



A cruise ship at Yokohama Osanbashi pier in Japan. Notwithstanding the current pandemic situation, Asian tourists have shown an increasing interest in cruises.

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HUANG
DANYING



Associate Professor,
College of Foreign Languages,
Hainan University

Prospects for cruise tourism in the South China Sea region

given the trends in international cruise tourism

ABSTRACT

There are many islands, ports, and beautiful natural landscapes in the South China Sea. This region is also an intersection point of many religions and cultures, including Buddhism, Islam, Christianity, and Hinduism. The different natural and cultural backgrounds of each country have given birth to unique local cultural traditions. Thus, this chapter suggests that the region holds promise for developing cruise tourism, including contributing to local GDP, creating significant employment opportunities, and promoting local infrastructure construction. However, tourism may also damage the local physical and social environments, and

WANG SHENG



Director-General,
Foreign Affairs
Commission of
CPC Hainan Provincial
Committee /
Foreign Affairs
Office of Hainan
Province

ZHONG
TIANXIANG



Director,
Foreign Affairs
Commission of CPC
Hainan Provincial
Committee/Foreign
Affairs Office of
Hainan Province

the possibility of pirate attacks may hinder cruise tourism growth. The chapter concludes that by strengthening cooperation between countries and collaboration between tourism enterprises, enriching cruise tourism products, creating new brands with unique characteristics, and enhancing security management, cruise tourism has the potential of becoming a new economic growth driver for the South China Sea region.

INTRODUCTION

Most islands are relatively small, both in land area and population. Due to their relative inaccessibility to mainlands, island economies tend to have a more specialized economic structure. Moreover, since their domestic market size and economic scale are often limited, it may be difficult for island economies to develop an industrial structure with comprehensive supply chains on the islands. Many small island economies have to obtain foreign exchange through exporting labour or primary agricultural and mining products. However, their isolation may also benefit them by preserving their natural landscapes. Their unique natural conditions and local cultural traditions are major marketing advantages for islands to develop tourism, which is often an important engine of local island economies.

In the South China Sea region, the beaches are more likely to be less polluted and, at least relative to the surrounding mainlands, the sky seems to be bluer, the air is fresher, and the seawater appears to be clearer. All of these are excellent conditions for tourism development, especially for cruise tourism and vacation resort development. The unique natural characteristics, the relatively pristine ecological environments, and the multicultural background possessed by countries in this region have made it a well-known tourist attraction. This chapter focuses on the trend of international cruise tourism, the advantageous conditions for cruise tourism development in this region, the opportunities and challenges this form of tourism might present to the region, as well as proposed strategies for development.

TRENDS IN GLOBAL AND ASIAN CRUISE TOURISM

Global tourism

Modern cruise travel started in the early 1960s. Safer than traveling by road or by air, cruise travel has maintained good growth momentum. In the 1970s and 1980s, the cruise industry expanded steadily. The number of cruise passengers grew from 500,000 in 1970 to 1.4 million in 1980, and to 3.8 million in 1990 (Baker, 2016).

Cruise tourism took off in the 1990s. According to Brida and Zapata-Aguirre (2010), the number of cruise tourists around the world grew by 7.4% annually between 1990 and 2008 (Baker, 2016). From 2008 to 2018, cruise passengers increased from 16.3 million to 28.52 million, registering a 74.9% growth in total and a 6.7% annual growth (BREA,

2019). From 2013 to 2018, the number of cruise passengers reached 21.31 million, 22.34 million, 23.18 million, 25.15 million, 26.72 million, and 28.52 million, respectively (BREA, 2019). Currently, cruise passengers comprise 2% of global tourists and cruise lines' revenues account for 3% of the global tourism revenue (Baker, 2016). Brida and Zapata-Aguirre (2010) also point out that cruising has been growing at a pace that is twice as fast as tourism on land. In the past 35 years, the number of cruise tourists registered an annual increase of 8.5% (Ketz, Ketz, & Jennings, 2019). It should be noted that the recent COVID-19 coronavirus pandemic has affected all forms of international tourism, but perhaps cruise tourism has been most adversely affected. Regardless of the recommendations made in this paper, it remains to be seen how cruise tourism will recover post COVID-19.

