, general conversations through daily interaction revealed interesting information about the community and its residents. These interviews proved to be highly effective in attaining a certain level of familiarity with life in general in Cuba that the author was not able to learn through the semi-structured interviews. The unstructured interviews aided in 'putting the pieces of the puzzle together' because they enable one to delve deeper into some topics, asking very specific questions on various issues, and to obtain a variety of perspectives on assorted topics. Also, because many of these interviews were conducted with people whom the author had grown to know over the course of her stay at the study site, a level of trust had

been established, and due to this the author believes the participant's true thoughts were captured on the topics discussed. Further, because these interactions were more similar to general conversations rather than an interview format with specific questions, the residents seemed more open to engage in an open and honest conversation. During the informal interviews responses were not recorded as was done during the semi-structured interviews, rather the author would record the general findings once the discussion had concluded.

Those people who participated in the informal interviews were aware that the information discussed would be recorded at a later time and were not obliged to discuss any issues they did not feel comfortable with.

4.3.3 Participant Observation

Participant observation is a valuable style of qualitative research whereby the researcher participates in the activities, interactions, and events of the study group in its real-life context to gain an in-depth understanding of the explicit and implicit aspects of the culture, events, and generally every day life (Dewalt & Dewalt, 2002). Within this method the researcher makes use of field notes, document analysis, interviewing, participation, observation, examination, as well as reflection. Through the act of observing as well as participating, the researcher strives to understand how the individuals under study view their own social life (Esterberg, 2002; Neuman, 2000).

While participant observation has many benefits, one of the most prominent is its ability to enable the researcher to gain an understanding of the subtleties that exist within the social group's natural setting, thereby moving beyond superficial understanding and

getting at the heart of the phenomenon under study (Neuman, 2000). Beyond this, because participant observation takes place over an extended period of time, a certain level of trust is developed between the researcher and the participants, enabling the researcher to gain greater access to information (Neuman, 2000).

Participant observation also has various disadvantages as a research approach. For instance, participant observation can sometimes affect the behaviours and actions of the participants. If participants are conscious that they are being observed they might alter their speech or actions. Further, because the researcher is partaking in the daily events of the participants, there is the possibility that the researcher will affect social processes of the group under study (Babbie, 2001).

There are various types of participant observation, however, the two exercised in this study were moderate and active participation depending on the social group. Moderate participation occurs when the researcher aims to maintain a balance between being an outsider and an insider, as well as a balance between participation and observation (Spradley, 1980). Active participation occurs when the researcher “seeks to do what other people are doing, not merely to gain acceptance, but to more fully learn the cultural rules for behaviour” (Spradley, 1980:60).

Participant observation proved to be very effective during the field research of this study. By spending over four weeks at the study site the author was able to gain a sense of community life that was not achievable merely through the interview process. Additionally, she was able to gain a greater understanding of the tourism industry within the study site, which can not necessarily be done through secondary research alone since small-scale tourism development in Cuba is not well documented. Whenever possible,

the author would also participate in various tourist activities such as guided hikes in the national park or horseback riding tour with local guides. These opportunities allowed the author to gain access to participants that would not have necessarily been met otherwise, and many of these experiences were based on general conversation and questions with the guide concerning the local area, which further contributed to the author's understanding of the study site.

Beyond the month spent at the study site, the prior two months spent traveling around Cuba also contributed to the author's understanding of the country and its tourism industry. Because Cuba has a centralized government much of the tourism industry and its regulations are conducted in the same manner across the island, therefore upon arrival at the study site to conduct the fieldwork, the author had acquired a good basis of knowledge of the industry and the country.

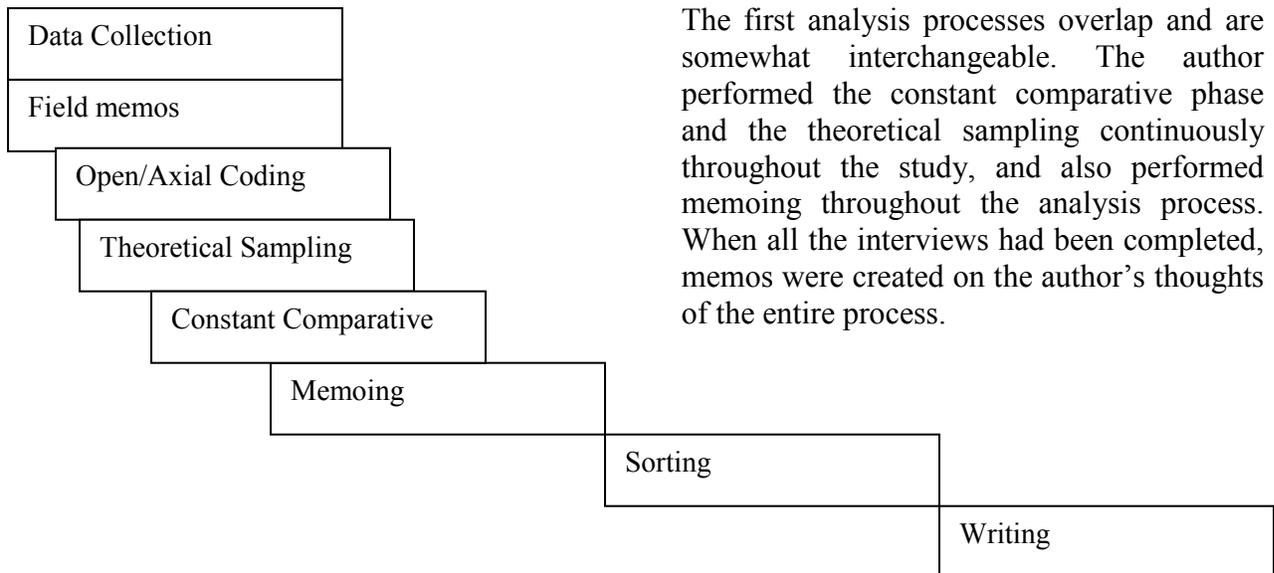
4.4 Data Analysis

Within qualitative research, data analysis is often thought of as the process of creating meaning with the collected data. It is a creative process rather than a mechanical one (Esterberg, 2002). During the data analysis the researcher aims to develop new concepts or refine existing ones that are grounded within the collected data. However, the data analysis does not necessarily begin after the research is done and the researcher has returned from the field, rather it is an on-going process that begins while at the study site and continues while writing the thesis (Neuman, 2000).

Esterberg (2002) argues that several researchers subscribe to some form of grounded theory when analyzing their data and while attempting to create meaning of the

data. For the purpose of this research the author loosely followed a grounded theory method for data analysis, with the main components consisting of data collection, field memos, open and axial coding, theoretical sampling, constant comparative, memoing, sorting, and finally, the writing of the results. The analysis process has been broken down into various categories/phases. They are not necessarily in the correct order as so much of the analysis in these different phases overlapped; therefore the author has simply attempted to place them in a logical order.

Figure 4.1 Data Analysis Process



The first analysis processes overlap and are somewhat interchangeable. The author performed the constant comparative phase and the theoretical sampling continuously throughout the study, and also performed memoing throughout the analysis process. When all the interviews had been completed, memos were created on the author’s thoughts of the entire process.

4.4.1 Open Coding

During the semi-structured interview process, detailed notes were taken of the participants’ responses. Once the interviews were completed, the author immediately returned to the data to include any missing information and to expand on the participants’ responses. Additionally, at this time the memos were written on the interview to capture those details not discussed, as well as the author’s overall thoughts of the interview. The

data was not transcribed onto computer until returning to Canada, however, the open coding of the data was started immediately after finishing the field memos.

Open coding is done as a first analysis of newly collected data, during this process themes are identified and codes are assigned in an attempt to organize the data (Neuman, 2000). During the open coding phase the author went through the data line-by-line to identify what was happening in the data. Through this process significant elements/characteristics of the participants' responses to the interview questions began to be isolated.

4.4.2 Axial Coding

During the axial coding process, the researcher starts with the themes established in open coding, but now focuses more on the themes rather than the raw data. Here the “researcher asks about causes and consequences, conditions and interactions, strategies and processes and looks for categories that cluster together” (Neuman, 2000:422). Through axial coding the data was revisited in order to find commonalities between the concepts and categories that came up through the interviews. The data was put together in new ways to identify the causal relationships between categories. The author also attempted to make explicit connections between the categories and sub-categories, and collapsed the variety of themes that were identified during the open coding phase into a few main categories.

4.4.3 Theoretical Sampling

Theoretical sampling is sampling with the intent of developing the researcher's theory, not to necessarily represent the population. Through this process the researcher may choose to explore the same participants more in-depth or in different ways, or may even choose to find new participants. Researchers seek out new participants that will further develop their theoretical categories (Charmaz, 2002, Glaser and Strauss, 1967).

As mentioned earlier, both purposive and snowball sampling were used for the interviewing process. It was through purposive sampling that theoretical sampling was practiced, with the author revisiting the collected data to see which employment groups still required more data and which groups were reaching a saturation point.

4.4.4 Constant Comparative

To complete the constant comparative process, all new interview data was compared to previously collected data, with the goal of identifying any common and variable patterns in the data. Through this process the author attempted to decipher what was going on in the data, and what the meanings were behind the participants' responses. This was done for every interview, and each new interview was compared with the previous ones. Eventually the larger data set was compared to existing theory. This process helped the author to stay close to the data and track progress along the course of the study.

4.4.5 Theoretical Memos

Throughout the entire research process the author kept two separate types of memos. First field memos were kept, which were written while conducting the interviews. In these memos the respondent's actions, tones of voice, gestures, and quickness of response were reflected upon. These field memos proved to be incredibly useful in that they allowed the author to go back to what was being thought and what was going on during the interview, how the participant was feeling and just the overall interview experience. When reading these memos after the interviews, it refreshed the topics that had been forgotten when it came to the final memoing and theoretical sorting stage. 'Memoing' was also used during the analysis process and it proved to be a useful tool in both refining thoughts and also in keeping track of various ideas that were developed while comparing the interview data.

Memos were not only used to reflect on the interview process and the collected data, but throughout the process, memos helped guide the author in raising the codes to conceptual categories. The memos collected throughout the research process also aided in defining the properties of each main category, and its sub-categories. It was also through the memoing process that the relationship within and between each of the identified categories began to be analysed.

In completing the preliminary research the author found Charmaz's (2002: 687) list on how memo writing can aid grounded theorists very helpful:

- Stop and think about the data;
- Spark ideas to check out in further interviews;
- Discover gaps in earlier interviews;
- Treat qualitative codes as categories to analyze;
- Clarify categories – define them, state their properties, delineate their conditions, consequences, and connections with other categories; and

- Make explicit comparisons – data with data, category with category, concept with concept.

These proved to be extremely valuable guiding points throughout the data analysis, and they were revisited continually to ensure that memo writing was done effectively throughout the research.

4.5 Research Validity

Validity in research means being truthful in your work, however, Neuman (2000) argues that qualitative researchers are actually more interested in authenticity than validity. Authenticity refers to “giving a fair, honest and balanced account of social life from the viewpoint of someone who lives it everyday” (Neuman, 2000:171). Various methods were employed in order to validate the finding in this study, the first being triangulation. When applied to qualitative research, triangulation refers to investigating something from several angles rather than just one. The logic behind triangulation is the idea that no single research approach will sufficiently solve the dilemma of opposing explanations (Creswell, 2005; Neuman, 2000; Patton, 2002). Therefore, because each research “method reveals a different aspect of empirical reality, multiple methods of data collection and analysis provide more grist for the research mill” (Patton, 2002:555). Although there are numerous types of triangulation, methodological triangulation is generally one of the most extensively understood and exercised in qualitative research. Here researchers will often apply two or more research strategies, two of the most common being a combination of ethnographic observation and interviews (Esterberg, 2002). In an attempt to triangulate the results in this study the findings from both

participant observation and interviews (semi-structured and unstructured) were compared. The use of multiple strategies aided in ensuring that the analysis and interpretations of the data were valid since the data was consistent across these various research approaches.

Another approach to validate findings in qualitative research is known as member checking, whereby the researcher checks their finding with their participants with the intention of determining if the data they collected accurately reflects what the participant was trying to say (Creswell, 2005). Additionally, the researcher has the opportunity to discuss the categories or themes that they have identified through their initial analysis of the data to also ensure accuracy (Creswell, 1994). As mentioned earlier, member checking was practiced whenever possible. During member checks the author would share with the participant the interview data once it had been elaborated on and the initial open coding phase was completed.

The final approach exercised to validate the findings in this study was the use of thick description. This strategy involves portraying a rich and detailed description of the specifics of the study site and serves to situate the reader figuratively in the study location, giving the study a sense of authenticity (Creswell, 2005; Neuman, 2002).

4.6 Reflexivity

While qualitative research is important within the academic community, some argue that one of the drawbacks of this research arises from the suspicion that the researcher themselves influence the findings according to their own predispositions and biases (Patton, 2002). Patton (2002:553) argues that “whether this may have happened

unconsciously, inadvertently or intentionally is not the issue. The issue is how to counter such a suspicion before it takes root”. Who we are within our own culture inevitably shapes the types of theories we subscribe to or create and also influences the types of explanations we offer. Therefore, we realize that rather than presuming objectivity is even possible, we must work towards being reflexive (Esterberg, 2002). Dupuis (1999:60) argues that “a reflexive research methodology means making personal experiences, belief system, motivation, tensions as well as political agendas explicit and continually assessing the impact those factors may be having on the work that we are doing”. In being reflexive we are making an effort to acknowledge how our cultural background influences the topics we study as well as the methods we exercise in our work (Esterberg, 2002).

With respect to reflexivity in this study, it is important that the author acknowledge her own background as a young, Caucasian, middle-class, English-speaking, Canadian woman, with post-secondary education. It is also important to recognize that due to the author’s background there may have been some difficulties with respect to her understanding and analyzing the realities of the Cuban participants. For instance, due to the political nature of Cuba, it is hard to decipher if interview participants were in fact speaking what they truly felt and believed, or if their responses reflected what was acceptable in the view of their government. For those interviews in which the author used the assistance of her translator, immediately after the interview was completed the findings were discussed, which proved to be helpful in bringing to light various perspectives that the author alone had not considered. Additionally, the informal interviews aided in shedding light on various issues that could not necessarily be

discussed the study's semi-structured interview. Finally, the extended period of time spent at the study site revealed a very candid perspective into life in the community. Getting to know so many people on a personal level contributed to the understanding of their personal realities.

To further be reflexive in this study, the author must also acknowledge her personal bias in favour of tourism supporting low-income countries and rural communities, and more specifically, the poor people within tourism destinations. These views were formed throughout the course of her undergraduate degree in Environment and Resource Studies, during which she carried out much of her research on development issues in low-income countries. It is this experience that influenced her decisions to study tourism development in low-income countries. Cuba was chosen as a case study location because the author was offered funding to conduct research for her supervisor, and in doing so could also conduct her own research.

Although the author has a personal interest in tourism development, she made a distinct effort to keep an open mind throughout this research, to not ask leading questions during the interviews, and to ask people to truly reflect on how they felt about tourism within their community.

4.7 Research Limitations

While qualitative research tends to be more flexible than quantitative research, one can find oneself faced with a variety of challenges when conducting this type of study (Neuman, 2002). With respect to this study, the author faced a number of barriers that restricted her ability to conduct research. First and foremost, Cuba's Communist

political environment made some Cubans hesitant to openly discuss tourism issues. Some people were suspicious as to why they were being asked questions concerning tourism, and as mentioned earlier, as a foreigner speaking with a Cuban, one can never be sure if Cubans are speaking their true thoughts or if they are speaking in line with their government. Another challenge faced was where to conduct interviews. This was not an issue for those who held a legal *Casa Particular license*, however, for those participants that did not, having a foreign guest in your home is technically illegal. While some locals did not find this law threatening and would invite tourists into their home, others did not want to take such a risk and either agreed to meet in public or in a licensed *Casa Particular*. Still there were others the author and her translator had to visit at night so that neighbours would not see unknown visitors entering the individual's home.

