

# CARIBBEAN TOURISM GROWS DESPITE AILING WORLD'S ECONOMY



Even though the US economy is ailing and the oil prices make air travel increasingly expensive, the tourism industry in Caribbean is flourishing. In 2007 the region hosted 22.5 million stop-over visitors which is a 1.5 per cent increase over 2006. The tourists spent US \$27 billion in here which is a six per cent increase over the expenditures in 2006.

Despite the global economy's downturn, the region is still attractive for investors. Approximately 33 000 new rooms are under construction in various tourism related projects and experts claim there could be a 3.3 per cent annual growth of travel and tourism demand in the Caribbean during 2008-2017. Positive signs for the Caribbean economy are seen in the fact that world wide known hotel industry players are present and developing their properties here. Among them are for example Ritz Carlton and Aman Resorts. The number of European tourists visiting Caribbean is likely to increase and experts also expect a growing number of European investors in upcoming years.

Caribbean, however, may not rest on their laurels as the Central America poses a competitive threat. The Central Americans have lower prices, good airline connectivity and also lower perceived crime rate. There are countries with huge tourism growth potential in the Caribbean. Among them are St Lucia, Anguilla, Jamaica and The Dominican Republic. Nevertheless, the rising oil prices will eventually make Caribbean a more expensive destination.

Not only Europeans and North Americans are the customers of Caribbean hospitality industry. The local tourists are also important source of revenue for the Caribbean economies. Barbados for example has witnessed a drop in the number of Caribbean Community travelers coming to the destination. There is a need to persuade the people of Caribbean that Barbados is worth visiting. Among foreigners, Barbados is a very popular destination and according to the recent development the number of Chinese visitors could also rise in future.

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