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Cruise tourism in Asia

Although a late entry as cruise ship tourism consumers, the Asian region and its residents, including ports along the coast of China, have recently embraced this form of tourism development (X. Sun, Feng, & Gauri, 2014). From 2013 to 2015, cruises operating in Asia and the number of passengers had respectively grown by 20% and 22.3% (Ni, 2017). According to the *2018 Asia Cruise Industry Ocean Source Market Report* by the Cruise Lines International Association (CLIA), the number of Asian cruise passengers reached 4.24 million in 2018, accounting for 14.8% of the global market and growing by 4.6% year on year (CLIA, 2019), and the number of cruise calls to Asian posts increased from 5,574 in 2016 to 7,196 in 2017 (CLIA, 2018). In terms of market distribution, passengers from the Chinese mainland, Taiwan region, Singapore, Japan, Hong Kong SAR, India, and Malaysia accounted for 55.8%, 9.3%, 8.8%, 6.3%, 5.9%, 5.2%, and 3.6%, respectively, of the total Asian market (CLIA, 2019). In 2018, except for China and Malaysia, the number of cruise passengers grew rapidly in other Asian countries, including Singapore, India, Indonesia, the Philippines, South Korea, Thailand, and Vietnam (see Table 6.1). CLIA estimated that this Asian cruise market would continue to expand (CLIA, 2019). At the same time, cruise scheduling can be volatile. For example, deployment of cruise ships in Asia (including China) as a share of total deployments remained the same or declined slightly from 2017 to 2018 (Lau & Yip, 2020).

CONDITIONS FOR THE SOUTH CHINA SEA REGION COUNTRIES TO DEVELOP CRUISE TOURISM

A political foundation

Countries in the region have close bonds in terms of geography, culture, and customs. They have experienced long historical exchanges in economy, trade, and culture, which have laid a good foundation for cooperation. In 1997, China and the ASEAN group of countries established a partnership of mutual trust oriented to the 21st century (MFA, PRC, n.d.). Although China and some South China Sea countries have disputes regarding territory and maritime interests, in the *Declaration on the Conduct of Parties in the South China Sea* (DoC) signed in 2002, the relevant parties agreed to resolve disputes through peaceful means and not resort to force or to the threat of force under any

TABLE 6.1: Number of Cruise Passengers in Asian Countries from 2016 to 2018 (unit: 10,000 passengers)

Countries/Regions	2016	2017	2018
Mainland China	211.29	239.67	236.74
Taiwan, China	29.93	37.35	39.12
Singapore	21.42	26.66	37.30
Japan	20.73	25.47	26.62
Hong Kong SAR, China	12.73	22.98	24.96
India	14.85	17.24	22.09
Malaysia	9.98	18.75	15.02
Indonesia	3.32	4.65	7.21
Philippines	2.64	4.12	6.14
Republic of Korea	3.20	3.91	4.44
Thailand	5.05	2.64	3.03
Vietnam	0.59	0.65	1.00

Source: 2018 Asia Cruise Industry Ocean Source Market Report (CLIA)

circumstances so as to maintain peace and stability in the South China Sea (MFA, PRC, n.d.). Following up in October 2003, China and ASEAN signed the *Joint Declaration on ASEAN-China Strategic Partnership for Peace and Prosperity* and China officially acceded to the *Treaty of Amity and Cooperation in Southeast Asia*, which has further enhanced mutual political trust (MFA, PRC, n.d.). The China-Vietnam joint statement signed in November 2017 stressed that the two sides agreed to continue the full and effective implementation of the DOC and to reach the *Code of Conduct in the South China Sea* (CoC) as soon as possible on the basis of consensus. The two countries will work together to properly manage maritime disputes, to refrain from taking actions that might complicate or escalate the situation, and to maintain peace and stability in the South China Sea (Belt and Road Portal, n.d.). The *China-ASEAN Strategic Partnership Vision 2030* signed in November 2018 reiterated China and ASEAN's commitment to maintaining and promoting peace, security, and stability of the South China Sea (Belt and Road Portal, n.d.).