The author entered Cuba with a three month tourist visa, which allowed her to travel around the country without difficulty. However, upon arrival at the study site the author spent most of her time speaking with local people, and stayed longer than the average tourist, and therefore, the State officials soon became suspicious of her. They visited the *Casa Particular* the author was staying at and asked the hosts who she was, why she was in Cuba, what she was doing in the community, what she did during the day, and who her friends were. This created another barrier since the author was not entirely sure of the implications of the State officials keeping track of her. Because the author was visiting on a tourist visa she did not technically have permission to conduct research in Cuba, thus leading to another barrier, she was not able to obtain any information or documents from the Immigration officials (who deal with tourism at the study site). However, the author is somewhat skeptical that she would have had access to this

information had she visited Cuba with another type of Visa permitting research, due to the secretive nature of the Cuban government.

Language proved to be another barrier faced throughout this study, since the author's Spanish was fairly limited. While she did manage to pick up some of the language during the three month stay, she was not able to conduct all of her interviews on her own. Fortunately, the author was able to find a very helpful and knowledgeable local resident to act as her translator during the course of her stay at the study site, however, it is the opinion of the author that to some degree a certain element of the interview is lost when one cannot communicate with the participant themselves. Finally, the author faced the challenge of limited access to technology. In a country where technology is truly only for tourists, going without telephone, computer/internet access was not uncommon because it is not a priority of the Cuban government to maintain a high level of technology in the country. All of these challenges required that the author remain flexible and creative in her research plans.

Chapter 5

Findings: Cuba's Small-Scale Tourism Industry

5.1 Introduction

Tourism is a very important industry in Cuba, and while the government chooses to disclose only selected information concerning the industry, a close examination of the opinions of local Cubans reveals some interesting information on the issue of tourism. This chapter explores the data collected through the interviews conducted for this study. The data analysis of the interview material revealed four major themes. The first theme explored in this chapter is entrepreneurship, with a look at how Cubans are changing their professions to work in the tourism industry, and the issues surrounding this topic. The chapter then discusses the issue of profiting from tourism within Cuba and how locals are making money both legally and illegally in this industry. The following section examines some of the impacts that tourism has had on the study site and Cuba generally. The last theme discussed in this chapter briefly explores some of the issues concerning tourism and the role of Cuban government.

5.1 Entrepreneurship

While the Cuban Society has a very strong social fabric, which, since the Revolution, has been based on non-capitalist principles, it appears today that the desire to increase income has become important among many Cubans. The country's Communist

political background has created an interesting environment for employment. Although the majority of citizens are employed by the State, there are also a number of self-employed Cubans. Self-employment has changed the dynamic of Communist Cuba, and today it is viewed as having both positive and negative attributes by the Revolutionary government.

5.1.1 Employment Shifts

With the reintroduction of tourism into the Cuban economy, Cubans quickly began seeking out work within the industry. Doctors, teachers and other professionals gave up their positions to become taxi drivers, tour guides, and servers, where they were able to earn their State wage as well as tips in hard currency. Employment in the tourism industry continues to be in high demand today among locals; however, due to this demand it has become increasingly difficult to find work in this field today.

Soon into the interview process it became clear that many individuals who worked within the tourism industry had previously worked in some other profession, one of the most common being educators (primary, secondary, and post-secondary). Interestingly, many of the interviewees who had switched employment stated that they actually preferred their previous line of work to their current employment in tourism; however, they felt that the income associated with this work was necessary for survival.

As one interviewee stated,

I decided to become a guide because I could simply make more money. I do enjoy being a guide, it is a privilege to get to meet and speak with tourists, learn from them, but I preferred my work as a teacher, it was much more fulfilling (Interview 3).

These feelings were shared among several of the interviewees that worked in the tourism industry. They enjoyed their jobs, but preferred their previous work, yet because they earned more money working in tourism, they felt it was necessary to stay in this line of work due to the economic realities of the country. In an interview with a Cubanacan travel agent, the participant was asked if he would prefer to work in another profession, he responded,

No. I did enjoy my job as a teacher more, but it so much harder to live everyday in that line of work (Interview 4).

Although many interviewees expressed their preference of tourism employment, not every participant wished to switch their profession to work in the tourism industry. One participant that worked as a security guard at the local bank expressed that he did not wish to work in tourism, stating,

My stepfather works at one of the local hotels. It is desirable work, but I would not necessarily want it... the hours are long... like 10-14 hours a day... and he only has one day off a week. Sometimes I think the money would be worth it, but other times I wonder (Interview 13).

While it seemed that many individuals wished to find employment in the tourism industry, there is at least one profession that individuals did not wish to leave, which was farming. The farmers interviewed in this study happened to be quite content in their line of work, feeling that the government gave them a fair price for their produce and that they had everything they needed. In communicating with three different farmers, all claimed that they would not choose to switch to a profession in tourism even if they were given the opportunity. As one farmer stated in an interview,

I would not wish to switch to a job in tourism, my family, we do very well for ourselves working our land...Not only do we get money from the state by selling our tobacco and produce, but sometimes we are lucky and can

make a little extra money by selling produce to locals and even tourists sometimes (Interview 18).

This opinion seemed to be shared by all the farmers that I spoke with, both in formal and informal interviews. This farmer went on to state,

If I worked in the tourism industry I would have to work for someone else, here I work for myself, and even though we work long hours, there is more flexibility than if I worked in tourism (Interview 18).

In an interview with another local farmer, who also offered guided horseback riding trips to tourists on the side, he stated,

My family has the best of both worlds, we are able to make some money from tourism.... It is not consistent or regular, but sometimes it is a substantial amount of money. And we do not need to pay for our produce... (Interview 7).

As these statements demonstrate, the local farmers generally seem to be content in their line of work and can adequately support themselves with their income.

5.1.2 New Professions

As tourism began to grow across the island, the Cuban government could not meet the demand for accommodations in many of the small-scale tourism locations and therefore gradually allowed Cubans to legally rent out rooms in their homes to foreign tourists, as discussed in Chapter 3. *Casa Particulares* have become increasingly popular in the study site, growing substantially in recent years. While having a licensed *Casa Particular* may not necessarily be considered a profession, few would argue that this form of self employment brings a substantial amount of money to owners. Most *Casa Particulares* are registered in the wife's name and therefore the woman manages the

Casa while the husband often works out of the home. What is interesting is that the average monthly government wage for a non-tourism worker such as a doctor, teacher, engineer or professor ranges from 200-450 Cuban peso (\$8-\$16 USD) (Ritter, 2005). However, a *Casa Particular* owner can potentially bring in \$400-\$600 CUC a month in selling meals, and another \$300-600 in room rentals (based on two guests for approximately twenty nights a month). These income statistics demonstrate *Casa Particulares* can potentially be very profitable, raising the standard of living for many Cubans.

All interviewed *Casa Particular* owners had a very positive view of this line of work. Other than the challenge of meeting the government's monthly fee, there were few complaints regarding this form of employment. As one *Casa Particular* owner stated,

Having a *Casa* has really taken a lot of stress off of my family, now there are two incomes coming in and life is a little easier (Interview 8).

Further, many of the women holding the license for the *Casa Particulares* consider the work associated with hosting tourists to be of very little demand, since many of the duties fall in line with their daily domestic duties. For instance, when making meals for their guests, the women will simply make extra for their own families, or when doing their guests laundry, they will do their own as well. One *Casa Particular* owner said,

Really it is not that much more work having tourists stay in our home, I make a little extra food, I do need to clean out the guest room after each guest leaves, but I do not mind this, the little extra work is worth it (Interview 1).

Casa Particulares have proven to bring a significant amount of money to owners.

5.1.3 Lack of Work in the Tourism Industry

With the increase of international tourism to Cuba over the last decade, many citizens have made efforts to switch to, or for the younger generation, seek out work in the tourism industry (Wood and Jayawardena, 2003). In the early upswing of tourism development after the Revolution, switching professions to work in the tourism industry was relatively easy. The demand for this work was so high because the extra money made from tips alone in a month far exceeded what could be made from a government monthly salary. However, in recent years it has become increasingly difficult to find work in the tourism industry.

In speaking with a number of individuals of the younger generation (20-30 years) through informal conversations, it became apparent that finding work in the tourism industry was becoming increasingly difficult at the study site. Many young adults wished to find work in tourism, but unfortunately there were simply no jobs. One participant in his mid-twenties expressed his difficulty in finding tourism work.

I have taken like a college course in the field of tourism and hospitality, but now that I am finished I cannot find work in this field. This put a lot of pressure on me and my family because I am not bringing in any income. There just seems to be no work right now. So I have been forced to make some money where I can in illegal ways... like driving tourists in my car (Interview 2).

5.2 Profiting From Tourism

As tourism has increased in Cuba, so too has the ability to make money both legally and illegally. In recent years, the number of illegal acts has increased in Cuba, which can be attributed to the tourism industry. These illegal actions range from crimes

as severe as mugging tourists, to locals merely offering tourists a ride in their car for a nominal fee. In speaking with local people and through personal experience, it became clear that people perceived the illegal profiting from tourism a standard way of life in Cuba. To counter these illegal actions the Cuban government has implemented various laws, yet many participants felt that some laws are worth breaking, particularly because many are not strictly enforced, and therefore the chance of being caught is somewhat unlikely, and hence justifiable. These illegal acts have become increasingly appealing to Cubans because they allow one to potentially raise their standard of living substantially.

5.2.1 Cuba's Second Economy – The Black Market

Almost all of those interviewed in this case study perceived the black market to be a predominant way of life for many Cubans. Today the black market is very much alive in the streets of Cuba, and within it, almost anything can be found. Many Cubans will purchase food in the black market; for instance local people will go to the homes of trusted friends and relatives (who will not report them to the authorities) to sell items such as eggs, fish, and lobster. These individuals will make weekly visits and carry the items in duffle bags to remain inconspicuous. *Casa Particular* owners (those who choose to break State laws) will often purchase these products to serve to their guests. One local *Casa Particular* owner stated,

All Cubans must do illegal acts to stay alive in this country... literally. I am pretty sure you would die if you did not do illegal things (Interview 8).

5.2.2 Cuban Jineteros

As mentioned, illegal dealings in Cuba's tourism industry have increased in recent years. Cuban hustlers, also known as *Jineteros*, can be found across the island; however, they are most prominent in larger city centres, such as Havana and Santiago de Cuba. For exploring tourists it is not uncommon to have a Cuban approach them, start speaking with them casually and continue walking with them. The Cuban will offer information to the tourist about various bars they can visit to hear traditional Cuban music, or they will offer information about the city. These individuals will regularly lure unknowing tourists into bars or restaurants and then sit with them, and in doing so often make the tourists feel obligated to buy them a drink or food. Other times, if the tourist expresses that they do not wish to enter the establishment, the *Jinetero* will often resort to their backup plan, telling the tourist that they need money to purchase milk for their baby because the State rations do not provide them with enough milk for the month. Although these are only a few examples, they are some of the most common money making approaches *Jineteros* use today, and can potentially bring much needed convertible pesos to these individuals. Interestingly, in most circumstances the bar or restaurant the *Jinetero* directed the tourist to visit was no coincidence, in fact, in many cases the manager has made a deal with the *Jinetero*, and for every tourist they draw into the establishment, they are paid in pesos or food.

It is worthwhile for tourists to be suspicious when an unknown Cuban approaches them on the street because *Jineteros* are becoming extremely common. It is for this reason, among others, that police presence has become increasingly widespread in the country's larger cities. However, *Jineteros* are much less of a problem in most beach

tourism locations, primarily because local Cubans are not permitted (in most circumstances) to frequent the popular tourist resorts and beaches.

5.2.3 Illegal Profiting From Tourism

Profiting from tourists has become part of daily life for many Cubans, and while there are many instances where tourists have no idea that local people are profiting from them (i.e. being over charged for products), there are also many tourists who are well aware that these types of transactions are occurring. However, the cost to the tourist is often relatively low, ranging anywhere from .25 CUC to 2.00 CUC, and therefore, many tourists will overlook the incident.

5.2.3.1 Restaurants/Bars

Through the author's participant observation, it appeared that most of the illegal acts that Cubans use to profit from tourism are completely harmless and the tourist has no idea it is occurring. One very common money making scheme occurs in bars and restaurants when prices are not posted, therefore allowing servers or bar tenders to set prices for their customers. It is not uncommon for tourists to be overcharged for items and unless they are with a local Cuban who is aware of the correct price, many tourists are left over paying for items.

5.2.3.2 Purchasing Produce

Throughout the study site there are a number of locations where fresh produce is sold, with the vendors being both legal and illegal. Legal vendors are employed by the

State and sell produce received from the nearby government cooperative. Illegal vendors are either local farmers selling their own produce, or local people who have purchased produce from local farmers. As one participant stated,

Local farmers have permission to sell their produce to locals, but what they will often do is sell some produce to a few people, these people then in turn come into town to sell it [the produce] on the street to locals and tourists. This is not legal, and they only bring in enough produce to sell for the day (Interview 11).

Fruit is also sold throughout the study site by various individuals which is obtained from local home owners who have fruit trees on their property. Often home owners give their fruit to a friend to sell and then the profits are shared (Interview 11). These scenarios reveal that some illegal actions are accepted or completely overlooked, not only by the local people, but also by the local authorities.

5.2.3.3 Casa Particular Owners – Illegal and Legal Profiting from Tourism

There are a number of ways in which *Casa Particular* owners can, and do attempt to profit illegally at the study site, and in traveling to tourism communities across the island; it appears that these illegal acts are common place throughout the country. For instance, some of the *Casa Particular* owners interviewed served fish or lobster to their guests which is illegal, and if caught would most likely result in losing their business license. However, some owners felt that the benefits outweighed the costs since tourists will pay a premium for these meals. *Casa Particular* owners can potentially earn an extra 4-10 CUC per person on a lobster meal, and approximately 2-4 CUC per person on a meal with fish. Considering that Cuban's monthly salaries from the State range from 8-12 CUC, this equates to a substantial amount of money (Interview 8).

Casa Particular owners have also been known to make extra money by renting out an additional, non-licensed room in their home, or by renting one licensed room to three tourists, both of which are illegal because owners are only permitted to rent one licensed room to two tourists. Other local people of the study site will frequent the Viazul bus station (the tourist bus transportation system for the island) to try to attract tourists once they get off the bus at the study site to stay at their home, even if they do not have a licensed *Casa Particular*. Or, in some circumstances when an individual's *Casa Particular* is full they will go to the station when the daily tourist bus arrives to try to find a tourist for a neighbour or a friend. If the individual is successful they will receive a 5 CUC commission from the *Casa Particular* owner they deliver the tourist to. However, it is illegal to go to the bus station if you already have guests in your home.

This example demonstrates another situation in which local people at the study site witnessed State laws being broken, but did not report the perpetrator. Due to this reoccurring theme, the author began asking participants how often these illegal activities take place, why people do not report the perpetrator, and why the local authorities did not keep a closer eye on these types of actions (since it was occurring throughout the community, i.e. the bus station approximately three doors down from the law enforcement office). In an interview with one local man the author asked why he believed these actions were being overlooked, or if local people and authorities even knew it was occurring, he responded,

Legal *Casa [Particular]* owners know that this occurs, but it is rare that people will go to the authorities to report these people because everyone knows how difficult it is to live in Cuba, and everyone is just trying to survive (Interview 11).

This response proved to be common among those participants questioned on this topic.

Although illegal profiting is known to occur among *Casa Particular* owners, these individuals can also make sizeable profits legally. Owners benefit from having the flexibility of choosing what they wish to charge their guests, with these prices fluctuating throughout the year depending on the season. The cost per night for a room in a Casa Particular varies between 10-30 CUC, and meals and laundry costs also fluctuate. These prices are commonly determined by what the tourist is willing pay, and those tourists just arriving to Cuba and using *Casa Particulares* may not be aware of average prices and therefore overpay. Additionally, in some circumstances *Casa Particular* owners who have been in business for several years and are in travel guide books, or are in favourable locations within the town, will charge above average prices for their lodgings.

