CRUISE INDUSTRY: ITS MULTICULTURAL IMAGE AND EXPLOITATIVE CHALLENGES

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Abstrak

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Abstract
Cruise tourism is a type of travel that involves taking advantage of all of the activities and facilities available on a cruise ship. Along with the transformation of this industry, the ship is not only a mode of transportation but a tourist destination itself. As the industry continues to grow, it demands thousands of workers that come from the global workforce. The diverse nationalities of the workforce aboard cruise ships set it apart from other tourism industries. However, the transformation of the cruise industry creates exploitative challenges for the workers. This study is aimed at discussing how capitalism works in the transformation of the industry to bring profits for the companies by referring to the theory of the radical political economy as an analytical framework. This study employed descriptive qualitative methods by using literature studies and interviews as data collection techniques. It concludes that capitalism works through the hiring of multinational workers by adopting a labor flexibility strategy while, on the one hand, forming a positive image of the company. However, on the other hand, it also creates exploitative challenges for the workers.

Keywords: cruise industry, exploitative, multicultural image
1. Introduction
Cruise tourism is a transnational business like other tourist-related businesses, including hospitality, travel, etc. In fact, as a form of multinational corporation (McNulty & Wafer, 1990; Peručić, 2009), the cruise industry has transformed into a giant business since its development as a modern mass tourism industry in the early 1970s (Dickinson & Vladimir, 2008). The Carnival company started the development by creating the Fun Ship concept in 1972, and it proved to be effective in reviving the marine transportation sector, which had been in decline due to the growth of air travel.

With the three leading players currently in the industry, Carnival Corporation, Royal Caribbean Cruise, and Norwegian Cruise, this industry continues showing its rapid development in terms of facilities provided to the guests and in the number of capacities of the ships. A cruise ship is capable of carrying, on average, 3,000 passengers. However, there are bigger ships that can accommodate more than 5,000 passengers. Harmony of the Seas of the Royal Caribbean, for example, has a 5,496-passenger capacity, and Oasis of the Sea can accommodate 5,400 passengers (Ward, 2019, as cited in Peručić, 2019). Unsurprisingly, this industry demands thousands of workers to provide the service to their passengers. A contemporary cruise ship may have over 2,000 employees in over 160 occupational positions (Wood, 2000).

If we have ever seen cruise ship advertisements, it is easy for us to notice that the cruise workers come from various countries and various ethnicities. As stated above, the cruise demands more and more workers due to the development of this industry. Most cruise crews come from developing countries such as Indonesia, the Philippines, India, and many Eastern European countries. In fact, workers from developing countries contributed to 70% of the cruise workers (Terry, 2017), while the rest that occupies higher positions yet smaller in number come from Western or developed countries.

For the cruise companies, employing workers from 64 countries (Mather, 2002), for example, has contributed to the company’s positive image. It is used to draw and dazzle the guests with a fantastic encounter in a multicultural environment (Chin, 2008). In other words, hiring workers from different countries and fostering a multicultural environment is a form of branding that promotes the company’s positive image.

However, the positive image of multicultural workers collides with various unfavorable issues related to this industry, such as discrimination against workers from developing countries (Oyogoa, 2016). This study will highlight this aspect, namely how, behind the positive image of multicultural workers, the expansive and exploitative side of the industry still exists. This study will try to elaborate on this point from the radical political economy perspective.

2. Method
A qualitative research method is used to examine the research question proposed in this study. The qualitative method offers the perspective that no two problems are exactly alike, leading to a thorough comprehension of a particular issue. The data for this study was obtained through an in-depth interview method with informants with experience working on cruise ships. All of the informants are Balinese cruise workers. The informants in this study have worked on cruise ships for 5-10 years. This study uses secondary data from books, journals, articles, news, and other sources to apply literature studies.
To address the issues raised, this study combines the concept of corporate image and transnational corporations from a radical political economy perspective.

The discussion of this study will be presented as follows: the first part will cover the concept employed to analyse the issue, the second part will describe the multicultural setting in the industry, and the last part will cover the analysis of the problem proposed in this study which is the elaboration on what behind the multicultural image of the cruise industry.