The establishment of the China-ASEAN Free Trade Area (CAFTA) has further deepened cooperation between China and ASEAN. Cruise tourism is an important component of service trade in this Free Trade Area. According to the *Plan of Action to Implement the Joint Declaration on ASEAN-China Strategic Partnership for Peace and Prosperity (2016-2020)* signed in March 2016, China and ASEAN committed to strengthening links and cooperation between tourism authorities at all levels and tourism enterprises, encouraging the sharing of data and information, and jointly developing tourism products and delivering cooperation projects (Belt and Road Portal, n.d.). In May 2018, China and Indonesia signed a joint statement on enhancing infrastructure connectivity and on building the regional comprehensive economic corridor under the framework of the Belt and Road Initiative and the Global Maritime Axis strategy (MFA, PRC, n.d.). China also signed a joint statement with Malaysia in August 2018 to enhance, deepen, and expand cooperation in tourism. In addition, the year 2020 was designated as the China-Malaysia Year of Culture and Tourism (Belt and Road Portal, n.d.). In November 2018, China and the Philippines signed a joint statement reaffirming both sides' commitment on encouraging their citizens to travel to each other's country and making joint efforts on improving infrastructure for tourism (MFA, PRC, n.d.). The joint statement between China and Singapore in 2018 made clear the readiness of the two countries to enhance interconnectivity through different means of transportation in order to encourage tourism (MFA, PRC, n.d.). The above-mentioned bilateral and multilateral documents have laid an important political foundation for the development of cruise tourism in the South China Sea region.

Natural and human resources

The South China Sea, which is over 300 million km² in size, is a semi-enclosed sea connected to the Pacific in the east and to the Indian Ocean in the west. In this region, cruise routes can access regions such as Hong Kong, Macao, and Taiwan, and countries such as Japan and the Republic of Korea in the east and northeast; arrive at Vietnam, the Philippines, Indonesia, Singapore, Malaysia, Thailand, and Cambodia in the south; and extend as far west as Sri Lanka, Bangladesh, India, and the Maldives in the west.

Therefore, the region is in an excellent location for a network for cruise tourism development that relies on multiple port stops over a short period of time (Jeon, Duru, & Yeo, 2019). In terms of geographic location, natural features, and climate conditions, the South China Sea region can compete effectively with the world's famous cruise tourism centres such as the Mediterranean, the Caribbean, and the Baltic (Lau & Yip, 2020; Singh, 1999).

There are a large number of islands and ports scattered throughout the South China Sea region. The key cruise ports in this region include Penang,

Langkawi, Port Klang, and Malacca of Malaysia; Phuket, Ko Samui, and Laem Chabang of Thailand; Halong Bay, Da Nang, and Ho Chi Minh City of Vietnam; Sihanoukville of Cambodia; Bali and Jakarta of Indonesia; Manila, Boracay, Subic Bay, and Puerto Princesa of the Philippines; Muara of Brunei; and Hong Kong, Sanya, Haikou, and Shenzhen of China. Classic cruise routes provided by cruise enterprises in this region include tours from Singapore to Malaysia via Thailand, Singapore to Vietnam via Thailand, Hong Kong to Vietnam, and Hong Kong to Singapore.

Islands in the South China Sea possess white beaches, pristine environments, and picturesque landscapes (Ma, Fan, & Zhang, 2018; Singh, 1999). The perception that this region has unique and exotic destinations and can provide a diversity of itineraries gives it a significant advantage for cruise tourism (Singh, 2000). For example, Halong Bay in Vietnam was listed by UNESCO as one of the World Natural Heritage sites in 1993 (Zhao, 2002). The South China Sea region is an intersection point of Buddhism, Islam, Christianity, and Hinduism. In the long course of history, different natural and historic conditions have given birth to unique local cultural traditions providing this region with extremely rich cultural resources. For example, Angkor Wat of Cambodia is a world-renowned historic and cultural site. With more than 600 Buddhist stone structures, it is the largest temple complex in the world and is known as one of the four miracles of the ancient oriental civilization (Deng, 2006). Hue, the ancient capital city of Vietnam, Hoi An, and the My Son sanctuary, located near Da Nang in Vietnam, are

