

## Tourism and Oil Spills Do Not Mix: Protect Healthy Coastal Economies

The BP *Deepwater Horizon* explosion killed 11 people and set off the worst environmental disaster in our nation's history. The spill's devastation is still being realized and underscores why proposals for expanding offshore drilling are shortsighted and wrong. *Deepwater Horizon* was tapping an "exploratory well" when it exploded and gushed more than 200 million gallons of oil into the Gulf of Mexico – proving that dangers exist at all stages of expanded offshore oil drilling.

Oil interests claim that offshore drilling is safer than ever, but this is disingenuous because technology remains relatively unchanged. Worse, in June 2018, the government proposed to eliminate some already weak safety measures put in place as a response to the *Deepwater Horizon* disaster. These safety rollbacks are being offered at the same time the federal government proposes to open nearly all U.S. waters to offshore drilling activities, increasing the risk of another major spill.

Tourism, recreation, and fishing are major drivers of coastal economies, especially along the Atlantic, Pacific and Gulf Coast of Florida which support over 2.6 million American jobs and roughly \$180 billion in GDP.<sup>1</sup> The nation's coastal tourism industry relies on clean, swimmable waters and healthy ocean ecosystems to thrive. Oil and gas drilling and exploration threaten clean coast economies. The BP disaster serves as a case study for just what's at stake, because as history has taught us – when they drill, they spill.

### After the BP disaster, regional tourism significantly declined.

**The BP *Deepwater Horizon* blowout reduced tourism along the Gulf Coast from Texas to Florida during the spill and for months afterward. As oil spread across the Gulf Coast, so did hotel cancellations.**

- Two weeks after the blowout, 35 percent of surveyed hotels had cancellations.<sup>2</sup>
- Weeks after the blowout hotels experienced cancellations, with up to 60 percent of surveyed hotels having group booking cancellations.<sup>3</sup>
- Hotels also saw increased difficulty booking future events, with 28 percent of those surveyed stating significant difficulty, double the amount from the previous survey. Another 28 percent of those surveyed expressed moderate difficulty booking future events, a 20-percentage point increase from the earlier survey.<sup>4</sup>

### Interest in Gulf Coast visits generally declined following the disaster.

- According to TripAdvisor, a decline in searches relative to the prior year is a leading indicator of fewer travelers planning trips to the region. In July 2010, consumers searched 52 percent less often for Pensacola (FL), 65 percent for Gulf Shores (AL) and 48 percent for Destin (FL).<sup>5</sup>
- A survey found that in June 2010, 10 percent of households already intent upon traveling to the Gulf region had changed plans due to the BP disaster and another 22 percent did not travel to the region for unspecified reasons. This figure represents an average for the entire Gulf region even though a majority of the Gulf shore was untouched by oil.<sup>6</sup>
- Those travelers that canceled Gulf region plans still took beach vacations elsewhere, with top substitute destinations of North Carolina, Massachusetts and Maine indicating a strong aversion to proximity to the Gulf.<sup>7</sup> Tourists still wanted to go to the beach but desired a beach destination as far away from the Gulf as possible.

## Recreational ocean use declined.

- Leading up to 2011, an average of 3.2 million recreational anglers fished in the Gulf each year.<sup>8</sup> From May to August 2010, for-hire fishing trips declined by 98 percent in Mississippi, 80 percent in Alabama, 60 percent in Louisiana and 33 percent in Western Florida.<sup>9</sup>
- Angler trips in personal or rented boats dropped 13-to-23 percent below the 10-year average in Alabama, Louisiana and Mississippi.<sup>10</sup>
- Economists have estimated over 10 million user-days of beach, fishing and boating were lost due to the BP disaster.<sup>11</sup>

## Consumer confidence in seafood declined.

**Fisheries closed and demand for Gulf seafood plummeted. The loss to the seafood industry is estimated at nearly \$1 billion.<sup>12</sup> Consumer confidence in Gulf seafood dropped as consumers were less willing to purchase Gulf shrimp, crabs and oysters due to health concerns.<sup>13</sup>**

- Seventy percent of consumers were not comfortable eating Gulf seafood at the time of the BP disaster.<sup>14</sup>
- Following the blowout, more than half of Americans said they would change their seafood consumption due to the safety concerns.<sup>15</sup> Nearly a third of those intended to eat less seafood, regardless of its origin.<sup>16</sup>
- The majority of Floridians were concerned with unforeseen risks oil on the safety of Florida seafood.<sup>17</sup>
- Only 45 percent of respondents to a Louisiana Office of Tourism survey believed that seafood at Louisiana restaurants was safe.<sup>18</sup>

## Real estate value dropped.

**Property prices and sales plummeted in many Gulf Coast communities following the BP disaster.**

- According to ClearCapital, 24 percent of real estate brokers reported a negative impact of the spill on their markets, with prices between 5 and 15 percent lower than the previous year.<sup>19</sup>
- Mobile, Alabama saw a 25 percent decrease in sales in June compared to the year before.<sup>20</sup>
- Panama City, Florida experienced a 32.5 percent decline in sale volume in June compared to the year before. Before the blowout in April, Panama City had seen a 10.7 percent increase in year-over-year sales that month.<sup>21</sup>
- The volume of condominium sales in several cities along the Gulf coast of Alabama saw a 50 percent decline from July to December 2010.<sup>22</sup>
- Even the perception of oiled beaches affected real estate values. St. Petersburg, Florida, where home sales had been climbing before the spill and where waters were clean, experienced an 8.8 percent reduction in year-over-year sales.<sup>23</sup>

Our abundant ocean resources bring in consistent revenue year after year. Ignoring the realities of past disasters puts marine life, local communities and coastal economies at risk.

**The time to act is now.** Visit [Oceana.org/ActNow](http://Oceana.org/ActNow) to get involved today and go to [stopthedrill.org](http://stopthedrill.org) to learn more.

**#ProtectOurCoast**

## Sources

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