The *Casa Particulares* at the study site differed from those the author visited in other communities across the island in that most owners at the study site expected their guests to eat all meals within the *Casa Particular* rather than in local restaurants. During the first two months of the author's travels across the island she stayed in, and ate nearly all of her meals in *Casa Particulares* because she wanted her money to stay in the community and help the local people. Additionally, prior to staying at the study site, the author was never told that she should eat all her meals in the *Casa Particular*. However, upon arriving at the study site and going to her first *Casa Particular*, she was very surprised when she was asked to eat every meal in the *Casa* and that the restaurants in town were worth not eating at (which for the most part, proved to be true with respect to the quality of food, but it can in fact be significantly cheaper to eat at small local restaurants since meals can range anywhere from .25 CUC for a sandwich to as high as 15 CUC, and meals in *Casa Particulares* range from 6-10 CUC). In speaking with

numerous tourists (25-30) at the study site it became apparent that this was common among countless *Casa Particular* owners in the community. Additionally, those tourists who had already travelled to other locations on the island were very surprised to find that they were almost obligated to eat every meal at the *Casa Particular* in which they were staying. In fact, one tourist was actually asked to leave when he did not eat two of his meals in the *Casa* over the span of four days. However, from an economic perspective it is understandable why these *Casa Particular* owners ask their guests to eat in, since the monthly license fee is fairly substantial, ranging from 170-200 CUC a month at the study site (this fee increases in larger urban centres). The owners want to ensure that they are not only making their monthly fee payments, but are also saving money in order to make their payments in the low season.

5.2.3.4 Illegal Taxis

Although it is not difficult to find a taxi in Cuba, it can be a challenge to find a 'legal' tourism taxi. There are several different types of taxis, and for a new comer to Cuba, one may not be aware of which are legal for tourists and which are not. Some of those Cubans who are fortunate enough to own their own car take the risk of driving tourists around for a fee. This is very risky, and if caught the owner could potentially lose the vehicle, however, it is also a means to acquire CUC for those willing to take the risk. In an interview with one participant who used his personal vehicle to drive tourists, he stated,

I am aware that this is illegal and very risky, and that I could lose my car, but I am not afraid. I am willing to take the risk for the money (Interview 2).

Another participant also felt the risk was worth the money, he stated that

Government regulations and laws make it very difficult to make money in this country; it is for this reason that we have to do so much on the Black Market and break laws (Interview 12).

5.2.3.5 Handicrafts

As in almost all tourist destinations, Cuba too has a wide variety of souvenirs and handicrafts for tourists to purchase. What is interesting about Cuba however, is that this business is heavily regulated and is, for the most part, a State business. The Cuban State souvenir and handicraft umbrella company is known as Artex. While circumstances vary across the country, at the study site there are only State run souvenir and handicraft vendors. Artex has various types of retail outlets, from more formal stores, to tables set up in town centres or on the street. They sell a variety of manufactured products, ranging from duffle bags, music CDs, books and t-shirts, to a wide range of handicraft products such as musical instruments (hand drums, maracas), jewellery, paintings, ceramics and a wide range of other items. Within the study site there are three locations where Artex sells souvenirs, in the town centre, outside one of the local hotels, and at the exit of one of the popular local tourist attractions. Within the town centre there are two Artex vendors directly beside each other, with one vendor selling products of a more manufactured nature, and the other selling handicrafts.

The Artex vendors selling manufactured products have prices marked on many, but not all of the items. It is here that Artex vendors have the potential to make extra money, for instance, when a tourist asks the price of an item that is not already labelled, the vendor is able to declare a price that is somewhat higher than the official price

(Interview 11). Although the difference in price is typically only .50 to 1 CUC, this nonetheless can amount to a significant amount of money when several tourists are overcharged over the course of an average day. This additional income has the potential to lessen the financial burden for an Artex employee and their family significantly, particularly when considering this added income can double or triple the employee's monthly government wage.

The Artex vendor in the town centre selling handicrafts is somewhat less formal, with tables set up in the town centre displaying the products, and once again, some of these articles have marked prices while most do not. This vendor also receives a standard monthly State wage; however, it is fairly easy for him to make extra money in a similar fashion to the other vendor mentioned previously. In a conversation the author had with her translator after the interview with this vendor she learned that profiting in this way is common and fairly easy in this line of work because Artex officials do not keep a close eye on the vendors in the study site (Interview 6). This was believable considering the day the author and her translator interviewed this vendor (and on numerous occasions during the month that the author stayed at the study site), he had allowed his friend to sell some of his own handicrafts at the vending space for a small fee.

Actions such as these are illegal in Cuba, and the vendor must be very careful because if caught by an inspector they could lose their job. However, if caught, there is also the potential for the vendor to pay off the inspector, and while it is true that corruption is relatively minimal in Cuba, paying off officials is fairly common (Interview 11).

In speaking with her translator after this interview the author learned that people in town are generally aware that these actions occur, and while residents could report those who are breaking laws, few ever do. The translator expressed that residents generally do not report people who break State laws because everyone in the community (and across the country for that matter) understands how difficult life can be in Cuba, particularly when living solely on a State wage. The translator also stated that generally, if individuals can make some extra money without committing criminal activity or without directly hurting other people, than it is socially accepted to do so (i.e. serving fish in a *Casa Particular*, local farmers selling eggs door to door, etc).

5.2.3.6 Guided Trips

Many tourists visit the study site due to its ecological significance and natural beauty, and with the increase in visitation in recent years, the opportunity for local people to profit from tourism has increased. Although it is illegal for local residents to guide tourists into the nearby national park (this is to be done only by State guides), individuals, particularly the younger generation, do so daily both by foot and horseback. As one national park guide stated,

There are some problems with locals guiding tourists into the park themselves... the economic situation of the community and the country plays a role in this (Interview 17).

Many *Casa Particular* owners will try to organize hiking or horseback riding trips for their guests, and because many tourists do not know that this is illegal, they will gladly go on one of these trips rather than one organized by Cubanacan. Additionally, because locals generally charge the same amount for these trips as the local Cubanacan

agent, it makes little difference to the tourist. Upon arriving at her *Casa Particular* at the study site, the host was quick to tell the author about the variety of trips she could participate in, in fact, she was even politely asked not to go to the Cubanacan to book an excursion, but that they would gladly arrange anything she wanted. They went on to mention that the money made from organizing guided trips helped their family greatly.

Various local people owning horses make stops every evening at the homes of their friends who have *Casa Particulares* (because most people do not have access to telephones) to see if they have any trips organized for the following day. These trips are welcomed because the *Casa Particular* owner and the guide (the horse owner) split the profits 50/50, with the average horseback trip amounting to 25 CUC per person, the average hike amounting to 10 – 15 CUC per person, with each trip having 2-4 tourists. Even organizing only one of these trips a month can equate to a substantial amount of CUC, but most *Casa Particular* owners are able to organize many more than this during the high season. Furthermore, because *Casa Particular* owners and the guides charge the same amount per hour as the State Cubanacan tourist agency, there is even less incentive for the tourists to book through the State agency.

The horseback trips offered by local people are organized so that in the morning the guide (typically a local farmer) walks into the community from his farm to collect the tourists, then as a group they walk back to a nearby field with the intention of not drawing too much attention, and it is here that the trip begins and ends. Many of these horseback guides organize their trips to stop at another local farmer's home, often a friend, and these visits typically consist of the host farmer rolling up cigars for the guests or having the tourists grind sugar cane for juice, and as a result some tourists leave tips.

There is no set or even recommended tip amount for these visits, and therefore, depending on the tourist's tipping habits, the farmer may or may not receive a tip for his hospitality, however, regardless of the amount, any tip helps these farmers considerably (Interview 17).

A similar process occurs for guided hikes, here however, *Casa Particular* owners have their younger family members or relatives guide the hikes and the profits are split. These guided hikes generally take tourists into the local national park. During one organized hike the author participated in with the local Cubanacan travel agency into the national park, she witnessed four or five local people guiding hikes. While speaking with her official park guide she asked if State guides typically reported these unofficial guides to the local authorities, his response was,

Most often we do not report them. Sometimes they will get a warning, but for the most part we don't say anything (Interview 17).

When asked why, he stated,

Well you know, they are usually your friends or you know them, and life is so difficult here so no one really wants to say anything (Interview 17).

In an interview with a Cubanacan travel agent at the study site, the author asked if she was aware that some locals were organizing and guiding their own trips. The employee replied,

We are aware that locals guide their own trips, but if they are caught by the police, park wardens or national park guides they can be fined (Interview 21).

However, she also mentioned that this occurs rarely, when asked why she answered,

It is most likely because the officials know the people, they are their friends or also because the officials know how hard it is for some locals (Interview 21).

Interestingly, this woman portrayed her response as if she truly felt these illegal acts were wrong, going on to say that it was disappointing that it was occurring. However, it is difficult to determine if the women truly felt that these actions were wrong, or if she was responding this way in accordance with her place of employment.

While many *Casa Particular* owners do organize guided trips, some do not. In an interview with one woman who had a *Casa Particular*, she expressed that she never offers to organize guided trips for her guests,

I will only organize horseback riding or guided trips for my guests if they ask me specifically, if they do I will gladly organize something with a friend, but if they do not I let them go to Cubanacan... the tourists will do what they want (Interview 1).

Regardless of whether it is a guided horseback riding trip or a guided hike, the potential for profits to be made from these excursions is great, and with minimal deterrence or repercussions from the authorities, there is little reason for locals to stop guiding their own trips.

5.2.3.7 Renting Bicycles

For years, people living at the study site rented out their personal bicycles to tourists for a fee. Within the last few years however, the government has made this an illegal act, and in accordance with the law, most people have stopped because if found renting a bicycle to a tourist, it will be confiscated and never returned. In speaking with various participants on the matter, many found this new law frustrating and unfair, as one local stated,

I was able to make a few easy convertible pesos here and there, it really helped out me and my family and the tourists really liked it too, now there are no bikes to rent, how does that help anyone? (Interview 2).

To date, the State has not yet taken the initiative to rent out bicycles at the study site, and therefore the service is completely non-existent, a tourist's only option is to rent State owned motorized scooters.

5.2.3.8 Private enterprise

There are a variety of activities that local Cubans use daily to profit from the tourism industry, and while most, if not all of these activities are illegal in Cuba, almost everywhere else in the world these actions would be considered entrepreneurial. For instance, it is common to find Cubans all over the country offering their services to teach Spanish to tourists, with the hourly fee often being fairly low (approximately 5 CUC per hour). One can also find Cubans offering dance lessons in tourism centres both large and small, often for a 5 CUC per hour fee, however, the dance teachers are usually unlicensed and will sometimes offer these lessons from their home or in public places.

Commissions have also become popular in Cuba, and are common among *Casa Particular* owners. A *Casa Particular* owner who refers their guests to stay at a *Casa Particular* in another city or town will, in many cases, make a 5 CUC commission from this referral. Also, if tourists arrive at a *Casa Particular* that is full, the owner can make a 5 CUC commission by taking the tourists to another *Casa Particular*. Finally, as mentioned earlier, for those Cubans who speak English at the study site, commissions can be earned by waiting at the bus station and trying to convince tourists to stay at a

particular *Casa Particular* (often a friend or relative). If the Cuban is successful they receive 5 CUC from the *Casa Particular* owner.

5.2.4 Summary

There are countless ways to make money through the tourism industry in Cuba, and these actions have proven to raise the standard of living of many local people within the study site, as well as Cubans across the island. While many of these actions are illegal under Cuban law, one could argue that they are more in line with entrepreneurial initiatives rather than law breaking activities. Although it is understandable why these actions are illegal in Communist Cuba, one could also argue that the government is not tapping into the full potential of its peoples creativity and ingenuity, or maximizing the potential of its tourism industry.

5.3 Tourism Impacts

5.3.1 Social Impacts

5.3.1.1 General Opinions on Tourism & Perceived Cultural Changes

During the interviews at the study site, participants were asked about their feelings concerning the cultural changes that have occurred due to the introduction and increase in tourism in their community. Generally, participants felt that tourism was a positive attribute in their community, and many had positive comments about the local tourism industry. One *Casa Particular* owner stated,

Tourism is very good, I like it very much. It has really helped our economy, and my *Casa Particular* has really helped my family. But more than this, tourism has helped us meet new people which has been very special...tourists are our window to the world. We don't get much information about the rest of the world from our government, so it is wonderful that we are able to learn from our guests (Interview 1).

While this may not directly relate to cultural change, what it does demonstrate is that many Cubans desire this cultural interaction with tourists. The participants appeared to have little to no animosity toward tourists, in fact, many respondents were very happy to meet and talk with tourists. One local farmer expressed his positive outlook on tourism, stating,

With the increase of tourism, the town has changed greatly in the last 10 to 12 years. Today there are better houses all over town, more cultures [people from various countries] are visiting, and different thoughts are being introduced (Interview 22).

While the participants generally felt that tourism was benefiting the community, many also believed that the younger generation was actually being most affected by the industry, however, not necessarily negatively. For example, one respondent stated,

I don't think that the local culture has really been affected by tourism in a bad way... but the younger generation I think is being affected most by tourism, but it seems like in a positive way. Kids are meeting tourists and learning from them about the rest of the world. This is information we cannot get in Cuba, it is good learning (Interview 19).

While tourism was warmly embraced by many of the participants, not everyone felt that the attributes of tourism were all positive; one local man felt that tourism was generally good, but he also had some concerns,

Well I think that people here are more focused on money now than they used to be. With some people having *Casa Particulares* and others not, it is creating a little bit of a division between those who have and do not have CUC. Also those people who work in tourism and receive tips have more money. Lots of the younger generation want brand name clothes and

music from around the world, they want more material possessions. All of these things are changing our culture. Also, you will find more of the younger generation trying very hard to meet tourists with hopes of creating a relationship, and eventually leading to marriage so they can leave the country (Interview 13).

An interviewed Cubanacan guide also had a positive outlook on tourism,

I think the positive effects outweigh the negative effects of tourism in town. I mean there are some effects that could be perceived as negative, like Cubans marrying foreigners, illegal activities like locals guiding trips for tourists, people selling cigars illegally, black market activities, and also I think that the Cuban people have generally become more money oriented (Interview 3).

Additionally, several participants mentioned that while tourism has been positive in the community, there has been a substantial increase in *jineteros* (hustlers), and the illegal activities associated with this profession (i.e. prostitution). As one participant responded,

There are a few negative aspects that have come with tourism, you can see that there are many hustlers around town and even some prostitutes, it is not as bad as in Havana, but we do have some. There are also so many people in town that work for commissions for all different things, like getting rooms rented, guiding, driving, over charging tourists for drinks at the bars, over charging for souvenirs, it is becoming more of a problem. But we are very lucky here because it is such a beautiful peaceful area; it draws many tourists for its natural beauty (Interview 1).

Not one participant at the study site plainly stated that they did not like tourism; in fact, it seemed as though everyone appreciated how it had changed life in their community, as it brought more jobs, money, and opportunities. As one participant stated,

Tourism has been like a breath of fresh air to the town and losing tourism would be devastating (Interview 25).

5.3.1.2 Community Changes With The Introduction of Tourism: Infrastructure

Tourism started to increase in popularity within the study area over the course of the last 10 to 12 years. In speaking with the participants on how the community's infrastructure had changed with the introduction of tourism, most felt that it had not changed significantly. One respondent stated,

The town has not grown that much with the growth of its tourism industry, the community in size and population is generally the same, it has only grown a bit. However it is possible to see changes in the quality of life in the community, and now houses have been painted and restored (Interview 3).

Another female respondent stated,

I don't think that the infrastructure in town has improved as tourism increased over the years. For example, there is much more that the government could do, like paint the church, I think that should be done every few years, they could put more money into fixing homes in town because most people cannot afford to do this on their own.... There are hardly any telephones in town; all the neighbours have to share the same phone, sometimes an entire street. This is really disappointing because phones can really help with a person's [*Casa Particular*] business. They are implementing phone lines now, finally, but only *Casa Particular* owners will get phone access, what about everyone else? (Interview 1).

Another local man expressed the same sentiment,

I would not really say that it has improved [infrastructure], when my family built this house 12 years ago we were told that the government would pave this road, and still today it is gravel, always flooded with water when it rains (Interview 13).

In yet another interview, a local *Casa Particular* owner discussed how the lack of local infrastructure affects his business,

The infrastructure has improved a little over the years, but not a lot. We still do not have a road in front of our home which was promised years ago, and you know, this hurts my business. Many tourists don't want to drag or carry their luggage down this dirt, rugged street, they would rather stay on a paved street. This may sound funny but it is true. And, we are only getting phones now; everyone on this street has shared a phone for the last several years.... (Interview 19).

In speaking with the participants on the topic of the community's infrastructure, it was the *Casa Particular* owners that were particularly disappointed in the government's effort. Many *Casa Particular* owners were pleased that telephone lines were finally being installed all over the community, but the owners felt that the State could do much more to improve the local infrastructure. On the contrary, most of farmers and other tourism workers that were interviewed in the study made little mention of the lack of infrastructure development as a problem.