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listed as world cultural heritage sites (Zhao, 2002). In Ho Chi Minh City, known as the ‘Oriental Paris’, tourists can visit the French-style Notre Dame Cathedral, as well as French- and American-style buildings and other historical architectures. The elegant traditional dance of Bali takes a unique place in the world’s dance arts. The delicate wooden sculptures and relief carvings produced in Bali possess strong local features (Li, 2012b). Thus, Bali is known as an island of temples, an island of art. These tourist sites with their time-honoured histories have long been the choice of European and American visitors and can enhance the attractiveness of cruise tourism port itineraries.



Measures taken by different countries

National governments in the region have introduced various measures to develop the cruise tourism industry. In April 2018, Chinese President Xi Jinping announced that the Chinese central government supports Hainan Island to become a pilot free trade zone while at the same time gradually exploring and planning the building of a free trade port (Xi, 2018). In the guidance released by the Chinese central government on supporting comprehensive reform and opening up of Hainan, it is proposed that Hainan be built into an international tourism consumption centre and an important gateway for China to the Pacific and the Indian Oceans (The State Council of the P.R.C., 2018). *The Implementation Plan for Constructing Hainan Province into an International Tourism and Consumption Center*, issued by China’s National Development and Reform Commission on 18 December 2018, has provided Hainan with the policy framework to

A seaport on the island of Phu Quoc in Vietnam. Maritime and island tourism is a priority of the Vietnamese government, which (pre-COVID-19) aimed at attracting 10.5 million international tourists by 2020 and 18 million by 2030.



improve the supply of international tourism products, develop cruise tourism, promote cooperation on cruise tourism with countries along the Maritime Silk Road, and extend to Hainan the 15-day visa-free cruise entry for foreign tourist groups (National Development and Reform Commission, 2018).

In 2013, the Vietnamese government approved *Vietnam's Tourism Master Plan 2020, Vision 2030*. The plan identifies maritime and island tourism as priority products. It aims at attracting 10.5 million international tourists by 2020 and 18 million by 2030, with a 5.2% annual growth (Huang & Zhang, 2015). In recent years, Vietnam has also taken a host of measures on developing cruise tourism, such as allowing foreign cruise ships to park at Phu Quoc Island and Con Dao Island, and lowering charges for cruise ships that frequently enter the country (Thang, 2018).

Thailand has also made efforts to revise its investment plan so as to promote the development of the ports of Laem Chabang and Bangkok through public-private partnerships (Singh, 2000). Indonesia invited cruise operators to its major destinations for route design. Even though it accounts for only 5% of passenger and crew visit days in Southeast Asia, the government is improving the infrastructure at cruise ports like Benoa of Bali to provide more comprehensive services (Nugraha, 2016). The Philippines and Vietnam signed a document on strengthening cooperation in the field of cruise tourism development from 2014 to 2016 (Sun, 2018). Singapore set up a specialized agency for cruise industry development in 1989 and is now one of the most influential cruise tourism sites in the region, especially connecting Asia to Australia (Jeon, Duru, & Yeo, 2019). Cruise infrastructure construction, cruise business development, and



Boat transportation on the Chao Phraya River at Bangkok, Thailand. Investment in developing the port of Bangkok, to facilitate cruise tourism, is happening through public-private partnerships.

cruise industry capacity improvement have been the core strategies in Singapore. Meanwhile, the Singaporean government has been working with stakeholders on forging an industrial cluster focusing on home port operation.