3. Discussion
3.1 The Concept Corporate’s Image and the Transnational Corporations

Corporate image as stated by (Bozkurt, 2018), refers to “the feelings, perceptions, and thoughts that first come to the minds of all the stakeholders of the establishments and target audience when they hear the name of the establishment”. It is further stated that a company’s "corporate image" is the culmination of all perceptions that the target market has of the terms that describe that company (Bozkurt, 2018). The fundamental objective of a firm is to look for innovative ways to improve its competitiveness in today’s extremely dynamic business climate of ever-increasing competition and globalization.

Businesses must cultivate favourable views, trust, and loyalty toward their goods, brands, and the firm itself in order to accomplish market objectives successfully. As a result, the groundwork is set for developing a company brand and attaining organizational goals. Any firm that wants to increase its market leadership and impact must first develop a positive corporate image. It plays a significant role in shaping customer sentiment and giving businesses a competitive edge (Kyurova & Yaneva, 2017).

As stated previously, the cruise industry operates as a transnational corporations (McNulty & Wafer, 1990). The simple definition of transnational corporation is defined by Gillies (2005) as a company with assets and direct commercial operations in various countries. Transnational corporations have been experiencing a greater role in the global political economy (Uhlin, 1988) as they become more important economic actors.

Transnational corporations, similar to multinational corporations can take many different forms, ranging from companies that only engage in direct importing and exporting to those making significant investments in a foreign country, to those buying and selling licenses in foreign markets, to others engaging in contract manufacturing. Others open manufacturing facilities or assembly operations in foreign countries (Mingst, 2003).

In strengthening its presence on global stage, transnational corporations use various strategies. While building positive image of the companies becomes one of the ways, radical political economic perspectives offer more critical ways to assess this entity. The radical perspective views transnational corporations not as positive instruments of economic development but as an instrument of exploitation (Mingst, 2003).

The companies from developed countries perpetuate the dominance of the North against the South. In other words, they become the instruments that maintain the dependency of developing countries on developed countries. Thus, according to the radical political economic theorist, transnational corporations embody the inherent inequality and unfairness of the international system.

Transnational corporations, according to this theory, seek to avoid
tariiffs and barriers, reduce transportation costs by moving facilities closer to consumer markets, capitalize on cheaper labour markets, obtain the services of foreign technical personnel, circumvent tough governmental regulations at home by moving their operations to other countries (Mingst, 2003). As a result, we are able to notice that, in addition to preserving a positive image, the corporation employs various techniques to maximize corporate profits despite exploitation. By employing these two concepts as theoretical frameworks, this article will discuss more the multicultural setting in the cruise industry and the implications behind it for the workers.

b. Multicultural Image in Cruise Industry

The cruise ship business is a part of the tourism industry that provides many job possibilities for people all around the world. Cruise Lines International Association (CLIA) stated that in 2017, for example, the cruise industry offered 1,108,676 jobs for workers globally. It is no wonder that the cruise has become a very attractive opportunity, particularly for people in developing countries. Based on the interview, most of the informants stated that working on a cruise ship had long become their dream job just as informed by one of the informants.

"I had planned that after finishing high school, I would immediately enroll in a cruise ship school. In my village, more and more people are going to the ship. Who is not happy now to be working on a cruise…? And more and more are following in that footstep (Interview 1)."

According to CLIA, cruise ship crews are typically quite multinational, with up to 80 countries of origin represented on many ships. A substantial number of personnel are from developing Asian and South American countries. People from the Philippines make up over 30% of all workers in the worldwide shipping business (Martiny, 2023).

The flexibility of shipowners to hire their workers from wherever they want will result in crew diversity, which Chin (2008) defines as a global multicultural workplace at sea. A single cruise operator may employ individuals from more than 50 different nations, and each ship may have 40 or more nationalities represented. (Wood, 2000, as cited by Terry, 2017). And even up to 80 countries, as it was explained before.

The ship Carnival, for instance, employs workers from 64 countries, including Peru, Uruguay, the Philippines, Romania, Chile, Colombia, Costa Rica, El Salvador, India, Nicaragua, Indonesia, and others, according to a report from War on Want and the International Federation of Transport Workers. The Philippines, India, and Indonesia provided the most workers for Carnival, according to the survey (Mather, 2002).