5.3.1.3 Community Participation

In spending one month at the study site, one could accurately conclude that the Cuban government makes very little effort to involve the local community in tourism decision making or dialogue concerning tourism. What the government does offer however, are mandatory meetings once a month for *Casa Particular* owners, where issues are discussed concerning related issues (mostly the things that are going well, or light concerns, but they do not discuss controversial issues). As one participant stated,

These meetings are sometimes useful, but for the most part they are just to tell us what we can and can not do, they do not ask for our opinion or concerns... They usually last about 1 ½ to 2 hours once a month (Interview 1).

The general consensus among *Casa Particular* owners was that these meetings were not useful, nor did they offer any support or training, they merely informed *Casa Particular* owners of what was and was not permitted. Another *Casa Particular* owner stated,

[At the meetings] you just meet to talk about the *Casa* rules, the authorities tell you that you can't do this or you can't do that, it seems like you can't do anything. They never ask what you think or offer support (Interview 8).

Another participant added,

People are not able to speak up at these meetings, they are [the meetings] not about what you think of things or issues, they are to dictate what will happen, or what will change, or what you can and cannot do. There is no freedom of thought here (Interview 3).

One of the interview questions asked participants if they would like the opportunity to have community meetings to discuss tourism issues, yet almost all participants expressed that they would not be interested in attending these community meetings. As one *Casa Particular* owner responded,

No I would not be interested. I have no time to attend this kind of meeting. Already I must attend a meeting once a month concerning my *Casa Particular* (Interview 1).

There were however, a few participants that felt having meetings concerning tourism would be of value (mostly *Casa Particular* owners), but they were also skeptical of the benefits these types of meetings could bring. As one participant answered,

I think that even if the government did hold meetings about tourism issues a large portion of the community would not come, for various reasons. Some people feel that the topic would not concern them, others feel that they don't have time, and you know, even if people did come to these meeting they would probably not feel comfortable expressing their true thoughts because of the government presence at the meetings (Interview 11).

Another participant shared a similar opinion to this stating,

There are no community meetings in town concerning tourism. If there were I would probably attend, but I am not sure what they would do for the town. I don't think that people would really feel comfortable saying everything that they felt or thought because of the possible consequences (Interview 19).

While these comments are not surprising, one candid interview with a local guide revealed some interesting information. When asked if he felt that local people would be interested in having community meetings concerning tourism he answered,

I really don't think so....To some degree Cubans like to be told what to do, what they are permitted to do. Over the course of the last 45 years Cubans have lost the sense of civility, they only react in the way they are supposed to react, the way they are dictated to react. Cubans will wait for someone else to do it first. There is an intrinsic fear of being the first person to do something (Interview 3).

In conducting these interviews it became apparent that community participation in the local tourism industry is minimal to non-existent for a number of reasons. For instance, the Cuban government makes little attempt to involve the local people in any type of dialogue concerning tourism. Additionally, to date, the local people have not demanded any form of participation, and as this research revealed, some of the reasons for this is fear to speak out at the State. Citizens also do not necessarily want to devote time to local tourism planning, and because Cubans may have lost their sense of independent thinking it is unlikely that they will demand such participation from their government. It is clear that there is much room for improvement in this area.

Community participation in tourism development is important on a number of levels, for instance, participation and collaborative efforts at the local level can diffuse potential conflict on tourism issues and promote shared interests, and if stakeholders play

a more active role in the decision-making that affects their lives there is greater chance for political legitimacy. Further, participation can improve the coordination of policies and in turn, can encourage proper consideration for the impacts associated with tourism (Bramwell and Sharman, 1999; Taylor, 1995). There are numerous benefits when stakeholders are involved in tourism development and offered the opportunity to build consensus on development issues together.

5.3.2 Economic Impacts

5.3.2.1 Economic Diversification

With the introduction of tourism in Cuba, and more specifically at the study site, increased employment and economic diversification is evident. Three hotels have been created at the study site, and today there are approximately 250-300 *Casa Particulares*, thus providing substantial employment opportunities within the community (Interview 17). Additionally, this growth has promoted economic diversification, with new businesses now catering the tourism industry. For example, a second bank was created to meet the needs of tourists, new restaurants and bars have been opened specifically to cater tourists, and because of tourism, local people are being hired as State guides (Interview 3). Further, farmers sell their produce to both the State and to local residents, and with 250-300 *Casa Particulares* in the community, there is potential for much produce to be sold locally.

All respondents felt that tourism had a positive influence in diversifying the community's economy. As one respondent answered,

Yes, tourism definitely has created new economic opportunities for local people, for instance, now people can have *Casa Particulares*, now farmers are selling more food to locals because of *Casas*, and farmers are making more money from doing so,.... There is also work in hotels and restaurants now which helps many people too (Interview 1).

Beyond this, many locals have tapped into their creativity, finding ways to diversify their own skills in order to make money. Unfortunately, many of the entrepreneurial activities Cubans partake in are considered illegal by the government.

5.3.2.2 The Use of Local Resources

Due to the nature of the Cuba's political past, and its present relationship with the United States, the government is forced to be creative in supporting its tourism industry. As with many popular tourism destinations importing a great deal of goods, Cuba too must look internationally for products to support its tourism industry. Unfortunately, one of the island's most logical trading partners (in terms of distance and product offerings), the United States, has a trade embargo on the island, thus leaving Cuba to trade with nations from farther distances.

One participant, a hotel employee who worked in all three local hotels (in administration), pointed out that new building structures and renovations done in the local hotels were built with wood imported from Chile, and almost all of the furniture within the hotels had been built within Cuba. Soaps for the hotels was also partially being produced locally, however, the shampoo and conditioner for the hotel rooms was not produced in Cuba. Uniforms for the hotel employees, and the bedding and towels were also not produced in Cuba, which is understandable as they do not grow cotton on the island (Interview 9). Art within the hotel lobbies and guest rooms is generally produced

by Cubans, but not necessarily residents of the study site (Interview 3). However, much of the produce served within the three hotels is produced locally. Further, unlike many of the hotels that cater to mass tourism on the island, the three local hotels at the study site serve food that is more traditionally Cuban.

5.3.2.3 Living Standards

In traveling throughout Cuba, it becomes apparent how tourism has affected the country. For those tourists who venture out to some of the more remote areas of the country where tourism is almost non-existent, the communities have a different feel from the country's more popular tourism areas. Vehicles are few, designer clothing is absent, and the typical assortment of little tourist shops and souvenir vendors is almost non-existent. Comparing this scenario to one of Cuba's many tourism hotspots, both within its mass and small-scale tourism industry, the situation is much different. Although the study site is fairly small, it is apparent that tourism has transformed the community when comparing it to other communities of similar size, absent of a tourism industry. Within the study site many homes have been freshly painted; there are now multiple stores to serve tourists with a variety of western foods, i.e. Coca Cola, Pringles, etc, and there are also an assortment of restaurants and food vendors for tourists to choose from.

A result of the introduction of tourism to the study site has been the transformation of the lives of the local residents, with nearly all of the participants having felt that tourism had raised their standard of living. As one taxi driver stated,

I have been driving taxi for 25 years, with 8 to 10 of those years driving for tourism, the change is great. Now driving tourists I make much more money. I know much of the fares I don't keep, but some I do, and the tips help very, very much (Interview 16).

Another participant responded,

Our standard of living has increased with the introduction of tourism, now we can eat what we want, and my stepfather has a vehicle which many people do not. We are also very lucky because my brother is living in Europe, he met a girl traveling here and they got married, now he sends us money which really helps (Interview 13).

There were also a number of participants who did not officially work in tourism who felt that it was raising their standard of living. As one school teacher stated,

I do not work in tourism but it has helped me make some extra money. I own my own car and whenever I can drive tourists I will. It is risky I know, but the money is good (Interview 12).

While it is true that this is man profiting illegally from tourists, there are others who are benefiting from tourism simply by having a family member that works in tourism. One participant responded,

Many people who have Casa Particulares will share money with their family members that do not work in tourism, even extended family. My family even gives food and a little money to family friends in town. They do not work in tourism and life is very difficult for them (Interview 11).

As this comment demonstrates, tourism has not raised all residents standard of living, nor has it raised the living standards evenly within the town, and in taking a stroll off of the town's main street this becomes apparent. Among a neighbourhood of nicely painted concrete homes you can find old, run down wooden homes. While Cuba is a Communist nation and everyone is said to receive basic necessities to live, the gap between those who have money and those who do not is quite substantial and this gap is continuing to widen.

5.4 Tourism and the Cuban Government

5.4.1 The Government's Role in Tourism

Over the last two decades the Cuban government has slowly opened its Communist economy to tourism development; however it has favoured some types of tourism over others. For instance, since 1989 the Cuban government has supported the expansion of tourism enclaves across the island, yet in more recent years, small-scale tourism has also been promoted, along with the increase in hotels and licensed *Casa Particulares* in rural areas (Henthorne and Miller, 2003). However, some Cubans believe that the government does not greatly support small-scale tourism and the businesses that support the industry, in particular *Casa Particulares*.

Casa Particulares can be found across the island, apart from a few tourism enclaves where they are illegal to establish (i.e. Varadero), however, the government offers little support to licensed owners. Within the study community alone there are approximately 250 to 300 licensed *Casa Particulares*, and this number has increased significantly in recent years since the potential profits to be made in this form of employment attracts many Cubans to obtain licenses. It is not particularly difficult to have a *Casa* licensed, as one participant shared, beyond the owners paying the initial license fee of \$100-150 CUC, the individual household member applying for the license must also be:

- A good, quiet person/family – they must not cause trouble or break laws, they must be a model citizen;
- The individual must display proper and loyal behaviour in society, and the neighbours must concur that they do in fact do so;

- They must have a comfortable house; and
- They must have enough room in their house, and enough bedrooms for their own family and two tourists; this space is determined by government officials.

(Interview 1)

5.4.2 Government Support for *Casa Particulares*

For those Cubans fortunate enough to have their *Casa* licensed, government support ends there, apart from a monthly meeting where government officials discuss what is, and is not permitted in the *Casa Particular*. As one participant commented,

Some people believe that the government is not entirely fond of permitting *Casa Particulares* to be run in the country, but because the demand for accommodation [at the study site] exceeds the capacity of the three hotels, the government permits the *Casas* to be run in the area (Interview 3).

While the process of obtaining a *Casa Particular* license can be very lengthy, losing it can occur quickly, with the owner automatically losing the license if they are unable to make their monthly State fee. Although this may seem fair and make economic sense, the government has issued so many new *Casa Particular* licenses in the study site that competition among licensed owners has become increasingly intense. Therefore, *Casa Particulares* can be found opening and closing every month in the community, particularly during the community's low-seasons. One *Casa Particular* owner commented,

It is difficult having a *Casa* because there is so much competition now. The State has allowed for so many more *Casas* to open, and so it is getting more and more difficult to get enough guests to pay our *Casa* fees. In the low season it is very difficult to get enough guests to pay the monthly fee and so we must save our profits from the high season to pay the fee in the low season, sometimes we just manage to get by (Interview 19).

Beyond this, the government keeps a watchful eye on *Casa Particulares*, ensuring that owners are following the rules by sending out “secret tourists” to randomly check homes. The officials pose as tourists to inspect if owners are serving fish or lobster, if they are renting out extra rooms to tourists, and that they are generally following the rules set out for *Casa Particulares*. If an owner is caught not following the rules, their license can be confiscated. A *Casa Particular* owner stated,

Having a *Casa* means you must always be ready for an inspection. Any one of your guests could be a secret tourist, you never know. You must also keep the *Casa* book [where you record your visitors] up to date daily, this cannot be neglected. This book must be brought to the immigration office every time a new guest comes, or if the guest decides to stay longer. If you do not do this, you could lose your license (Interview 8).

As mentioned, *Casa Particular* owners are able to make a reasonable profit from renting rooms; however, these profits are not evenly distributed among owners since those *Casa Particulares* located on the main streets or mentioned in travel books typically draw in more tourists. In speaking with several *Casa Particular* owners, some of the respondents felt that they would like to have the option of closing down their *Casa Particular* completely during the low-season, but with no re-opening fee. One participant claimed,

There would be much less stress if I could just close my *Casa* for six months of the year, three months between September and November and another three between February and April (Interview 8).

However, of the *Casa Particular* owners that were interviewed, the majority felt that rather than closing their establishment during the low-season, they would like the government to lower their monthly fee slightly during the these months.

If fees were even a little less during the low season it would make things much easier for me and my family (Interview 2).

It can be further argued that the Cuban government offers little support or training to *Casa Particular* owners. One *Casa* owner expressed her frustration on this matter stating,

No information is offered by the government to the *Casa* owners with respect to hospitality. They offer no help or support in this area, but they could offer perhaps a list of what types of food people from different countries like, or a few words in a couple different languages to help the communication a bit, but instead they offer us nothing (Interview 1).

5.4.3 Training for Tourism Employment

As discussed, the government offers very little training to *Casa Particular* owners, however, it appears that there is also very little training offered to any line of work in tourism. In speaking with various individuals who work in the tourism industry, most expressed that the extent of training they received for their positions was only in languages, usually English and one other language. It is those individuals who work in management positions in hotels or travel agencies that receive the most training. One Cubanacan employee (a travel agent) stated that she received some language training and also given some customer service training at the tourism school in a nearby city (Interview 21). Another gentleman who worked in all three of the local hotels said he received some training,

When I started this job I was offered training in languages, customer service, you know, like welcoming customers. There is training for each department at these hotels (Interview 9).

While this gentleman stated that he had received training in customer service, other participants expressed that they received very little training in their line of work.

5.4.4 Locals' Feelings towards the Government

After nearly 50 years in power, Cuba's Communist government has created mixed feelings among the local people. The country's centralized government keeps a close eye on its citizens, with branches in every community, and volunteer citizens watching on its behalf. As one local participant mentioned,

Local people are always watching everything, and so you don't always know who you can trust, or who is watching what you do, so you always need to be careful of what you do and what you say, even in front of people who you think are your friends because someone will report you back to the officials (Interview 2).

In spending three months in Cuba, this kind of cautionary living became apparent quickly, with some residents expressing their negative feelings toward the government freely, and still others praising Fidel Castro endlessly, sometimes with sincerity and other times as if they thought the author might be one of the government's "secret tourists".

Beyond this, some participants expressed their frustration with the Cuban government openly, stating that government was holding the country back from achieving its full potential in the tourism industry. As one official tour guide stated,

Cuba has so much potential, the tourism industry has so much potential, but the government is just not organized enough to aid it in reaching its full potential, and it sometimes seems that the government does not always want the tourism industry to thrive, but we need this foreign income (Interview 3).

In addition, one other travel agent stated,

There is so much room for improvement in the tourism industry in Cuba. I have become fairly frustrated with the inefficiencies of this country, we need some changes. Cuba has so much potential to expand its tourism industry, but we are just not embracing this potential (Interview 4).

Today with the growth of tourism throughout Cuba and the influx of international tourists, it appears that some people's opinions of the government are changing, both within the older and younger generations.

5.5 Summary: Main Findings

5.5.1 Employment Issues within the Study Site

- Of the participants who worked directly in the tourism industry (i.e. guides, hotel employees, travel agents), most had come to their job from other professions, the most common was teaching.
- Most of these individuals said that they preferred their previous line of work to their work in tourism.
- All participants who had switched professions did so in order to make more money.
- All of the farmers interviewed stated that they did not wish to change their line of work, and felt that they received a fair wage from the government.
- All *Casa Particular* owners interviewed had a positive attitude toward their form of employment.
- *Casa Particular* owners suggested that they have the potential to make substantial profits through their small business.
- In recent years it has become increasingly difficult to find employment within the tourism industry.

5.5.2 Ways of Profiting from Tourism

- Illegal profiting from tourism is becoming common for many residents (i.e. servers/produce vendors overcharging tourists, *Casa Particular* owners serving illegal foods, local people guiding trips etc).
- Many transactions occur on the black market (i.e. purchasing food).
- Today there are an increasing number Cubans hustlers (*jineteros*) attempting to make a living from tourism.
- Many Cubans are finding ways to profit from tourism (i.e. giving dance lessons, teaching Spanish, etc), which in most countries would be considered entrepreneurial, but in Cuba is considered illegal.