Government development of cruise tourism in the region

As is the case everywhere, cruise tourism in Asia can be a highly competitive industry, with every nation in the region lobbying cruise ship companies to make their nations hubs/home ports or, at the very least, destinations along the way (Hsu, 2015). At the China-ASEAN Governors/ Mayors' Dialogue, a parallel session of the 2018 Boao Forum for Asia, participants from Cambodia, Sri Lanka, Thailand, Laos, and Singapore, as well as other island and coastal states, had an in-depth discussion on cruise tourism cooperation, opening new cruise routes, providing visa facilitation for cruise passengers, and promoting cruise tourism (X. Wang, 2018). The Alliance of Cruise Tourism Cities along the 21st Century Maritime Silk Road was established and a joint initiative signed (X. Wang, 2018). All stakeholders reached consensus to further open visa policies for cruise passengers at cruise ports of entry, removing policy barriers gradually so as to make it easier for cruise ships to enter each other's ports, and on opening up more sectors of the cruise industry. The parties also agreed to share tourism resources and markets, to optimize cruise routes, to make the routes better connected, and to improve infrastructure and services at cruise ports (X. Wang, 2018). This provides a good foundation for future development of the cruise industry in the South China Sea region.

FUTURE OPPORTUNITIES FOR ECONOMIC DEVELOPMENT

In general, the development of cruise tourism capacity has beneficial economic outcomes, including generating additional tourism revenue, assisting local companies and creating local jobs, and attracting foreign investment. This section of the chapter explores these potential economic benefits.

Infrastructure development

Cruise tourism is a comprehensive industry covering shipbuilding, port services, logistics, transportation, sightseeing, catering, shopping, banking, and insurance. Large luxury cruise ships are essential for cruise tours. To develop cruise tourism, one needs to build ports and supporting facilities to attract cruise calls.

CRUISE TOURISM IS A comprehensive industry covering shipbuilding, port services, logistics, transportation, sightseeing, catering, shopping, banking, and insurance.

At the 2014 APEC Summit, President Joko Widodo announced that the Indonesian government would invest US\$57.4 billion in the coming five years to build 24 commercial ports and 1,481 non-commercial ports (Liu, 2015). Thailand has been making efforts on turning Koh Chang, Patong, Phuket, Krabi, and Ko Samui into new cruise destinations. Singapore now has a deep-water port that can handle eight cruise ships at the same time.

In 2015, the Department of Tourism of the Philippines and the Philippine Ports Authority worked together to upgrade cruise infrastructure in Manila, Puerto Princesa, Subic Bay, and Boracay, and planned to turn the Sicogon Island into a modernized destination for cruise tourism. The Sanya Phoenix Island Cruise Terminal (SPICT) in Hainan has put in CNY18 billion on the construction of one 100,000-ton berth, two 150,000-ton berths, and two 225,000-ton berths (Xu, 2016). The Xiuying port of Haikou has planned to turn a 100,000-ton dock into three 50,000-ton docks, and to build a 150,000-ton berth and a 225,000-ton berth (Sun, 2018).

This investment in infrastructure to entice cruise lines is not without controversy. Multi-billion-dollar investment in port infrastructure is not guaranteed to pay for itself for all destinations, especially in the volatile and competitive cruise tourism environment. Without proper planning, people may question the value of this investment (Hsu, 2015).

Contribution to local GDP, employment, and investment

As a growing component of global tourism, the cruise industry has the potential to be a strong engine for economic and social progress in coastal areas. Ports charge cruise lines for replenishment, waste processing, ship maintenance and repair. They also often charge a head tax for every passenger on board, although these fees can vary significantly across destinations. Cruise products not only mean huge opportunities for travel agencies and cruise line operators, but also economic benefits for ports of call, especially for homeports (Brida & Zapata-Aguirre, 2008).

According to CLIA (2018), the number of passengers and crew members who took on shore visits in 2018 grew 6.9% (14.36 million) from the previous year, and these individuals spent US\$67.97 billion, an increase of 11.4%. Their direct and indirect spending added 1.177 million jobs (CLIA, 2019). In 2020, the gross output of the cruise industry is expected to reach US\$50 billion (Ketz, Ketz, & Jennings, 2019).

