

Devils on the Deep Blue Sea: The Dreams, Schemes and Showdowns that Built America's Cruise-Ship Empires. By Kristoffer A. Garin. New York: Viking Penguin, 2005. xvi + 366 pp. Index, notes, photographs. Cloth, \$24.95. ISBN: 0-670-023418-5.

Reviewed by Ferry de Goey

Beginning in the early 1980s, the cruise industry emerged as one of the world's fastest-growing industries. Initially, cruise companies used second-hand passenger ships, but the industry soon grew into a \$13 billion business dominated by a small number of transnational corporations. In *Devils on the Deep Blue Sea*, Kristoffer A. Garin, a journalist, tells the remarkable postwar history of the North American cruise industry, by far the world's largest cruise market. Garin claims that there is no direct link between the classic ocean liners of the nineteenth century and the modern "leisure machines" (p. 6), whose turnaround time between arrival in port and the next departure is just eight hours.

The modern era of the North American cruise business began in the early 1950s in Miami with Frank Fraser's Eastern Steamship Lines. Fraser's success attracted other entrepreneurs, mostly newcomers to the industry, and by 1964 Miami counted five cruise lines. These companies were able to buy decommissioned passenger ships for bargain prices because the airlines were rapidly replacing the transatlantic passenger services. In 1966, Ted Arison, an Israeli businessman, and the Norwegian shipowner Knut Kloster founded Norwegian Caribbean Lines (NCL). NCL introduced many features, such as combined air-ship tickets and "fun ships." These ships offered all sorts of leisure activities, including casinos, cinemas, and theaters. In 1972 Arison and Kloster parted, and Arison founded Carnival Cruise Lines (CCL). At about the same time, a group of Norwegian shipowners who were active in the oil-tanker business started Royal Caribbean Cruise Lines (RCCL).

By the mid-1970s, the companies recognized that their image was obstructing their ability to expand: a cruise was considered to be mainly a trip for the elderly and did not appeal to younger, middle-class tourists. Serendipitously, the industry received a boost from a television series, *The Love Boat*. The show, which began in 1977 and was

aired in many countries, depicted cruising as exciting, romantic, and a happy experience for all ages. The number of cruise passengers, 825,000 in 1977, increased to about 3 million in 1987. In that same year, over thirty cruise lines operated from U.S. ports alone, but the industry was dominated by four major cruise lines: Carnival, NCL, and RCCL in Miami and P&O Princess on the West Coast (P&O Princess was the cruise division of the British conglomerate P&O). The major cruise lines ordered new ships that could accommodate large numbers of passengers and, at the same time, enabled the companies to profit from economies of scale. The cruise industry continued to expand rapidly by adding new and larger ships also, from the mid-1980s, by engaging in mergers and takeovers (for example, NCL acquired Royal Viking in 1984). Financing this expansion required considerable funds, and the major cruise lines were forced to go public. In July 1987, Carnival (wholly owned by the Arison family since 1974) sold 20 percent of its shares and netted about \$400 million. The sale allowed Carnival to expand its fleet and to acquire other cruise lines. According to Garin, the first acquisition, in 1989, of the Dutch company Holland America Line initiated Carnival's successful portfolio strategy. Ted Arison's son Micky, who became Carnival's president and chief executive officer in 1979, acquired two more companies, including two strong brands: the Italian Costa Cruises (1997) and the British Cunard Line (1998). On November 20, 2001, RCCL and P&O Princess announced a merger that would result in a dual-listed company worth over \$3 billion. Carnival offered a higher share price for Princess but was turned down. After a long, hard fight, Carnival won over the P&O shareholders and acquired P&O Princess Cruises in 2003.

Despite its meteoric rise in the past decades, the cruise industry has not attracted the attention of business historians, and the major cruise lines are not interested in commissioning company histories. Scholars interested in pursuing the subject are thus forced to rely mainly on secondary sources. Garin's book is based on the many interviews he conducted with CEOs and middle managers from the major cruise lines, who offer an inside look at the history of the major cruise lines that does not omit negative details, such as the employment of third-world workers, the pollution they dump into the sea, and incidents of sexual harassment and crime. Garin's study will surely stimulate more historical research on the subject. Although listing some "notes on

sources,” the book does not qualify as scientific, since it does not pursue a theme or come up with a conclusion. Garin does not discuss the problem of market segmentation, as cruises are increasingly geared to singles, nonsmokers, French cuisine lovers, couples with no children, and those over fifty, to name a few categories. Nor does he write about the cruise markets outside North America. Thus he fails to discuss Star Cruises, which is owned by the Malaysian Genting Group. In 2000, Star Cruises acquired NCL and is presently one of the largest cruise operators in the world. There is some truth in Garin’s point that today’s industry is different from its nineteenth-century forerunners, but he overlooks the fact that in the 1950s there were not only newcomers, such as Knut Kloster and Ted Arison, in the cruise industry, but also many older passenger lines trying desperately to survive. Most of the features of the “modern” cruise industry, such as luxuriously decorated ships with swimming pools, theaters, cinemas, and the typical excursions, were invented in the prewar era. The first cruise ship (the steamship Prinzessin Victoria Luise) built for that purpose entered service in 1901 and was owned by the famous German ship owner Albert Ballin (1857–1918), director of the Hamburg America Line. By failing to mention the older, mostly European shipping companies, Gavin presents an incomplete picture of the history of the North American cruise industry.

Ferry de Goey is assistant professor at Erasmus University Rotterdam. He is the author of several books and articles on business history and maritime history, including “The Cruise Industry in the Twentieth Century” in Transportes, Servicios y Telecomunicaciones (2005) and Comparative Port History Rotterdam-Antwerp, 1880–2000: Competition, Cargo, and Costs (2004). He is working on a general history of Dutch entrepreneurs in the twentieth century and of the economic relations between the Netherlands and Japan from 1840 to 1940.