5.5.3 The Impacts of Tourism

Social Impacts

- Participants generally felt that tourism was a positive element in their community.
- Participants felt that it was the younger generation that was being affected most by tourism.
- Some participants felt that tourism was making residents more money oriented, and that it was creating a division of wealth amongst Cubans.
- Most participants felt that tourism had not contributed to the improvement of local infrastructure.
- The local community has little involvement in tourism decision-making, both because they are not offered the opportunity and because they do not want to participate.

Economic Impacts

- Within the study site, tourism has promoted economic diversification, and expanded employment opportunities.
- Due to the US trade embargo Cuba tries to use its own resources to support the tourism industry, however, many products must still be imported.
- According to participants, tourism has raised the standard of living for many residents at the study site, both for those that work directly in the tourism industry and for those that do not.

5.5.4 Tourism and the Cuban Government

- The Cuban government has traditionally supported mass tourism over small-scale tourism; today small-scale tourism is slowly gaining support.
- The government offers little support or training to *Casa Particular* owners and other small business owners.
- The government typically offers training to those individuals who work in hotels or travel agencies. This training consists of languages and customer service.
- The participants had mixed feelings toward the Cuban government; some still supported Castro and the Revolution, while others felt that the government was holding the country back from reaching its full potential.

Chapter 6

Discussion

6.1 Introduction

This study attempted to examine Cuba's small-scale tourism industry as well as the degree to which pro-poor tourism strategies have been, or can be implemented within the country. As previously discussed, tourism has the potential to bring much needed capital into low-income countries and communities, however, potential economic linkages continue to be overlooked, residents ignored in the planning process and tourism profits bypassing the local people. Pro-poor tourism strategies attempt to address these essential components of tourism planning. Cuba's Communist government plays an interesting role in both promoting and hindering pro-poor tourism development. This chapter explores the main findings of this research and how they relate to the existing literature.

6.2 Entrepreneurship

6.2.1 Cuba's Brain Drain – The Tourism Industry

A publication by the International Tourism Partnership (2004:12), states that tourism, although employing a large number of individuals, is also associated with the following characteristics:

- Wages are at least 20% less than those paid by other sectors;
- A high proportion of unskilled and part-time workers compared to other sectors;
- A very young workforce (up to 50% are under 25 years of age); and
- Employing a high proportion of females (up to 70%).

Additionally, the type of work associated with tourism is often criticized and considered by some to be menial jobs, with many of the positions concentrated in low-skilled occupations. Further, tourism tends to offer, for the most part, only part time or seasonal positions (International Tourism Partnership, 2004). While the latter may apply to Cuba, the former does not. Although Cuba's tourism sector shares similar traits to many other low-income countries, this Communist country has many of its own distinct characteristics.

As Cuba's tourism industry has transformed over the last two decades, so too has the country's employment conditions, and in viewing these points, we can see that some, but not all describe Cuba's tourism industry. Cuba's population continues to rank as one of the most educated among all low-income countries, yet today there is less incentive for the country's younger generation to spend several years in post-secondary institutions to be trained in a professional career (i.e. doctor, nurse, engineer), because even these traditionally prestigious positions do not pay enough for one to subsist in Cuba (Henthorne and Miller, 2003; Ritter, 2005). This is apparent today within Cuba's tourism industry, where one can find countless bartenders, waiters, taxi drivers and tour guides that were once doctors, engineers, nurses, and teachers (Henthorne and Miller, 2003). In one study Haddad (2003:63) states, "Three of my young male informants had stopped going to school because they saw no purpose to it. Two of them had turned to hustling

tourists. The other was waiting for an opportunity to go to ‘el norte’”. In another interview with a female doctor, Haddad shares her findings:

She explained that those with the most educational credentials and who had sacrificed the most are at the bottom of the society while ‘the uneducated and robbers were on the top’. While Cuba’s capitalist reforms have increased the country’s access to hard currency, they have also resulted in an economic system that rewards those who perform socially unnecessary work in the tourist industries and work that is self serving in the private or informal economy rather than those who perform more socially necessary tasks (Haddad, 2003:63).

Early into this research it became clear that highly educated Cubans had made the decision to leave their trained profession to work in the tourism industry, primarily because of the higher economic rewards associated with tourism jobs. It is not surprising that these employment shifts are occurring in Communist Cuba, as this study, among others, have found that a doctor and a restaurant waiter roughly make the same state salary (\$20 US/month), yet a waiter earns an additional \$17 US a day on average in tips (Henthorne and Miller, 2003; Seaton, 1997; Wood and Jayawardena, 2003). Many of the participants in this study who had left their trained professions to work in the tourism industry stated that they actually preferred their previous line of work, finding it more fulfilling; yet it was the discrepancy in wages that left these individuals with little option but to seek out work in the tourism industry.

Cuba’s agrarian sector has long been a dynamic component of the Revolution and today plays an important role in the Cuban economy. From a pro-poor tourism perspective, the agrarian sector plays an essential role in supporting the local tourism industry with respect to utilizing local foodstuffs, maximizing economic linkages and providing local employment. In many tourism dependent low-income countries, the wages paid in the tourism industry are generally considered to be higher than those paid

or generated within agriculture. As a result, some countries have seen a mass migration to tourism zones and the abandonment of their agricultural land (Meyer, 2006). However, as Meyer (2006) points out, it is not only the wages that differ between the two occupations, but also the images associated with them, with the agriculture sector in many countries being perceived as low-status. Interestingly, these experiences generally do not apply to Cuba, where the agrarian sector is considered a respectable and profitable form of employment. The farmers interviewed in this study enjoyed their line of work and also felt that they were paid a fair wage by the government. It is not surprising that farming is an advantageous form of employment in Cuba because farmers are generally able to meet their food needs with their own produce, thereby freeing up more money to purchase other necessities, a luxury experienced by few Cubans. Additionally, Cuban farmers at the study site were able to obtain additional income by selling their produce to the local people, and in some circumstances to tourists, further contributing to their income.

As this study revealed, many of those employed by the tourism industry and Cuban farmers, have the ability to meet their daily needs, however there are countless other Cubans encountering a daily struggle to meet their needs, with the desire to find more economically fruitful employment, primarily in the tourism industry. This has, and will continue to push Cuba's best and brightest out of their trained professions and toward the tourism industry, where one is able to make a living wage and in some circumstances, even a profit. Although the average state wage is only 12 to 15 CUC, it is important to recognize that every Cuban citizen is entitled to free health care and education (including post-secondary), both of which are of a relatively high quality.

Additionally, Cubans are given monthly food rations; however, as mentioned, these rations at best only offer enough food to last two weeks.

While there are many areas in which the Cuban government could improve the tourism industry and adopt strategies to promote pro-poor growth, to some degree the country's Communist government provides an environment which supports pro-poor tourism development. As the International Tourism Partnership (2004:7) point out, local economic development and poverty reduction is achieved where hotels and resorts "maximize their employment of local labour and through management and training interventions, by investing in people and ensuring that increasingly senior posts go to local employees". Fortunately, the Cuban government largely only hires local residents for all positions within their tourism industry, particularly in their small-scale tourism zones. Within Cuba's more popular mass tourism enclaves it is possible to find a hotel manager from Europe or Canada, but, this is usually limited to only one or two individuals, with all other employees being Cuban. Additionally, foreign owned companies operating in Cuba are obligated to hire Cubans for their workforce, thereby maximizing local employment. Within the study site of this research, the three local hotels did not have foreign hired managers, rather local Cubans held the senior positions, and all other hotel employees were local residents.

In revisiting the core principles of pro-poor tourism development, a holistic livelihoods approach must be considered. While Fidel Castro's government has managed to make considerable strides in improving the social climate of the island since Batista's rule, present day Cuba is facing the challenge of the brain drain effect. In table 2.1 Chok et al. (2007) state that a holistic livelihoods approach goes beyond a narrow focus on

jobs, however, in this case one could argue that employment is one of the county's largest concerns going into the future. With a significant number of Cubans choosing to leave their professions for work in tourism, or opting out of studying professional careers, Cuba could face a severe employment problem in the near future. It is imperative that the government make an effort to acknowledge and address these employment issues. By examining the problem through a holistic lens the State may have a greater success in addressing the driving forces at the source of this growing trend. Communist theory states, 'from each according to his ability, to each according to his need', however, it is clear that tourism is heavily influencing this philosophy as well as Cubans' employment choices, leaving many citizens undervaluing employment in essential services. Although Cuba does have a strong local hiring process, without strategies to keep people in professional positions, the country may be left in an uncertain predicament.

6.3 Profiting from Tourism

6.3.1 Todo se prohíbe pero todo se hace

Tourism has become an economic staple worldwide, particularly in low-income countries. However, whereas in most countries governments encourage entrepreneurial activity, in Cuba, business initiatives are generally illegal to the public, and those businesses which are legal are heavily regulated and taxed. The measures imposed by the government are an attempt to stagnate capitalist activity, yet these regulations and laws have deterred few Cubans from honing in on their almost natural entrepreneurial talent, and has actually pushed many individuals to participate extensively in the informal economy and black market.

While various types of illegal and underground economic activities occur in every country, Cuba's public policies and structural economic forces have created an environment where these activities thrive. Although Cuba shares some common factors with other countries in the underlying causes of this illegal activity, the origins of this country's rampant underground economy is "rooted mainly in the economic policies that have generated an economic environment in which citizens find it necessary for their survival to act outside the letter and spirit of the law" (Ritter, 2005:348).

In Cuba today there is a popular saying: *Todo se prohíbe pero todo se hace* (Everything is prohibited, but everything can be done) (Ritter 2005:342). For a first time visitor to Cuba, or for tourists who do not leave their resort, it may be difficult to grasp the true extent of the country's black market, however, with a keen eye, one can observe the complexity and extensiveness of Cuba's informal economy. In fact, Ritter (2005) found in his research that "many Cuban citizens insist that almost everyone is involved in economic activities that are considered illegal by the state – though these activities are often not perceived as unethical to perpetrators. One might say that there is a pervasive culture of illegality in the Cuban economy and society at this time" (Ritter, 2005:342). This was also the case at the study site, with seven research participants stating that they felt almost every Cuban participated in some way or another in the black market. Yet, despite the fact that the existence of Cuba's informal economy is well known, to date there has been very little research done on the topic.

As the findings of this study demonstrate, illegal economic activities do occur regularly within the study community. Although hustlers (*jineteros*) did not have a strong presence, the number of local people who made their living by participating in the black

market economy was extensive. Because the study site is a popular tourism destination, it enabled some local residents to make their living by participating in illegal activities, such as offering guided trips, charging for private dance or language lessons, renting out rooms, or serving food to tourists in non-legal *Casa Particulares*, among countless other activities. However, there are other residents who only use the black market to supplement their income, and still there are those who do not feel that they are directly participating in illegal activities. For instance, a local farmer selling eggs to a *Casa Particular* owner is actually breaking the law, but the *Casa* owner is also participating in the illegal activity by purchasing the eggs. Activities such as these are a common occurrence at the study site, and it would appear that the authorities simply choose to overlook them. Many of the businesses that operate in the black market involve low-income people providing goods and services to other low-income individuals, with most of these goods and services being those which are insufficiently provided by the State (Ritter, 2005).

The country's black market is thriving and will continue to as long as the government neglects to offer its citizens a wage that will enable them to adequately support themselves and their families. In the government's attempt to maintain its stronghold over the country, it has actually created a persistent culture of illegality because the most powerful force promoting these illegal activities is basic survival for Cubans (Ritter, 2005). It is clear that a significant number of Cubans are illegally profiting from the country's tourism industry, however, there are also a number of individuals who do try to more or less work within the boundaries of government's restrictive laws.

While there is little literature on Cuba's private accommodation businesses, many licensed *Casa Particular* owners have been successful in making significant profits, particularly if the local conditions are favourable, that is, the *Casa Particular* is located in a popular tourism destination, they are situated in a central part of the town/city, and they have clean and fair priced accommodations. Many of those who owned licensed *Casa Particulares* at the study site had made enough profit to purchase new furniture, paint their homes, and in some circumstances, even add additions to their homes. On the surface, these small business owners may appear to be law abiding citizens in the eyes of the government because they pay their monthly taxes and produce all the necessary paperwork for their business, however, in order to make such a significant profit in their *Casa Particular*, many of these individuals participate in the local black market. This is an interesting phenomenon in Cuba, where many citizens are loyal to the Revolution, yet they will (and in some circumstances they must) break the law to make or increase their profit. For example, many *Casa Particular* owners will serve fish or lobster to their guests upon request, both of which are illegal but offer a significant profit, and many owners will organize hiking trips or horseback riding trips for their guests, charge the same price as the State and then split the profits with the guide (usually a family member), an act which is illegal. Although many small business owners are able to make a living, the Cuban government has made little effort to support the owners; in fact, it would appear that the government, although tolerating small businesses, actually has created an environment in which it is increasingly difficult, if not impossible to conduct business in a completely legal manner.

Another important component of pro-poor tourism is the expansion of local business opportunities for the poor, which includes businesses that provide for the tourism industry (Pro-poor Tourism Partnership, 2005:b). As was revealed in the findings of this study and in the literature, Cuba's Communist government does not actively promote private business, yet over the past decade it has been forced (primarily due to the government's inability to adequately support its own population as well as the tourism industry) to legalize the opening of small businesses. This measure has had a profound effect on the country's economy as demonstrated in Chapter 5, section 5.2, "Profiting from Tourism". However, governments in many low-income tourism destinations promote (to varying degrees) entrepreneurial activities among its citizens, thereby allowing the market to determine what services are necessary and profitable. This allows entrepreneurs to provide services for the tourism industry, leaving fewer services for the government to provide.

Cuba is a country teeming with entrepreneurs, both in the legal and illegal marketplace, and the government's legalization of self-employment has been met with wide support and demand by the local population. Opening the private market economy has enabled the Cuban economy to escape from the brink of collapse, and situate the population in a more stable position if and when the American trade restrictions are lifted or the Castro government falls (Cruz and Villamil, 2000). For the time being however, these entrepreneurs "face a government which spurns the profit motive, denies the self-employed access to a functioning legal system, demands confiscatory taxes, minimizes incentives for growth, and frustrates their access to financial capital which is so crucial to their growth and development" (Cruz and Villamil, 2000:112). Therefore residents of the

study site, and across the country, are being forced to participate within the black market economy for mere survival, and rather than embracing these inherent entrepreneurial skills, the government overlooks them. The State has permitted those businesses that it deems suitable to operate, yet there remain many gaps, and dealings on the black market are serving to fill these gaps. As was revealed through the interviews and participant observation, until the Cuban government makes an effort to provide daily necessities (i.e. adequate food) to its people, illegal activities will persist.

Another core principle of pro-poor tourism is initiating small and medium enterprises and fostering community driven tourism development, giving the local population the opportunity to actively participate in their tourism industry (Pro-poor Tourism Partnership, 2005:b). While this is occurring to some degree with respect to the Cuban government legalizing small business, there is an incredible amount of room for improvement. However, the challenging element of this discussion lies in the fact that capitalist activities are frowned upon and largely prohibited by Cuba's Communist government.

To address the widespread illegal activity across the island the government has adopted a more forceful policing approach; yet as this case study reveals, this has done little to curtail the problem. As Cruz and Villamil (2000) discuss, the development of small and medium sized enterprises (SME's) is necessary in transition economies because they provide critical employment during this structural change. Additionally, SME's and the entrepreneurial spirit are essential factors in innovation and technological change, and are significant features in economic development. Cruz and Villamil (2000:101) further argue:

The emergence of grass roots capitalism is not only consistent with, but also supportive of the decentralization of economic and political power. A viable small business sector has the potential to redistribute income as well as political power in ways that spread material wealth and political influence over a broad spectrum of society. Indeed one could reasonably argue that the Cuban government's vehement opposition to small business development has little to do with capitalist exploitation of the masses, and everything to do with the erosion of political control.

Although opening the economy to more private business may be contrary to Communist principles, it could potentially alleviate the country's rampant underground economy, and enable more citizens to legally make a living, unlike the current situation under State rations. While expanding and further developing the Cuban economy may be a difficult reality to face for the Castro government, it is necessary that the State begin the transition of opening its economy to small and medium enterprises.

As Chok et al. (2007) outline in Table 2.1, one of the core principles of pro-poor tourism is flexibility, and while there are general principles to follow in PPT development, there is no exact blueprint that applies to all countries and circumstances. Therefore, it is crucial that the Cuban government slowly begin loosening its stronghold over the island's economy, and making efforts to learn from other countries' economic transition process, for instance China and various Eastern European countries. These examples, alongside tourism development in non-Communist countries may prove to reveal opportunities in progressive PPT development in Cuba.