Despite all of these optimistic projections, a growing body of research is questioning the economic benefits associated with cruise tourism, especially if the research regarding the anticipated benefits is coming from the cruise lines and their own associations (Brida & Zapata-Aguirre, 2010; Klein, 2011; Lester & Weeden, 2004). For example, Cheer (2017) notes that industry-generated research needs to be balanced by community-level independent research on the benefits for their specific regions. MacNeill and Wozniak (2018) found that, despite the optimistic picture painted by the

Singapore can handle eight luxury ships like this at a time. Prior to the recent shutdown of cruise ships as a result of the COVID-19 pandemic, cruise tourism was the fastest-growing segment of global tourism.



cruise ship industry, local tourism boosters and even the World Tourism Organization, the anticipated gains in employment and income often did not happen. The nature of cruise tourism, where meals and accommodation are provided on board, means that

the level of spending by disembarking passengers is much less than is the case for other kinds of tourists (Larsen & Wolff, 2016; Santos, Radicchi, & Zagnoli, 2019). There were also increased problems related to corruption and, as we discuss below, substantial concerns regarding impacts on the local marine and terrestrial natural environments. As implied above, this was especially the case in those port regions that had little regulation and low tax rates, and failed to engage local communities in tourism planning.

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Development and protection of local culture

Tourists hope not only to enjoy the natural scenery but also to experience diverse local cultures. Unique cultures, often expressed in ways that are considered exotic to the traveller, may be the most enriching and intriguing part of travelling, the most distinctive brand of local tourism, and the key component in allowing a destination to differentiate itself from among all the other possible choices open to tourists. It is therefore not surprising that countries and regions attach great importance to the development and protection of local traditions and cultures. For example, Hawai'i pools the strength of government, the private sector, and local residents to brand the icons of Hawai'i tourism, including the word 'Aloha', the exotic Hula show, the Hawaiian lei, and the distinctive Hawaiian music and record albums (Schroeder & Borgerson, 2008). In this way, the island has protected, enriched, and promoted local culture and tradition (Li, 2012a). Others have argued that modern tourism marketing has also objectified and culturally appropriated the symbols of indigenous culture (Gertner, 2019; Schroeder & Borgerson, 2008)

To protect its cultural and historic relics and local-style architecture, the Indonesian island of Bali invited European and US experts to formulate a 30-year development plan for local tourism back in the 1970s (Li, 2012b). While preserving such indigenous sites as the Ubud painting centre and the Mas carving centre, Bali has also developed religious tours featuring temple visits and festivals, art tours featuring folk painting and wooden sculptures, and dream tours featuring wedding rituals. These activities highlight the most typical components of the local culture that tourists can relate to, thus significantly boosting the attractiveness of the area to international tourists (Li, 2012b). Picard (2008) suggests that tourism neither polluted nor created a cultural renaissance in Bali. Instead, it encouraged a new cultural identity among the Balinese, allowing them to both exploit and protect their heritage.

RISKS AND CHALLENGES

This chapter takes as a premise that islands in the South China Sea region have unique, attractive, but also fragile landscapes. One of the ongoing challenges here and in all regions where mass tourism exists, is how to manage tourism development sustainably given the risks associated with bringing tourists to these areas. In the case of this region and cruise tourism, there is an added security risk: how to protect cruise ships from piracy.



Piracy in the Strait of Malacca has long been a threat to ship owners and the mariners who ply the 900 km-long (550 miles) sea lane, and is an obvious threat to mass tourism.

Piracy

The South China Sea and, by extension, the Malacca Strait is the key junction that connects the Pacific and the Indian Oceans. Every year, tens of thousands of commercial ships pass through this sea. It has been estimated that 90% of China's trade and 80% of its oil imports travel through this region (Y. Deng, 2010). Ships navigating in this area have long been victims of pirate attacks (Storey, 2016). In 2014 alone, 42 pirate attacks took place in the South China Sea (J.C. Wang, 2018). To fight these attacks, starting in 2004, Malaysia, Indonesia, and Singapore began to increase the frequency of navy patrols covering the Malacca Strait. However, due to limited capacity of the three navies, and the complex marine topography bordering the three marine states, the number of pirate attacks still remains high. Although there have been no reports of cruise ships being attacked by pirates so far, the potential danger of developing cruise tourism in waters where pirate incidents are frequent should be taken seriously by relevant countries.

