

# Two Million Too Many?

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Word Count: 1,487

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December 2, 1991

BBA in Finance & Economics

Spring 2015

Our island has come a long way from being known as a strategic military base to a thriving tourist destination in the Western Pacific. During the 1960s, 75% of Guam's major source of revenue came from military/federal funding. After the turn of the century, 60% of the economy was driven by tourism, which is an astounding turnaround from a U.S. territory in such a short period of time (Guam Economic Development Authority). Guam's number of visitor arrivals has been steadily rising over the past several years. However, due to the expected increase by 50% over the next five years, the factors that will affect the environment and quality of life on the island will be examined. In general, tourism can affect the environment by limiting the land and water resources, increasing pollution, and damaging the coral reefs. In regards to quality of life, effects on traffic, crime, and culture will also be discussed within this paper.

“The tourist industry has helped Guam obtain a self-sustaining economy and higher standard of living” (Li & Schumann, para.12, 2013). According to data by the Guam Visitor's Bureau for FY2013, tourism is responsible for 18,000 jobs, of which one-third of all jobs are supported by the industry. It also generated \$150 million of tax revenue for the local government. In preparation for GVB's 2020 plan, Guam has undergone some major developments such as renovation and construction of high-end hotels/resorts. The agency also hopes to introduce a cultural museum, upgrade historical sites, tourist attractions, and help the community by selling hotel occupancy tax bonds to fund the projects. In the midst of positive change and growth, let's not forget about the challenges that Guam will face in order to accommodate such an increase in the tourist population.

Tourism impacts the environment when there are not enough resources to meet the strong demand of visitors that come to the island. In particular, the land and water supplies will be exhausted due to overuse from hotels, swimming pools, golf courses, and building materials

(Tourism's Three Main Impact Areas). Native-born businessman, Sonny Ada, stresses this issue by saying that, "Two million tourists a year would crowd the island's beaches and strain the island's limited water, wastewater, and road capacities." In response, Gov. Eddie Calvo, says that, "We're working on water and wastewater capacity issues and even traffic and travel issues" (Daleno, pp. 3-4, 2014). It's apparent that the governor is an advocate for the growth and potential of Guam's economy while Mr. Ada wants the people, who call Guam home, to know and decide on whether tourism is a social benefit for them or not. Another effect that tourism has on the environment is pollution. Generally, the more people that visit, the more carbon emissions and noise will be emitted from airplanes, cars, and especially tour buses. In addition, this issue causes global warming, which can deteriorate the island's coral reefs. The reefs, which are responsible for protecting Guam from natural disasters, can also be destroyed from construction or tourism developments along the shoreline. There was a case in 2010, regarding the military buildup, which would've built a deep-water port for a nuclear aircraft carrier in Apra Harbor. This project required removing 300,000 square meters of coral reef habitat. However, the U.S. Environmental Protection Agency stepped in and advised military leaders to revise their plan (Gawel).

Guam's residents have enjoyed a rather stable quality of life in response to welcoming tourists to the island. In a 2010 survey and study, conducted by QMark Research and GVB, called *Tourism Attitudes of Residents of Guam*, 55.9% of 1,200 residents believed that their standard of living has stayed the same. 19% of the respondents claimed that their lives have gotten better, while 23.2% say that it has gotten worse. However, between the ages of 18 and 34, 25.6% stated that their lives have improved. One of the issues mentioned earlier in the paper dealt with traffic and over-crowdedness. According to the survey, 64.9% of residents said that

there are not enough tourists, while only 7.4% stated that there is too much. Based on the data, Guam's capacity to cope with the number of visitors in proportion to its local inhabitants is promising. However, in the book, *The Price of Paradise Vol. 2*, Ken Tucker suggested otherwise, explaining the reason why tourist count and expenditures in Hawaii declined. The island had a local population of just over 1 million and hosted over 6 million visitors each year. Hawaii eventually showed its inability to cope with the high volume of tourists and began losing market share to countries that had a smaller ratio of guests to hosts. On the same note, Mr. Ada doesn't want to see Guam be in that kind of situation where it's too crowded and expensive. "We essentially lose the essence, the primary focus of why we are wooing people here: beautiful sun, beautiful beaches, and sunsets and we don't have a huge crowd" (Daleno, p. 7, 2014). Another effect that tourism can have on the host destination is crime. The results from the survey noted that 31.7% said there is too much crime, down 17.6% from the 2006 report, while 35.1%, up 18.1% from the previous survey, claimed that the rate of crime is 'about what should be expected'. Based on this data, we can conclude that tourism does not have a major impact on the crime rate in our communities as it would be much more concentrated in one location than throughout the island.

My final subject of discussion will be about how Guam's culture can be affected by tourism. According to the survey on the topics of economic development and tourism perceptions, only 39.9% of locals agree that the government is doing enough to promote local business participation in tourism. On the other hand, 64.2% believe that Tumon, which is the main village that most tourists stay at, is over-crowded and over-developed. Adding to the issue of cultural awareness and sustainability, 88.1% feel that the community needs to be more involved in Guam's tourism while 78.8% agree that many residents feel somewhat detached or

not part of the tourism industry. The focus of businesses and commercialization should be shifted to other villages. Guam has a total of 19 villages, excluding Tumon, and I know that the people from those villages would love to start a business, that's locally made or grown, and sell their products in order to keep the money within the local economy. I agree with what Gov. Calvo is saying that, "As demand rises for more goods, we'll need to look beyond expensive imports and start looking to the ingenuity of our people" (Daleno, p. 7, 2014).

The solution to keeping Guam's culture alive and preserving it for futures to come can best be explained by, *The One Village One Product (OVOP) Model and Economic Development on Guam*, research paper written by Ning Li and Fred R. Schumann. In it, they both talk about Meyer's (2006) three strategies that a small island state can use to increase benefits to the local economy. One of the strategies that stood out to me, which is termed, "linkage," is the collaboration of on-island business sectors to improve the local economy as a whole. The goal of this strategy is to minimize or avoid leakage, which is the amount of tourist spending that leaves or never reaches the island. Global Insight, Inc. estimates that for every dollar spent by tourists, 12 cents goes to local suppliers (linkage), while 54% goes to off-shore suppliers (leakage) (Li & Schumann, 2013).

Local businesses should grow at the same rate as tourism. In order to sustain our island, it starts with the communities and residents who have the talent and skills to contribute to the economy. The tourism industry should collaborate with local artists and entrepreneurs to promote Guam and attract more tourists so that they can have more activities to do, skills to learn, and memorable things to bring back to their homes. We need to show visitors our "hafa adai spirit," which is the deep and rich culture of family and harmony so that they can come back or stay because of it.

A small island economy such as Guam relies on tourism to provide jobs, tax revenue, and modernization. As a result, I believe that Guam has the carrying capacity to accommodate more visitors each year, given the developments and changes that are in progress. The expected increase in tourist count will possibly take its toll on the environment and infrastructure, but it yields greater opportunities for sustainable tourism through culture, a better quality of life, and brand identity. I hope that local artists or businesses will be able to find a niche and integrate their products into the tourist industry. I've personally seen some of the local artwork; artifacts, jewelry, and weaving that have been made and admire the history and value behind them.

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