Commercial realism is another core principle as identified in Table 2.1. With Cuba operating under a Communist political system for the past half century, and with the USSR allowing the island nation to purchase goods at artificially low prices, Cuba's economy has generally not been forced to participate within the global economy. Today however, Cuba is struggling to maintain its Communist principles in an increasingly

globalized society. Another core principle of pro-poor tourism as Chok et al. (2007) point out is working toward a balanced approach in development, with economic linkages needing to be considered within wider tourism systems. Cuba has made considerable strides since the fall of the USSR; however, today it appears that in Fidel and Raul Castro's persistence to uphold Communism on the island, much of the population is facing daily challenges, unable to feed their own families. While it is true that tourism has enabled an increasing number of Cubans to raise their standard of living, many of those citizens who can not find work in the tourism industry, or who choose not to commit unlawful acts to increase their incomes, are left struggling for mere survival. Perhaps if the Cuban government continued to slowly make efforts to further permit self-employment, and create a more supportive business environment (i.e. loosening taxes and restrictions, offering a fair legal system and distribution system) more of the population would be able to support themselves. Finding a commercially viable and balanced approach to offering goods and services to its people, and tapping into further economic diversification opportunities to support the country and its growing tourism industry could prove to be profound in terms of meeting the needs of the people and enabling the country to compete fairly if and when the Castro regime falls.

6.4 Tourism Impacts

Cuba's economy has now begun to take a positive turn after years of hardship; yet, the government continues to balance the need to loosen its grip on the State economy while continuing to maintain a tight political grip. Tourism has undoubtedly changed the face of Cuba, and while this industry has enabled the country to move out of complete

economic bankruptcy, the changes have been both positive and negative with respect to the country's social, economic and environmental characteristics.

6.4.1 Social Impacts

This research revealed that the residents of the study site generally felt that tourism was having a positive impact on their community. Respondents also felt that tourism was generally having a positive effect on Cuba as a whole, with the primary factors being that the industry was aiding the local and national economy, bringing information into the country that the government would not share with its citizens, allowing Cubans to meet new and interesting people, and also allowing citizens to learn about other cultures. From a more negative perspective, participants felt that tourism was making Cubans more money focused, and it is contributing to an increase in *jineteros* and the illegal activities associated with this profession. These findings support those found by Colantonio (2004), as discussed in Chapter 3, Section 3. In revisiting Colantonio's study the majority of participants (86.8%) felt that to date, tourism had either had a positive impact or little impact in their lives. Additionally, 89.3% of participants stated that the change brought by tourism had been positive, which was associated with economic development, environmental revitalization, cultural and social revitalization, and more vitality (Colantino, 2004). Those who had a negative perspective on tourism felt this way because they believed it had created a feeling of personal insecurity and increased crime, as well as population displacement. Finally, the majority of the participants (85%) said they would be open to having further tourism development in their area, with the top reasons for this support being that tourism brings: prosperity and

economic development, cultural exchange with tourists, and cleanliness (Colantino, 2004).

The perspectives revealed in Colantino's study coincide closely with those found in the research of this study. It is not surprising that many Cubans would have a positive view towards tourism since it is this industry that revived the country from its once dismal state, and increased the income of many families across the island. At the study site, where, prior to the re-introduction of tourism to the island there were few jobs outside of agriculture, tourism has revived the local economy and enabled much of the population to find stable employment in the formal and informal tourism industry. It has also enabled many in the community to meet, if not exceed, their daily and monthly needs, a challenge that was rarely accomplished prior to the introduction of tourism to this rural location.

Cuba's dilapidated infrastructure is another issue that has long been discussed and is well known, however, it is often foreshadowed by the discussions concerning the country's great strides in education and health care. Soon into Fidel Castro's Revolution he set out to improve the infrastructure throughout rural Cuba, bringing running water and electricity to these locations. This was no small feat, but unfortunately the State has not had the ability to maintain it, and today Cuba's infrastructure (housing, public buildings, waterworks, sewage, streets, highways, public transportation, and electrical system) is falling beyond repair (Ritter, 2006). This is not surprising considering infrastructure maintenance is a familiar problem within centrally-planned economies, where emphasis is usually placed on new development rather than the maintenance of existing infrastructure (Ritter, 2006). Additionally, the fall of the USSR left Cuba with

virtually no financial resources to repair deteriorating infrastructure because any funds obtained were rapidly reinvested into urgent new tourism developments (Ritter, 2006).

While in many low-income countries tourism has proven to improve local infrastructure, this is not necessarily the case in Cuba. Today tourism is bringing badly needed foreign currency into the country; however, it appears that much of these profits are being used to finance more tourism development rather than being reinvested back into local infrastructure of the profit generating regions (Ashley et al., 2006; Colantonio, 2004). Within the study site the local people have been waiting for years and receiving only empty promises from the government for local infrastructure improvements. Over a decade ago residents of the community were promised their streets would be paved, yet still they wait, some residents' homes are virtually in ruins and the government has offered no assistance. Recently, however, there has been one fairly significant infrastructural development at the study site with the implementation of phone lines to several homes, primarily licensed *Casa Particulares*. Some of the participants believed the phone lines were being introduced into *Casa Particulares* because the demand for accommodation (during the high season) exceeds that offered by State hotels at the study site, therefore, phones will make finding accommodations in the community easier for tourists. Whether this is in fact the reason the government has decided to install the lines is unknown, however, it has pleased many *Casa Particular* owners because they feel that telephones will increase their business. However, most of the respondents also felt that the State had to do much more to meet their obligations of local development and infrastructure maintenance.

An important element of pro-poor development as stated by PPT.org (2005:b) is improved access to services and infrastructure. Currently it would appear that the revenues produced in small-scale tourism areas across the island are not being reinvested into the infrastructure or services of those locations. As Winson (2006:18) found in his research of small-scale tourism in Cuba, “overall it would appear that at present a rather small proportion of tourist revenues generated locally stays at that level”. While the island’s mass tourism industry is an important factor in the country’s economy, it is also imperative that the State reinvest into other income generating areas. This will not only benefit small-scale tourism locations across the island, but also make the destinations more appealing to tourists.

Community participation is another important component of tourism development. Ashley et al. (2000) state that aspirations to participate in the local tourism industry are typically very high among the residents, however, in the case of the community in this study, this is true only with respect to finding employment in the tourism industry. In terms of participating in decision-making, the residents had little desire to take part within the context presented, further, the government appears to make little effort to promote community decision-making on tourism issues. As was discussed in Chapter 5, “Findings”, this research revealed that few participants had any desire to participate in public meetings relating to tourism, contrary to the statement made by Ashley et al. (2000). In revisiting Colantonio’s study (2004), the participants were asked to express their opinion on the statement: “Local residents are always audited directly or via delegates about tourist development plans in this area” (Colantonio, 2004:39). The results demonstrated that over two-thirds of the respondents disagreed or strongly

disagreed. Colantonio (2004) concludes that residents' involvement in urban tourism planning is far from adequate, despite the fact that the Cuban government makes claims otherwise, he also states that participatory planning in Havana and across the island is lacking due to unsatisfactory participation by important stakeholders, particularly the local people. However, it would appear that Colantonio's research perhaps overlooked the idea of whether the participants actually had a desire to participate in tourism planning as clearly was not the case for most participants in this study.

Although the participants of this study generally did not desire to participate in local tourism development, it is important to allow the local poor population to have a role in decision-making, and also that they are consulted in local tourism development (Pro-poor Tourism Partnership, 2005:b). In giving the local population the opportunity to share ideas, concerns, fears and aspirations, the level of social, cultural and environmental impacts can be minimized, and positive tourism development maximized. Local people must be involved in defining the local tourism product because it is the community itself that must live with the outcomes of the industry. Further, public input allows for a greater understanding of the issues affecting the community and can also encourage shared ownership of the product and its associated problems (Bramwell and Sharman, 1999; Simmons, 1994).

The residents' desire to participate in local decision-making efforts was very low in this study, with the contributing factors of this apathy being the Cubans' inherent fear of sharing their opinions and feelings freely, without prosecution, an issue not common in many popular tourism destinations. This lack of participation among citizens can be attributed to Cuba's Communist ideologies, and although the State has successfully

controlled the Cuban society for the last fifty years, the influx of tourists from countless countries to the island is having a lasting effect on the local population and how they view their own government. It appears that Cubans learn more about how governments in other countries operate, how citizens have choice in their government, how they earn enough money to travel, and how they have access to an endless degree of information and media, they are becoming increasingly apathetic towards their own government. It would also appear that the State's goal of maintaining control over its citizens' thoughts and actions is being tested as Cubans learn more and share ideas with international tourists. Fidel Castro's government was left with few options but to open its economy to tourism after the fall of the USSR, yet it has been this transition that has led to the decline in Cubans' faith in their State.

6.4.2 Economic Impacts

Cuba's long standing poor relations with the US has forced the country to be creative in supplying its local markets. It is these circumstances that have laid the groundwork in preparing Cuba to provide a localized rural tourism industry, drawing largely on its local resources for input. Cuba's mass tourism industry on the other hand, is quite different, with much of the required inputs being imported to meet international tourists' high demands. Being an island nation has naturally restricted the degree to which the country can produce products locally.

Cuba's small-scale tourism industry had steadily grown in the last several years, and the country has been able to provide for the sector relatively efficiently with a quality product. As stated, much of the food for the island's small-scale tourism destinations is

produced locally (with seasonal foods), local residents are employed by the industry, furniture is manufactured on the island for some of the hotels, Cuban art is displayed, additionally, soaps and various other products for the industry are produced on the island. This demand has instigated an economic shift on the island with the State now approving the legalization of various small businesses, thus prompting the diversification of the Cuban economy.

Within the study site, evidence of economic diversification is clearly apparent. The growth in tourism has allowed for numerous new businesses (many State owned) to open. In addition to the three hotels that have been built in the study community, approximately 300 licensed *Casa Particulares* have also opened, thus creating hundreds of jobs, many of which provide a living wage to workers. The agricultural industry is another area that has had a significant impact on the local economy. As Torres and Momsen (2004:295) point out, “linking tourism demand for food to local agricultural production represents an approach to stimulating local agricultural production, channelling tourism industry benefits to farmers and reducing economic leakages”. Throughout the study site there are numerous street side vendors selling fruits, vegetables, and traditional Cuban food to tourists and local people alike, all of which are produced locally. As discussed, this has presented local farmers with additional income to their State wages since they are able to sell any extra produce above their State quota. The State uses the food delivered to the local agricultural cooperative through individual quotas to supply the local hotels, and it appears that what is left over is used for the citizens’ monthly rations. However, although tourism in the study site has created an environment where economic diversification is possible and *cuentapropistas* can thrive, it

does not change the fact that the Cuban government makes private ownership incredibly difficult through extremely high taxes and rigid regulations.

The degree of economic diversification at the study site has allowed much of the population to increase its family income. Many local residents who are working directly in the tourism industry are making their tips in addition to their State wage. There are also many residents who are not directly employed by the tourism industry but have found a number of ways to earn a supplementary income through the local tourism industry (i.e. dance lessons, Spanish lessons, guiding trips, hustling, and even prostitution). However, as mentioned earlier, many of these entrepreneurial activities are illegal in Communist Cuba, and therefore individuals must conduct them carefully, but if successful, they can potentially earn the much desired convertible pesos in addition to their State wage. Yet there remain a number of residents who do not work in tourism and do not seek out ways to supplement their inadequate State wages, and it is these Cubans who have difficulty meeting their daily needs. It is these people who make up approximately one-third of Cuba's population, but they are sadly overshadowed by Cuba's more economically stable population (Ross and Fernandez Mayo, 2003). It is here that Jennissen and Lundy (2001) argue that Cuba's national strategy of developing tourism is surrounded by contradictions.

While the tourism industry has been financially lucrative, it has also introduced a multitude of problems, one of the most apparent being the increased division between those Cubans who have access to convertible pesos and those who do not. The "unequal access to the dollar (convertible pesos) has undoubtedly led to a degree of economic inequality previously unknown during the Revolution" (Hamilton, 2002:26). Tourism in

Cuba today seems to be challenging the very basis of the Communist ideology, and rather than improving the lives of Cubans generally, it is improving those in a select number of professions or those who choose to break the law.

Beyond reinvestment into local infrastructure and increased public participation, it is also important that the study community, with the assistance of the State, work towards spreading incomes beyond the individual earners and have resources reach the community as a whole, which would in turn create a collective community income (Pro-poor Tourism Partnership, 2005:b). This collective community income could be created by having a portion of the private business taxes and State profits made locally pooled into a local community fund, and be used to improve local infrastructure and other local amenities (i.e. local church, soccer and baseball fields, etc.). This collective income could also be used to assist those local residents who do not earn enough to support their families, perhaps through increased rations. Reinvestment into the community may result in an increase of confidence in the State by the local residents, and possibly even a decrease in defiance against the State (i.e. black market activity).

6.5 Tourism and the Cuban Government

The fall of the USSR placed Cuba in a difficult situation. Losing its main source of financial assistance, the island nation was forced to seek out new forms of revenue, with tourism given top priority. As mentioned in Chapter 3, Fidel Castro's government slowly began re-introducing tourism before the fall of the USSR, however, not until after 1989 did the industry come into full swing. Varadero, Cayo Coco, Trinidad, and numerous other locations were retrofitted to cater to Cuba's growing mass tourism

industry, and the government maintained a tight grip on the industry. It was not until more recently that Cuba's small-scale tourism industry began to expand, with the government promoting the island's natural, historic, and cultural attractions (Cervino and Cubillo, 2005). The country's seven UNESCO World Heritage Sites are now popular tourism stops for traveling tourists, and ecotourism is growing across the country. As stated in Chapter 3, the Cuban government has redefined ecotourism as 'nature tourism', with this definition including rural tourism, and today the government is making a greater effort to promote this type of tourism internationally (Cervino and Cubillo, 2005; Wilson 2006).

As Meyers writes (2006:4) in recent years:

“An increasing number of destinations (largely due to concern over impacts on the environment, the experience of visitors and their target market, socio-cultural and economic impacts) have realized the fallacy of increasing visitor numbers and instead aimed to focus on one (or more) of the following three strategic benefits to the local economy:

- Increasing spending per visitor;
- Increasing local participation in the industry; and or
- Increasing backward linkages and thus reducing leakages”.

This is apparent in Cuba, with the State making every effort to employ its own citizens within the tourism industry, allowing for only minimal employment for foreigners, additionally, the country makes efforts to incorporate backward linkages to reduce economic leakage. However, one could argue that Cuba has only recently begun to make efforts to increase spending per visitor with the promotion of its small-scale rural tourism industry.

Since the reintroduction of tourism to Cuba, the government has primarily focused on its mass tourism industry, and while it does very well, it typically does not encourage visitors to spend their money beyond the resort walls. This is common in many low-

income countries, and as stated by Meyer (2006:40), although “most resort hotels fall short of the all-encompassing ‘concentration camps of leisure’, all seek to discourage both economic and cultural interaction beyond the resort gate in order to maximize corporate profit margins” (Meyer, 2006:40). The strategies to deter guests from leaving the resorts range from subtle persuasion to militant guards telling guests they are leaving the premises at their own risk. Fortunately Cuban resorts do not subscribe to such a forceful approach, but guests have also not traditionally been encouraged to leave the resort and there is relatively little promotion of the local community within the enclaves.

With the recent growth in Cuba’s small-scale rural tourism, one can see the changes in several popular destinations, from the diversification of the local economy, to a general increase in family income, and improved infrastructure. As Ashley et al. (2000) point out, the money spent by these tourists in the local economies has proven to go a long way in making direct contributions in raising the standard of living of local households. Beyond this, traveling off the resort to visit the surrounding local communities often enhances the tourist’s experience, and in an increasingly competitive mass tourism market, it is important that tourists are offered an experience that is distinctive to the local area. These distinctive experiences range from buying local art, partaking in an annual festival, or participating in a guided trip, all of which enrich the tourist’s experience leading to more referrals, repeat visits, as well as an enhanced image of the destination (Ashley et al., 2000). Cuba offers these authentic experiences and is relatively safe compared to other tourist destinations, additionally, the island’s rural communities have much to offer tourists. For instance, currently the island’s agricultural industry is used within the tourism industry for the production of food, however, there is

much opportunity to further incorporate agriculture into guided tours and niche market tourism. As eco- and rural tourism continues to grow worldwide, Cuba can work towards the further development of these markets.