Damage to the physical environment

Cruise ships can also cause damage to the local natural environments at island ports. For example, a docking cruise ship brings air pollution, greased bilge water, sewage, and household waste. According to the US Environmental Protection Agency (EPA), an average cruise ship produces 21,000 gallons of sewage, 170,000 gallons of grey water, 6,400 gallons of oily bilge water, and one ton of waste daily (Ketz, Ketz, & Jennings, 2019; Moscovici, 2017). They also incinerate between 75 and 85% of their garbage, contributing to smog in coastal communities (Moscovici, 2017). To give some indication of the significance of cruise ships, Butt (2007) estimated that although cruise ships represent only 1% of the global merchant fleet, they produce approximately 25% of all

ALTHOUGH CRUISE SHIPS represent only 1% of the global merchant fleet, they produce approximately 25% of all of the waste generated by the merchant fleet. They also pose a serious threat to coral reefs and marine organisms.

of the waste generated by the merchant fleet. They also pose a serious threat to coral reefs and marine organisms (Smith, 1988). Although the cruise industry has taken measures such as waste recycling and zero sewage discharge to mitigate environmental pollution, processed sewage can still cause substantial negative impacts on coastal creatures and coral reefs (Ketz, Ketz, & Jennings, 2019).

Small islands often have extremely vulnerable ecological systems making them more susceptible to external influence. Although it may create jobs and

other economic spillovers during the construction phase, infrastructure constructed on an island for the cruise industry such as docks, roads, scenic spots, and shopping malls not only erodes the topographic features of the island but also encroaches upon the habitats of island creatures (Price, 2006). This tends to disrupt the biological community and ecological systems unique to islands. Compounding this vulnerability, it is very difficult to restore damaged ecological systems that contain endemic species. For example, when Vanuatu and Fiji cleared mangrove forests for land reclamation and dredging projects at estuaries for tourism development, serious damage was done to their marine ecosystems (Lu, 2007).

Social and cultural shock

A considerable body of research has pointed out the impacts of tourists interacting with residents of cruise ship port communities, noting the conflicts that may emerge as a result of differences in family values, interpersonal relations, behaviours, moral choices, and traditional rituals (Brida & Zapata-Aguirre, 2010; Fisher, 2004; Tolkach & Pratt, 2019; Wray, Espiner, & Perkins, 2010). In a study on the impacts of cruise tourism on the port communities around Trujillo, Honduras, in the Caribbean, MacNeill



The Chao Phraya River at Bangkok, Thailand. One of the considerations for cruise tourism development is the potential damage the cruise ships pose to the physical environment.

and Wozniak (2018) found there were improvements in cultural capital and security but that these social benefits were offset by increased corruption and higher levels of poverty and inequality. Although measurable economic benefits may have emerged, much of this was captured by local elites and foreign companies rather than the local populations. Still other research has suggested that a massive influx of cruise tourists descending simultaneously on older, historic communities causes congestion and a loss of authenticity (Kirtsoglou & Theodossopoulos, 2004; Santos, Radicchi, & Zagnoli, 2019). Many of these impacts are linked to the broader concept of over-tourism, where the number of tourists and their impact overwhelms the capacity of the local community, and the positive messaging from local cruise and tourist advocates overwhelms dissent by local citizens (Alexis, 2017; Cheer, 2020).

This being said, one should be cautious about assumptions regarding the cruise tourism economic benefits and social costs in port communities. As Scheyvens and Momsen (2008) note, tourist communities are not passive actors in this process; they are able to exert change to achieve their goals. Also, stories regarding the “bad behaving” tourists are often sensationalized and paint all interactions in a negative light (Alexis, 2017).