According to research by Chin (2008), this international team is openly hailed as the pride of the company since it resembles a 'mini-United Nations' staff on board. As a result, hiring staff from diverse nations, particularly developing countries, not only saves ship operating costs but also demonstrates the positive qualities of their business while also impressing passengers through this remarkable branding. As a positive aspect, most cruise ships will publicly tell passengers of the number of countries represented among employees, according to Klein (2002).

This multicultural nuance is not only used to attract passengers, but it is also one of the factors that increases the interest of workers from developing countries in working in this industry. On cruise ships, the crew members perceive the nuances of multicultural themselves.

"Well…multiculture...yes, I agree. Many different things together now at one place. Here..."
I work with workers not only from Indonesia, but from the Philippines, India, Malaysia. My captain is from Italy. See the guests also, they are coming from different countries, even though mostly from America. We travelled from place to place, confined in a place called cruise ship (Interview 2).

For people in developing countries, working on a cruise is considered a means to achieve economic prosperity while they can also travel to many countries and encounter people from various countries. The same information can be found in a study by Nilan and Artini (2013). It was stated that the monthly pay that cruise ship workers will earn is frequently disclosed in recruitment posters. For workers from Bali, the sum of US$ 2,500 per month is actually not a tiny amount. Working on a cruise ship was eventually seen as a short way to achieving the dream of affluence. However, there is another significant consideration working in this industry is the opportunity to interact with people from many different countries. Meeting fellow workers from other countries is considered other benefits of working on cruise. Workers believe that working with foreigners will improve their capacity to engage and communicate in a foreign language. And this will be their bargaining power for future career development. Workers considered these factors to be motivators for working aboard cruise ships from the start, as stated below:

Of course, that’s the benefit you’re looking for on a cruise ship... not only will you earn more money than working at the same job at home, but you can immediately hone your language skills by working with foreigners. Maybe their native language is not English either and our English skills are at different levels. But in that condition, the compulsion to communicate makes us practice our English skills (Interview 3).

The initial perception of the benefits that come with working aboard a cruise ship is what makes it so alluring to many individuals. Therefore, it is not surprising that there are a lot of people from Asia, Latin America, the Caribbean, and Eastern Europe who are interested in working in the cruise industry. These workers coming from developing countries also work with workers from the United Kingdom and Australia (Bolt & Lashley, 2015) who occupy higher positions.

Working alongside individuals from other nations gives employees a unique picture of life on a cruise ship. Even for workers, working with individuals from different nations is not always as easy as the portrayal of the happy staff in the marketing brochure as stated by one informant.

Even though I already knew that working on a cruise, we would meet people from various countries, working it is a different experience for us. Meeting people in person, interacting, and working feels different. Dealing with people with different characters...of course, it’s difficult, isn’t it? Especially when working with people from different cultures, it is very challenging (Interview 4).

And sometimes, conflict among workers is unavoidable. Lack of adaptability and knowledge of other cultures can be a trigger.

We don’t actually have a shortage of food, but there are workers who, for whatever they want, must be prioritized. And we have to give up… Sometimes, they don’t see the condition of other workers, or maybe it’s their culture (Interview 5).

In addition, the meeting of workers and passengers from various countries makes this industry a representation of globalization (Wood, 2006). Most of the passengers are from North America and European countries. Another element of
this multiculture can also be seen from the ship's interior design which uses elements of the culture of other countries as explained by Wood (2006) Holland America Line using Indonesian design and motifs in its ship.

Meanwhile, workers from various countries provide valuable image to the company, this also raises issues of worker exploitation, which are addressed in the following section.

c. What's Behind It? The Exploitative Challenges

As stated above, the employment of workers from various countries is not merely for maintaining the positive image of the companies. As this industry is becoming more developed, the need for the crews to serve the passengers is solved by a system called flagging out. And this system becomes the key of the multicultural setting on cruise.

