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Blockade vs. Cuba Affects Development of Tourism

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Services, operations and logistics in the tourism sector in Cuba have suffered adverse effects due to the U.S. blockade imposed on the island more than five decades. According to the report presented by Cuba to the UN General Assembly, the amount of damages in that branch totaled \$1,506 million USD, from April 2014 to the same month in 2015.

The agreements between Cuba and the United States create favorable conditions for a significant increase of visits by Americans to the island, but the blockade still maintains the prohibition of tourist travel to this country.

If the blockade regulations did not exist, Cuba would be favored from 140 cruise ships that operate weekly in the Caribbean area, and whose main market is the United States.

Moreover, due to this policy, Cuban hotels may only use the Amadeus booking system, one of the four large Global Distribution Systems having international scope. The other three are from the United States.

Meanwhile, other providers of those services hesitate to do business with Cuban entities fearing fines and of having their sales in the United States threatened.

That industry plays a fundamental role in the country's development, and during the mentioned period, losses to this branch of the economy are estimated at \$73,416,529 USD.

The main causes for this effect are due to the geographical relocation of markets, immobilization of resources in inventories, variations in the exchange rate for foreign commerce and financial operations because of the impossibility to use U.S. dollar.