CONCLUSIONS

Prior to the recent shutdown of cruise ships as a result of the COVID-19 pandemic, cruise tourism was the fastest-growing segment of global tourism. It is still too early to predict accurately how the fears generated by the transmission of COVID-19 and future infectious diseases will affect the demand for cruise tourism, the island communities dependent on cruise ships, and the very business model used in the industry. In the short term, and especially prior to the widespread availability of COVID-19 vaccinations, we should not expect much cruise tourism, and some cruise line companies will likely be challenged to survive. It is also likely that, even after treatments or a vaccine are available to COVID-19, the threat of infectious diseases being brought to

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port communities by cruise passengers and crew may increase the level of animosity among local residents, tourists, and tourist business advocates. There are also enormous current and planned investments in cruise ships, in port facilities, and in local cruise-related businesses that will continue because their business model is based on a much longer time horizon than this one event. As such, it is extremely unlikely that cruise tourism will disappear altogether. Rather, it will likely need to reinvent itself in order to meet the needs of its clientele, the various port governments, and those living in home ports and ports of call.

Apart from the impact of COVID-19, for the future development of the industry, island countries and territories in the region and cruise lines still need to deal with the existing issues and challenges. First, it is necessary for island destinations in the South China Sea region to improve their security management and emergency response in order to make cruise tourism in the region more attractive, safer, and enjoyable. Second, in order to ensure the sustainable development of the cruise industry, multilateral agreements will have to be implemented by the jurisdictions in the region to create and enforce regulation and rules regarding the environmental operation of cruise ships (e.g., discharging of waste), especially when they are in international waters. Closer to shore, cruise line companies will need to play an active role in terrestrial and marine protection and restoration. Third, tax incentives may need to be provided to cruise lines to encourage them to choose a port. However, this must be done in a coordinated manner so that the ports in the region are not competing among themselves, inevitably leading to diminished economic benefits and greater social problems. From the perspective of the port city, they will need to provide services including cruise ship repairing, refueling, and replenishing of supplies and foodstuffs so as to further extend

the local multiplier effects. Fourth, jurisdictions in the region may need to develop incentives to encourage passengers to spend money locally, including providing visa-free transit, tax refund policies, catering, accommodation, and sightseeing services. Fifth, in order to encourage demand, it is important to develop new and tailored cruise tourism products, such as ‘high-speed rail plus cruise’ routes and ‘airplane plus cruise’ routes, as well as cruise routes of different lengths and prices. Sixth, special attention should be paid to local culture preservation and development, and to display the unique features of each destination by holding festivals, sporting events, and performances in order to differentiate the destinations. Seventh, the governance of cruise management needs to be strengthened within the region. For example, the Alliance of Cruise Tourism Cities along the 21st Century Maritime Silk Road may need to play an important role in strengthening cooperation between cruise tourism enterprises within and outside the region, including providing ‘multi-stops in one trip’, code sharing, and baggage interline services that make traveling more convenient. Eighth, it is necessary to take full advantage of new media and the big data platforms to achieve a more targeted marketing. Finally, efforts should be made to establish a data platform for data sharing and human resources, as well as to obtain intelligence support for the development of cruise tourism in the South China Sea region. Overarching all of these recommendations is that there needs to be an active engagement with the populations in the port cities and the surrounding regions in developing any plan for cruise tourism development in their areas. These are the people who should benefit from an investment in cruise tourism and will also suffer the consequences if there are problems. If they are not engaged from the beginning, and development is carried out in a typical top-down manner, social, environmental, and economic problems are inevitably going to emerge.

Notwithstanding the current pandemic situation, Asian tourists have shown an increasing interest in cruises. Given the proximity of these potential tourists to the attractions of the South China Sea region, there is enormous potential to establish and grow cruise tourism in the region. As a latecomer to tourism in the region, the cruise sector can learn from what has and has not worked elsewhere in order to make this an activity that benefits the regional economies while maintaining a harmonious and sustainable relationship to the local physical environment and the needs of local populations.

AS A LATECOMER TO TOURISM in the region, the cruise sector can learn from what has and has not worked elsewhere in order to make this an activity that benefits the regional economies while maintaining a harmonious and sustainable relationship to the local physical environment and the needs of local populations.

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