As stated, the Cuban government has selected eight regions across the country to develop the country's cultural, architectural, and natural assets, as well as broaden their tourism industry. These locations have been growing in popularity with international travelers, and this has created a demand for more services in these locations, such as accommodations, restaurants, banks, convenience stores, and a variety of others. However, the government has not had the ability to keep up with the demand and therefore there has been a significant growth in small private business. Interestingly, while it would appear that the government is supporting the development of the island's tourism industry in rural areas, in some instances its actions prove contradictory. There is very little support offered to private businesses and owners must abide by strict State regulations and high taxation, both of which make the business environment increasingly challenging, and for some impossible. As mentioned in Chapter 3, *cuentapropistas* are prohibited from hiring employees and they lack a legal wholesale supply system, yet they are subject to regulations on where their supplies can be purchased and can not advertise their business. These are only a few of the many regulations small business owners must abide by in Cuba, and to ensure they are following the rules the State uses secret police that pose as tourists (Peters, 1997; Ritter, 2005). One participant of this study made mention of the *Casa Particulares*, stating that while the government permits these establishments they are not particularly fond of them because State hotels are losing money to them in rural areas (Interview #3). This comment has merit since it is estimated

that the taxable income produced by *Casa Particulares* equates to four percent of the tourism industry's total revenues and 36 percent of the island's accommodation sector (Colantonio, 2004).

Despite the financial benefit of these small businesses to the government, Gayoso (2006) states that there is anecdotal evidence suggesting that the demise of some small private businesses is occurring due to harassment and economic repression by the government. Gayoso (2006) also argues that there is currently a forceful campaign against licensed *Casa Particulares* because the government considers them unfair competition for State-owned tourist hotels. It is here that the irony lies, as the Cuban government continues to introduce new and restrictive regulations on *cuentapropistas*, more and more are now turning to illegal actions to maintain their businesses, thereby fueling the country's black market (Ritter 2005). This cyclical process is hindering the Cuban economy from progressing and improving, and yet the State continues to govern in this fashion.

Another important issue that became apparent in this research was the lack of training that the Cuban government offers to individuals who work in the tourism industry. Save some language courses offered to the few State employees who work as travel agents, hotel front desk attendants, or tour guides, it would appear that training related to the tourism industry for many State employees and private business owners (i.e. customer service, small business management, food preparation standards, etc.) is almost non-existent. Although it is possible to take a tourism course at a State institution which offers training in the areas mentioned, one interviewee revealed that it is difficult to get accepted into these courses, and once graduated, the task of finding legal employment in

the tourism industry is next to impossible because the demand for these jobs is currently so high (Interview 2).

While some may feel that it is not the government's responsibility to offer training to those who work in the tourism industry, there is perhaps good reason for them to do so. Although training in language is a particularly important skill in tourism, so too is an understanding of customer service and tourist expectations. Ashley et al. (2000) argue that training in small-scale tourism locations should often begin with 'what is a tourist?', because for many people in low-income countries being a tourist is a completely alien experience. As one participant mentioned, there is no information or training offered by the government to *Casa Particular* owners with respect to hospitality. It would be of value however, for the State to train those working in tourism since these are the front line workers, those who tourists interact with daily. If these individuals are familiar even with the basic customer service techniques, there is a greater possibility that they will make the tourist's trip more enjoyable, thereby increasing the chances of return visit or recommendation of the location to friends. It would appear that training is one aspect of tourism that the Cuban government has overlooked.

As mentioned, Cuba's Communist practices naturally promote some pro-poor development; however, there are also many aspects of the country's current political system that work in direct opposition to this type of development. The recent development of the island's rural tourism industry has aided in transforming the countryside through economic diversification. However, the government's tourism development and promotion across rural Cuba has not been initiated to encourage pro-poor development specifically, rather it is to bring more foreign currency into the

country. A common trait of many tourism-based economies is the promotion of “private sector investment, macro-economic growth, and foreign exchange earnings, without specifically taking the needs and opportunities of the poor into account in tourism development” (Ashley et al., 2000:1). This also occurs in Cuba, with the lion’s share its tourism industry’s profits being reinvested to expand on its mass tourism industry (Honey, 1999), leaving its small-scale rural tourism venues with a lack of infrastructure and support. Complicating the situation further is the government’s severe neglect to assist those citizens whose sole income is their State wage and rations.

While Fidel and Raul Castro attempt to maintain their tight grip on the Cuban people, reality seems to tell a different story, and though opening the island’s economy has brought in much needed foreign currency, it has also added a new level of complexity to this country’s already tainted Communist system (Haddad, 2003). As Ashley et al. (2005) point out, governments need to make an effort to put poverty issues on the tourism agenda, and to some degree this can be seen in Cuba, however there is much more that the Cuban government can do to promote pro-poor development.

Although this study focused on small-scale tourism development through pro-poor tourism, as Chok et al. (2007) point out, applying pro-poor tourism strategies to the wider tourism sector is imperative for development. While the PPT strategies may be different when addressing mass and small-scale tourism, both are equally important. In looking at Cuba’s tourism industry on a broader level, to further promote the pro-poor agenda the government might consider taking a multi-level approach within the country, with specific initiatives put into place at the destination, national and international levels (Pro-poor Tourism Partnership, 2005:b). At the destination level, the Cuban government

should allow for partnerships to be formed between local government bodies, entrepreneurs, and residents, creating an environment where all parties work together for the betterment of the local area. The government should also work towards implementing pro-poor tourism principles within its mass tourism locations across the island. These efforts will potentially maximize the benefits of the industry (both economic and social), which will in turn benefit the country as a whole.

Finally, as discussed in Table 2.1, cross-disciplinary learning is at the core of pro-poor development. With PPT being a relatively new field of study there remains many unknowns, however, it is here that case studies and various initiatives are important in building on this body of knowledge. Cuba is an opportune position to make an effort to slowly being applying PPT principles and strategies to its tourism industry while it continues to maintain a top-down political system. With other countries having already adopted various PPT strategies, Cuba is in a position to learn from these examples, adapt them and apply them to their tourism industry. The clear advantage of taking such an initiative is that if and when the Castro regime falls, Cuba's economy and its people will be prepared to compete within the global economy.

6.6 In Closing

At an initial glance, it may seem that implementing pro-poor tourism principles throughout Cuba's small-scale and mass tourism industry would be an unachievable task, but perhaps this island nation is well situated to initiate these strategies. Cuba's Communist government exercises almost complete control over the country, and therefore has the ability to change policies concerning its tourism industry comparatively

easily using a top down approach. For example, beyond the State's current efforts to link the agriculture industry with the tourism industry, and their considerable employment initiatives, the State should begin making an effort to address the country's severe degree of illegal economic activity on the black market. These first steps could include creating a more supportive business environment, make an adequate wholesale supply system available, the legalization of an increasing number of small businesses in service and retail areas, making financing available to entrepreneurs, and creating a fairer tax structure. Further, the government could also work towards providing State employed citizens with a fair wage or an adequate rationing system that enables people to meet their daily needs without having to turn to the black market to survive. This could be a starting point, with the future goal of distributing some of the decision-making process to the local level.

The author recognizes that the steps proposed here would be no small feat, but in observing the evolution of the global economy and in heeding political forecasts, it seems apparent that in the not too distant future, the Communist regime will be forced to revolutionize once again and become players in the international economy in order to support themselves. Perhaps if the Cuban government took a more active role in preparing the country to be active participants in the global economy, the transition in the future would be much smoother. This preparation may leave the country better able to dictate its own future, rather than experiencing a possible vacuum effect if the Castro government falls.

Finally, in passing on some of the decision-making and planning to local communities, the country may actually be better prepared to participate in the global

economy. Currently Cuban citizens live in an environment where they are not active members of their society, they are not able to have free thought or share ideas, and they must conform to the State's Communist ideology. However, by slowly beginning to assign some of the planning and governing duties to the island's provinces, these regions could gradually begin diversifying their economies, not only supporting the local tourism industry but also filling the gaps that the State can not adequately provide. In taking these steps there is a greater possibility when Cuba's economy is opened further, more money will be able to stay within the country since these local areas will be better prepared to support the tourism industry and other economic industries themselves. By realistically planning for the future of the island, rather than continuing to move forward on Fidel Castro's Communist dream, the country and its citizens will be better able to maintain a stable position in our increasingly global society.

Chapter 7

Conclusions

7.1 Introduction

This study examined the island of Cuba and if pro-poor tourism strategies have been or can be implemented within the country. The primary goal of this study was to examine the role of small-scale tourism development and its benefits to the local population, and also if pro-poor tourism principles can in fact aid in this development. Academic studies discussing responsible tourism development have traditionally focused on sustainable tourism, ecotourism, and community involvement in tourism. While many of these initiatives involve various pro-poor elements, they fail to take into consideration the relationship between poverty, environment and development (Roe and Urquhart Khanya, 2001). As discussed in Chapter 2, the intent of PPT is to tap into the tourism industry to increase the net benefits for the local poor population, as well as increasing their participation in the decision-making and managing of the local tourism product (Pro-poor Tourism Partnership, 2005:b).

Pro-poor tourism is relatively new in tourism discussions, and therefore there has been little written on the topic. The intent of this research was to address this gap by gaining a greater understanding as to whether small-scale tourism destinations can facilitate pro-poor tourism development in rural areas of low-income countries. This research explores the potential to implement pro-poor tourism in low-income countries;

however, it additionally looks at this development through the lens of one of the few remaining Communist countries in the world. In this concluding chapter, the study's objectives will be revisited, the research findings summarized, and areas for future research will be discussed.

7.2 Revisiting the Research Objectives

7.2.1 Objective 1: The Current State of Tourism at the Study Site

The study site presented in this thesis provided an excellent backdrop against which to examine Cuba's small-scale rural tourism industry. The site hosted a national park and a wide variety of nearby natural attractions. To meet the accommodation needs of the growing tourism industry, the community maintains three pleasant hotels and 250-300 *Casa Particulares*. Additionally, the State offers a variety of organized guided excursions for tourists.

The research revealed that the growth of the tourism industry at the study site has greatly benefited the local economy. From an employment perspective, the State makes every effort to employ local Cubans for all occupations on the island, opening few positions to international candidates. While this effort supports pro-poor development, the problem remains that one can not earn an adequate wage in the positions offered by the State, even in the most prestigious positions (i.e. doctor, college teacher). As a result, the author observed a shift in employment, with many trying to find work in the tourism industry where they are able to make a living wage, both through self-employment and tips in State facilities. Although the majority of participants who had switched

professions preferred their previous line of work to their work in the tourism industry, all made the decision to switch jobs in order to make more money. These employment shifts have been successful in raising the standard of living for a number of Cubans, but it has done so unevenly, leaving many residents unable to support themselves or their families (Hamilton, 2002; Henthorne and Miller, 2003). This study revealed that Cuba's tourism industry has created a brain drain within many of the country's essential services (i.e. health care, education, etc), which has been supported by a number of other studies (Haddad, 2003; Henthorne and Miller, 2003). In order to curtail this employment problem, the Cuban government should make efforts to pay its citizens a living wage, and provide various incentives (perhaps monetary) to keep people in the country's professional sectors.

7.2.2 Objective 2: The Current Economic Linkages that Exist within the Study Site

Cuba's strained relationship with the United States has forced the country to be resourceful and creative in meeting its needs. The findings of this study demonstrated that where possible, the State makes efforts to produce goods locally for the tourism industry, i.e, wood products are imported and furniture is assembled on the island, some soap products are being produced locally, and Cuban artisans produce the art to be displayed in hotels. However, due to the size of the country, and the fact that it is an island nation, what can be produced locally is severely limited. Few if any textiles are produced locally, and to meet the demands of the mass tourism industry, large quantities of food must be imported. Yet food production for the local tourism industry is one area

in which the study site community has been very successful. The local farmers send their required quotas to the nearby food cooperative, where the food is then distributed and used within the local hotels. Additionally, the 250-300 *Casa Particulares* in the community cater to their tourists by purchasing the majority of their food directly from the local farmers. This benefits both the farmers and the *Casa Particular* owners, enabling the farmers to make extra money legally after meeting their State quota, and the *Casa Particular* owners are able to purchase fresh produce directly from the farmer at prices lower than in State stores. The utilization of local foodstuffs decreases economic leakages and is commercially viable, thereby promoting PPT principles.

One area that could be further developed at the study site would be to offer more tourist excursions to local farms, rather than just hikes and horseback rides into the nearby national park. Additionally, in order to support local artisans, the local hotels could create gift shops to sell more local art work. Both of these efforts would further promote local economic linkages while offering the visitor an authentic and educational experience. This would also promote a balanced approach in PPT development, distributing the financial benefits across the broader community.

7.2.3 Objective 3: The Role of the Local and National Government Plays in the Local Tourism Industry

Out of economic necessity the Cuban government has been forced to open the island to tourism, against Fidel Castro's ideological principles (Honey, 1999). More recently, the State has gone beyond promoting its mass tourism industry, and has made efforts to develop its rural tourism industry as well, which has proven to be very

successful. To meet the demand of the influx of tourists within the study site (and across the island), a number of individuals turned to self-employment to capitalize on the industry and to make an adequate wage. However, participants in this study felt that the government did little to support their small business, and the regulations which they need to abide by are very restrictive, making it increasingly difficult for owners to conduct all aspects of their business legally. Additionally, the State offers little support to small business owners, in particular *Casa Particular* owners who are ambassadors for the country, hosting several hundred tourists a year. Little to no training is offered to those who work within the tourism industry, and the State makes no effort to establish a dialogue with the study site community to learn how their tourism product could be improved upon. It is clear that there is much more the Cuban government can do to support private business owners, considering they provide many services in rural tourism destinations that the State itself is often unable to provide.

The study site's tourism industry has become prosperous and the local economy has diversified as a result, yet it would appear that much of the funds raised locally are not staying within the community. A number of the participants felt that the government was the recipient of much of the funds raised through the local tourism industry. These opinions may have merit and are supported by Winson's (2006) findings that many small-scale tourism destinations in Cuba have retained little of the funds raised locally.

7.2.4 Objective 4: The Thought and Feeling of the Local People on their Tourism Industry

This study also explored the impact that the tourism industry is having on the local community, and although residents are not given the opportunity to directly participate in decision-making relating to their tourism industry, they generally have a positive outlook on tourism in their community. The findings of this study coincide closely with Colantonio's (2004) findings (as discussed in Chapter 3), which were collected in a few of Havana's 'tourism poles'. The majority of the participants of this study felt that tourism had a positive impact on their life, and would welcome further local tourism development. Many of the participants of this study enjoyed their interactions with tourists because it allowed them to learn about the rest of the world, something that the Cuban government heavily sensors. The participants also felt that tourism had played a significant role in improving their standard of living, and that these benefits far outweigh the drawbacks associated with the town's tourism industry (i.e. prostitution, jineterismo, and black market activity).

This research also discussed the avenues through which Cuban citizens are profiting from their tourism industry, both through legal and illegal acts. It became clear that the degree to which illegal activities occur within the study site (and across the island) is extreme, involving much of the population, with the driving force behind these illegalities being basic survival (Ritter, 2005). While the black market existed before the massive influx of tourists to the island, the illegal activities are much more prominent now, with many individuals preying on tourists to supplement their income.

The fall of the USSR left Cuba with little capital, few trading partners, and infrastructure in desperate need of repair. Although opening the country to tourism has greatly improved the nation's economy, much of the country's infrastructure continues to be neglected, with tourism profits being used to finance further tourism development (Ashley et al., 2006; Colantonio, 2004). Many of the participants of this study had grown tired of the State's empty promises and while some initiatives were starting to take place (installation of phone lines to local *Casa Particulares*), they felt that this was past due and much more could be done to improve the local infrastructure.

7.2.5 Objective 5: Pro-poor Tourism in Practice at the Study Site

Through this research it became apparent that Cuba's small-scale tourism industry is generally benefiting the local population, and although pro-poor tourism principles may not be implemented purposefully by the State and communities, some efforts are apparent. The findings of this research indicate that Cuba's Communist political system both helps and hinders pro-poor development. As discussed earlier in this chapter, the Cuban government has been successful in creating strong economic linkages between the agriculture sector and the country's rural tourism industry, as well; the State makes every effort to employ its own citizens, even in managerial positions, before hiring them from out of the country.