Simply put, flagging out is defined as a practice to register a ship in a country other than the origin country of the owners. Flagging out is also called as a flag of convenience system which is defined as “the flag of any country which permits the registration of ships owned and controlled by foreigners under conditions which, for whatever reason, are convenient and advantageous to the person registering the ship” (Boczek, 1962 as cited in Rogers, 2010).

Most countries that offer open registration are developing countries (Negret, 2016). Liberia, Panama, and Marshall Islands are among the preferred FoC countries for cruise companies as their weaker position provides flexibilities for the companies.

Using the new legal identity under the FoCs provides significant benefits to ship owners in the region, including taxation, labours, and other rules that reduce operational expenses and improve revenues. According to Negret (2016), various nations, including Liberia, Mongolia, Panama, and the Bahamas, are a haven for American and European shipowners because of low fees and taxes, as well as insufficient rules and legislation safeguarding workers. According to Fossen (2016), FoC enables corporations to hire labour from many nations, primarily from low-wage countries.

This system, which allows cruise ship companies to employ multicultural branding, turns out to be a source of oppression for workers. Flagging out in countries with lack of regulation on labour affects the working conditions that must be faced by workers. The thrill of being paid to travel the world on modern, luxurious cruise ships is quickly replaced by the shock of working long hours for relatively low pay, poor quality of accommodation, and levels of insecurity about keeping their job and maintaining their income as soon as they begin their job onboard. Klein, 2002; Dowling and Weeden, 2017). The worker describes his working conditions as follows.

Working aboard a cruise ship is a matter of prestige for the majority of people in general. Some even are looking for partners among those who work on cruise ships he...he... Few people, however, have any idea of how difficult working on a ship can be. It can involve working up to 14 hours each day, no holidays, lack of sleep, and that lasts for months (Interview 6).

Moreover, a study conducted by Cole & Eriksson (2011) highlighted the human rights issues in this tourism sector. By collecting the data from International Transport Workers Federation, Cole & Eriksson found that cruise workers suffer from: non-secure and short-term contracts, low pay and high costs, including the use of illegal agents, long hours and high work intensity, poor management practices like favouritism and bullying, racial and gender discrimination, high staff turnover, fatigue from lack of training, safety concerns, and company resistance to
unions are just a few of the issues that affect the workplace.

According to Angela Teberga (as cited by Martiny, 2023) although the eight-hour day and six-day work week are often applicable to work done at sea, in practice, she explains, things are frequently different. Seven days a week, working up to 14 hours a day, is more often than not. The lower the position of the specific employee in the labour hierarchy on board, the truer this situation is. It later created such a striking contrast image between the image of the cruise ship and the operational condition.

According to Dennet (2013), the cruise ship sector is defined by a combination of labour-intensive, emotionally demanding displays, physical obstacles, poor working conditions, and low salary levels. Regardless of their profession or position, practically all cruise ship personnel work long hours with few days off because cruise ships rely significantly on a self-sufficient workforce to pamper their customers 24 hours a day, seven days a week.

Workers from poor nations, who make up the majority of the workforce, endure more difficult and harsh working circumstances as a result of the low-wage occupations allotted to them. While workers in industrialized countries have higher job rankings and better benefits and working conditions, workers in developing countries primarily occupy semi-skilled and unskilled jobs. It means that the workers are divided based on the ethnicity as stated by Chin (2008). By utilizing a labour flexibility strategy, which can save operating costs and increase profits for business owners, the company maintain the multicultural image in a structure that actually exploits the workers.

4. Conclusion
If we analyze the multiculture image of cruise industry from the radical political economic perspective, we can obtain an explanation that positive image hides many facts about this industry. The appeal of working on a cruise ship lies in the shadow of the high salary, the opportunity to travel the world and meet people from various countries. This industry is even more unique because the workers themselves come from various countries. This uniqueness causes the multicultural factor of workers to be the good side that the company wants to show. However, the multiculturalism slogan turns out to have many issues of exploitation of its workers, the majority of whom come from developing countries. The findings of this research affirmed that behind the significant role of transnational corporations today, power relations between the corporations and the state, as well as the companies and workers ultimately put the weak in a disadvantaged position.

References


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