From an economic perspective, tourism has facilitated the diversification of the local economy, supporting self-employment and enabling many private business owners to make a living wage. The spin-off effects of tourism have been considerable, and the opportunity for further growth is great. However, as we saw at the study site, Cuban

entrepreneurs face a challenging business environment with little support from the State and restrictive business policies. It is here that the State should evaluate its role in business development and work to aid these entrepreneurs rather than hinder them.

Public participation and community capacity building are important components of pro-poor tourism, and as this research revealed, the State does little with respect to either of these initiatives. As one participant remarked, Cuban's have lost their sense of civility, and to some degree this may be apparent since almost all participants expressed that they would not attend community meetings on topics relating to local tourism development even if the State offered them. Although the Cuban government may believe they are maintaining control over its populace, this lack of public involvement may prove to be unfavourable if and when the country's political climate changes.

7.2.6 Objective 6: Recommendations for the Case Study

Location

Making efforts to adopt pro-poor principles into the island's tourism industry will not be easy, but it is necessary. While there are a number of areas that need to be addressed, the following are some of the author's key recommendations to improve Cuba's tourism development and enhance its product.

Entrepreneurship - Although the Cuban government has made progress in opening up its internal economy to entrepreneurial activity, it would perhaps be wise for the government to make more effort to support its small private businesses rather than what would appear to be working against them. The services offered by the Cuban government are inadequate, which they do not deny, and they view entrepreneurial activity to be a threat

to the Communist ideology. However, rather than viewing the country's *cuentapropistas* as competition or a threat, the government might take a different approach, recognizing that these private businesses can complement their own services, and view them as an opportunity to harness more foreign and local capital through tourist spending power. The Cuban government might also consider working towards creating a supportive business environment by providing advice, support and financing to local entrepreneurs (Ashely et al., 2005). If the State does not heed these steps, it is most likely that the country's black market will continue to thrive and expand, thereby perpetuating the inadequacies of the Communist system. Further, by disregarding these opportunities to further diversify the local economy, the government is neglecting to take advantage of viable employment options for the local population, either through State-run enterprises or small private business opportunities.

With the legalization of a limited number of small businesses, the Cuban government has made a significant step in allowing its economy to diversify. There is however, a great deal of potential to further expand upon local business opportunities not only within the study site, but also across the island, much of which could include businesses that provide inputs for their local tourism industry. To some degree these types of businesses already exist, although primarily on the black market, but the Cuban government should begin establishing a more supportive business environment that enables entrepreneurs to conduct business legally. For example, if the State offered micro-financing options to entrepreneurs, some of the challenges of starting up would be minimized, or if business owners were able to retain more of their profit, perhaps more businesses would thrive. Additionally, at the study site the State could consider training

local people to become tour guides (i.e. perhaps training those who already guide), but also charging a monthly fee. These individuals could carry a guide identification to show regulating authorities that they are registered guides; this would ensure that tourists were offered a high quality guiding experience with an increased knowledge of the local area. The State could also consider decreasing the monthly license fee for *Casa Particulares* during the country's two low tourism seasons, thereby reducing the financial stress during these periods. Efforts such as these by the State could potentially lessen the likelihood that these individuals will turn to the black market for products, services, and capital to aid in the survival of their small business.

Livelihoods - In order for the Cuban government to promote pro-poor development across the island, it is imperative the State work towards paying a fair or living wage to its citizens, or provide food rations that actually last meet daily needs. While in theory the country's Communist system is to meet the needs of its people, in reality this is not occurring, as demonstrated in this research. However, if the State paid its citizens a living wage, defined by Merriam-Webster (2007) as a wage sufficient to provide the necessities and comforts essential to an acceptable standard of living, citizens would not only be able to meet their daily needs, but the greater impact would most certainly be profound and far-reaching. While it is true that Cuba's current situation under the US trade embargo leaves the State in a challenging position, the government's crippling business restrictions have only continued to push citizens into illegal black market trade (and for some, criminal actions), thereby further weakening, or perhaps even mocking the country's Communist principles. A fair wage could be the combined effort of a slight salary increase and a food ration increase (made possible through State tourism revenues), both

of which would make daily existence less challenging. Additionally, perhaps if the citizens were paid a living wage there would be less need for them to turn to the black market to make ends meet, and if appropriate ration quantities were distributed, perhaps fewer resources would be stolen from the State and resold on the black market.

Community Participation - As the research demonstrated, the only form of community meetings are those for *Casa Particular* owners, and these meetings are only to transmit information, with no opportunity for the owners to share their concerns, needs or ideas with the local State authorities. Perhaps if local residents were given the opportunity to be a part of the tourism decision-making processes they would feel a certain degree of empowerment and control over their own lives, and also a greater level of trust in the State.

At present, to initiate participatory planning and decision-making at the study site (and throughout the island) would be a challenging process, most likely with little local support initially. Therefore, perhaps an effective avenue would be to permit NGOs to more freely work within Cuba. These organizations could provide an environment where residents are invited to gather and discuss tourism development issues in their local area, without the fear of being persecuted by the State. Because it has been so long since Cuban citizens have been given the opportunity to be active participants in their society, by allowing NGOs to facilitate the process, these organizations can prepare the local citizens and give them the tools to make the participatory process meaningful and productive.

The Cuban government might consider reforming their political system to include more participatory decision-making at the local level. As the Pro-poor Tourism

Partnership (2005:b) describes, tourism planning and development must take into consideration the interests and livelihood priorities of the local population. The State should also give its citizens more rights, and allow them to express their opinions and concerns on issues concerning tourism development, without fear of consequence or punishment. In allowing this process to occur, the Cuban government may actually prove to instill more trust in their citizens rather than further decreasing their trust in the State. It could also prove to create a more productive tourism industry, one which offers increasingly unique experiences to tourists.

Capacity Building - Pro-poor tourism also aims to improve the livelihoods of the local people and the country as a whole. One element of these livelihood benefits includes capacity building. As the Global Development Research Centre (2007) states, capacity building is much more than training and should involve human resource development and organizational development. Although Cubans are one of the most educated in the world, there is much more that can be done within the country with respect to human resource development. The Castro government continues to try to maintain complete control over the information and knowledge being dispersed to the population; however, with the reintroduction of tourism, this is proving to be difficult. Because the Cuban people are now receiving an assortment of uncensored information from tourists, the State's heavy censorship of information may now actually be working against them as many local Cubans seek out information from travelers (i.e. political systems, economies, and the rights and laws of other countries). It may be useful for the Cuban government to begin opening up the country to a balanced amount of information, increasing the citizens' knowledge, and offering a less biased view about the rest of the world. These actions may

in turn give the citizens a clearer perspective of their own country, and how fortunate Cubans are in relation to many of the world's poorest countries.

An International Effort - On an international level, there needs to be a greater degree of collaboration amongst the international tourism community, both with destinations and tourism organizations. For example, at point of origin, travel agencies could make a greater effort to inform tourists of what pro-poor tourism and responsible tourism is and how they can contribute to it. While on the airplane and well as in hotel rooms, tourists could be offered information on pro-poor tourism and how it can be supported. It would also be useful for the Cuban government to offer training to those who work in the tourism industry (i.e guides, *Casa Particular* owners, hotel workers), not only in customer service and languages, but also on the topic of pro-poor tourism. These Cuban ambassadors could then, in turn educate visiting tourists. In taking these initiatives, the Cuban government could begin the path to a more sustainable tourism industry, where the local people take an active role in their livelihoods and future.

Although there are a number of things the Cuban government could do to promote pro-poor tourism development, the recommendations mentioned above are necessary steps in creating an environment where further pro-poor development can occur. However, beyond the value of implementing PPT principles, these recommendations are also important as Communist Cuba continues to adopt various capitalist principles within its once closed political and economic system. The years to come will prove to be interesting as the world watches Cuba's fifty year Communist regime adapt in the larger globalized economy and society.

7.3 Recommendations for Future Research

As previously mentioned, pro-poor tourism is a relatively new field of study and it is hoped that this research has made a contribution by answering some questions about its implementation in low-income countries, and particularly its implementation in a Communist society. However, there is still a great deal of opportunity for additional research on how pro-poor tourism can be further integrated into Cuba's rural tourism industry, and additionally, its mass tourism industry. How we can get Cubans more involved in the process of planning their local tourism development needs to be further explored, as well as demonstrating to the government the value in allowing and promoting this type of public involvement. It would also be of value to study some of Cuba's other popular rural tourism destinations to determine if their conditions are similar to the study site, and if the same degree of pro-poor tourism development is occurring in these locations. Further, if the level of development is different, what are the factors explaining this variance?

Although this research was successful in contributing to the knowledge base of pro-poor tourism, it was somewhat limited in its scope. As discussed in Chapter 4, this study experienced various research limitations, for instance, the relatively short period of time spent at the study site (four weeks), the language and cultural barriers, and the fairly small sample size, all of which suggest that further research in this community may prove to be worthwhile. For instance, obtaining a visa which permits research in Cuba may offer new opportunities to gather information and interview State officials and government agencies which deal with tourism, agriculture and private businesses. Access

to these agencies may reveal additional information and add another dimension to this research.

Cuba's Communist political system offers both opportunities and challenges to implementing pro-poor tourism principles, and from a more practical perspective there would be value in pursuing further research that would address how to best pursue and implement the recommendations offered in Chapter 6 and 7. From an economic perspective it would be useful to explore the scope of Cuba's economy, with respect to its earnings through the country's exports and tourism industry, assessing the feasibility of paying its State employees (the majority of the population) a living wage. It is necessary that this matter be addressed, because if it is not, the country will continue to lose talented individuals from its essential services to the tourism industry. Further to this topic, research must continue to be conducted on Cuba's black market, exploring avenues through which this expansive underground activity can be curtailed. It may also prove useful for future studies to investigate how various international non-government organizations can work with the Cuban government to encourage local capacity building, as well as how to promote tourism that is both sustainable and pro-poor focused.

7.4 Concluding Remarks

This research examined the role that small-scale tourism has in benefiting the host community, and particularly if pro-poor tourism principles can play a role in promoting this development. The main conclusion drawn from this study is that Cuba's small-scale tourism industry is in fact benefiting the country's rural poor population, and generally, the residents' standard of living within the study site has increased with its introduction.

While the Cuban government has not purposefully adopted pro-poor tourism principles, some of the country's Communist practices naturally adopt them, i.e. maximizing internal economic linkages where possible, and maximizing the use of regional and national foodstuffs to support the country's tourism industry. On the other hand however, Communism works in direct opposition to the adoption of pro-poor practices. An important component of pro-poor tourism involves offering local people the opportunity for meaningful, participatory planning in the local tourism industry, all of which is entirely absent in rural Cuba. It is through these actions that we can see that Cuba's Communist political system hinders a pro-poor tourism initiative. There is much more that the Cuban government could do to promote pro-poor tourism within its small-scale tourism destinations. Perhaps it would prove useful for the Castro brothers to shift their political focus from maintaining complete control over the Cuban people, to giving them the skills to function as active members of their communities and society, and prepare them for the inevitable day when this island nation becomes fully integrated into the global economy.

Afterward

In August 2006 Fidel Castro fell ill and temporarily handed his duties over to his younger brother Raul Castro, while undergoing intestinal surgery for gastrointestinal bleeding. Raul Castro is Cuba's Defense Minister, as well as Fidel's loyal younger brother and designated successor. Raúl Castro has been the Vice-President of Cuba since the revolution, and while he is considered to be much less charismatic than his older brother Fidel, he is also far more radical (USA Today, 2006). Within Raul's first 18 months as Cuba's interim leader he "called for a national debate on ways to improve the system, blasted the petty theft and inefficiency of several state-run institutions and declared that the average wage of roughly \$15 a month for most Cuban workers must rise" (Williams, 2008).

In February 2008, after nearly half a century in power, Fidel Castro officially stepped down from his position as the president of Cuba and Raul Castro stepped in as acting president. While many analysts believed that Fidel would continue to influence Raul's political decisions, since the younger brother came to power much has changed in Cuba. Raul Castro appears to be listening to the complaints of the Cuban people (Williams, 2008).

In the first three months in his role as president, Raul Castro introduced a number of reforms across the island. Cubans can now stay in hotels previously reserved for tourists, rent cars, and purchase energy consuming products such as rice cookers, DVD players, all of which was forbidden during Fidel's control (Neill, 2008). Microwaves are being distributed to homes, computers can now be purchased, and restrictions have been eased to enable some Cubans to gain ownership of State-owned homes (Williams, 2008).

[Raul](#) has moved quickly. In the countryside, a new program is turning over unused state land to farmers who work the soil for profit. And the government is studying a proposal that would allow Cubans to travel abroad without first seeking permission.

lifted a number of restrictions on Cubans, including those on renting cars and buying DVDs. The number of new mobile phone contracts is impressive given that it costs about £60 just to set up a new contract while the average monthly salary in Cuba is less than £10.

according to the newspaper, more than 2.1m pensioners will receive increases of about \$2 (£1) a month, raising minimum monthly pensions to \$9.50 (£4.70).

He has also continued to press the moribund agricultural sector to produce more in a determined drive to cut the \$1.6 billion Cuba spent last year importing food. Farmers are being prodded to till unused land and have been given better access to tools and fertilizer and better prices for certain products like milk and beef.

Just how far Raul Castro will go in changing Cuba's system remains to be seen, especially since he has vowed that Cuba will remain a socialist country.

Cuba is spending \$2 billion (□1.3 billion) to upgrade its public transportation system and has imported 3,000 modern, accordion-style buses to run in and around the capital.

Appendix A

List of Interviews

Interview 1 August 3, 2006. Casa Particular Owner

Interview 2 August 5, 2006. Casa Particular Owner

Interview 3 August 7, 2006. Cubanacan Tour Guide

Interview 4 August 7, 2006. Cubanacan Travel Agent

Interview 5 August 9, 2006. Handicraft Seller (Artex Employee)

Interview 6 August 9, 2006. Handicraft Seller (Artex Employee)

Interview 7 August 11, 2006. Farmer (Horseback Riding Guide – Unlicensed)

Interview 8 August 12, 2006. Casa Particular Owner

Interview 9 August 13, 2006. Hotel Front Desk Attendant

Interview 10 August 13, 2006. Bus Driver (For Tourists)

Interview 11 August 15, 2006. Resident (Student & Free Lance Guide – Unlicensed)

Interview 12 August 16, 2006. Resident (Teacher)

Interview 13 August 16, 2006. Member Check - Interview 11

Interview 14 August 17, 2006. Resident (Bank Employee)

Interview 15 August 18, 2006. State Food Vendor

Interview 16 August 18, 2006. Private Food Vendor

Interview 17 August 19, 2006. Taxi Driver

Interview 18 August 19, 2006. Official National Park Guide

Interview 19 August 20, 2006. Farmer

Interview 20 August 20, 2006. Member Check – Interview 8

Interview 21 August 21, 2006. Casa Particular Owner

Interview 22/23 August 21, 2006. Two Local Women Running an Unlicensed/Illegal
Casa Particular

Interview 24 August 22, 2006. Cubanacan Travel Agent

Interview 25 August 23, 2006. Farmer

Appendix B

Interview Sample Questions

- 1) What are your thoughts and feelings on tourism/ecotourism being introduced to your community?
- 2) Does anyone in your family work in tourism?
- 3) Is work in tourism desirable?
- 4) Do you have a spouse or children working in tourism? If so, how do you feel about this?
- 5) Is there any other sector you feel would benefit you/your family more than tourism?
- 6) To your knowledge, is the community/businesses making efforts to purchase locally produced products? i.e. local produce, art, materials, labour, etc.
- 7) Has your standard of living increased with the introduction of tourism locally?
- 8) Are there community meetings for tourism issues? Are you invited? Are you interested in attending? Are your concerns and interests acknowledged?
- 9) Do you receive feedback/updates on tourism development locally?

10) How has the local culture been affected in anyway with the introduction of tourism?

11) Has tourism created new employment opportunities for local people?

12) Has tourism promoted the establishment of local economic linkages? i.e. using local produce for the tourism industry.

13) Are tourism workers being offered training in their field?

14) Has the infrastructure in the community improved with the introduction of tourism?
i.e. improved access to services and infrastructure: health care, radio access, security,
water supplies, transport.

15) To your knowledge, has tourism brought about any positive or negative
environmental impacts?

16) Has the introduction of tourism restricted access to any local natural resources?

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