

Tourism, Real Estate Development and Depeasantisation in Latin America

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Abstract

Residential tourism transforms societies and rural economies. Among other changes, it converts agrarian land into urbanized land, and brings new agents into the land market (real estate investors, clients acquiring second homes, etc.). These two factors imply an increase in land prices that often gives way to a crisis of traditional agrarian activities and stimulates the emigration of the local population. The present article examines how this process takes place. Is it simply a mechanism of supply and demand? Or are other economic and political factors at work? To understand this phenomenon, we analyze three South American cases, one in Brazil and two in Ecuador, in which residential tourism is in different stages of development.

Keywords: Residential tourism, Depeasantisation, Rural migration, land price, Brazil, Ecuador.

Resumen: Turismo, desarrollo inmobiliario y descampesinización en América Latina
El turismo residencial transforma las sociedades y economías rurales. Entre otros cambios, convierte la tierra de vocación agraria en suelo urbanizable, e incorpora en el mercado de tierras a nuevos agentes (inversores inmobiliarios, clientes que adquieren la residencia, etc.). Estos dos factores comportan un incremento del precio del suelo que muchas veces impulsa la crisis de las actividades agrarias tradicionales y estimula la emigración de la población local. El presente texto examina cómo tiene lugar este proceso. ¿Es el simple mecanismo de la oferta y la demanda? ¿O actúan también otros factores económicos y políticos? Para ello, se analizan tres casos sudamericanos, uno en Brasil y dos en Ecuador, en los que el turismo residencial se encuentra en diferentes fases de desarrollo.

Palabras Clave: Turismo residencial, Descampesinización, Emigración rural, Precio de la tierra, Brasil, Ecuador.

Introduction

In recent decades, the real estate industry has become increasingly linked with tourism. This linkage can occur in two ways. In some cases, tourism and real estate development are part of the same project through the construction of second homes, sometimes located in large leisure complexes (Aledo, 2008; Müller, Hall & Keen, 2004). In other cases, the conversion of an area into a tourist destination creates the right conditions for the rise of a phenomenon known as lifestyle migration: the migration of people wishing to lower their cost of living with respect to their place of origin (Benson & O'Reilly, 2009; Huete, 2009). These lifestyle migrants decide to move away because, thanks to the price difference, they can suddenly afford housing of a size and quality that would be difficult to obtain in their places of origin. Lifestyle migration destinations act as a draw for those interested in migrating, as well as for the promotion of the creation of infrastructures and services required by this social sector: transport, security, commerce, real estate industry, etc. (O'Reilly, 2007; Gascón, 2016a). The phenomenon is thus characterized by the displacement of people and capital from regions with greater purchasing power than the destination areas. Furthermore, real estate tourism demands attractive and relatively pristine spaces, but must also be cheap. For this reason, the phenomenon is characterized by mobility from the global North to the global South, and from urban to rural areas (Janoschka & Haas, 2014; Murray, 2015; Torkington, 2012).

Residential tourism produces multiple consequences, but here we will focus on two that affect agricultural activity. On one hand, it promotes a change in the use of space: from agrarian to urban. On the other, it brings foreign agents into the land market: real estate investors and property buyers (Aledo, 2016; Cañada, 2011; Farstad & Rye, 2013; Gascón, 2016b; Ros-Tonen & Werneck, 2009). Academic literature has explained how these two factors imply an increase in speculative land price, promoting the marginalisation of traditional economic activities and encouraging the expulsion of the local population (Blázquez & Murray, 2011; Gascón & Milano, 2017; Janoschka, 2011; Milano, 2016; Van Noorloos, 2011). However, it remains to be analyzed how this process takes place. Is it simply a supply and demand mechanism? Or are other economic and political factors also at work?

The article's aim is to answer these questions. To do this, we will analyze three South American cases in which residential tourism has reached different development stages: Ilha Grande of Santa Isabel (Northeast of Brazil), where the phenomenon of second residences is still recent; Cotacachi (North of Ecuador), where, over a short period of time, lifestyle migration caused a spiralling process with serious consequences to the peasant population; and

Vilcabamba (Southern Ecuador), where residential tourism has been prevalent for more than four decades. It should be noted that this is not a comparative study of these three cases. The goal is to detect patterns where residential tourism drives depeasantisation. Each case examines a different phase of this process. The article reveals that tourism, and specifically residential tourism, can act as a land grabbing vector: the purchase of land by large companies, governments or individuals as a space for financial and/or speculative investment and one that evicts local peasants economies (Zoomers, 2010). Land grabbing is an expanding phenomenon in Latin America (Borras, Kay, Gómez & Wilkinson, 2012). The research has been ethnographic, based on qualitative techniques such as participant observation over periods of several months, semi-structured interviews, informal interviews, and focus groups with the rural population of the three analyzed communities, technicians, and heads of organisations and public entities.

The case of the Parnaíba River Delta (Northeast Brazil)¹

From tourist destination to real estate investments

After a journey of 1,485 km, the Parnaíba River flows into the Atlantic Ocean forming a group of 80 islands. The largest and most populated is the Ilha Grande of Santa Isabel. The island harbour, Tatus Port, gives access to the largest American Delta opening into the Atlantic Ocean: the Parnaíba River Delta. The Delta occupies an area of 2,700 km² and is located in the State of Piauí in the Northeast region of Brazil. The Ilha Grande of Santa Isabel has an area of 240 km² and is divided into two townships: Ilha Grande do Piauí and Parnaíba. The total number of inhabitants of the island was 16,745 in 2012 (Comissão Ilha Ativa, 2012).

Ilha Grande of Santa Isabel's rural economy is based on a mix of food and cash crops such as family farming, artisanal fishing, *uçá* crab shellfish (*Ucides cordatus cordatus*) gathering, prawns and other shellfish fisheries, clay handicraft production, carnauba, straw and flax farming and fruit picking. The island soil has extensive pasture areas dedicated to animal husbandry and livestock, which along with other factors are responsible for the deforestation processes that have promoted the advance of the dunes shown by the present native vegetation (*capim, salsa, cajú, murici*). The neighbourhoods under threat by the advance of the dunes are Cal and Tatus.

Since the end of the 1990's, the neighbourhood of Tatus has registered a growing tourist demand due to increasing interest in nature-based tourism activities in the Northeast region. One of the reasons for this increase is based on the Delta ecological sanctuary that shelters important biodiversity in its fresh water lagoons, beaches and dunes, streams (*igarapés*) and varied

vegetation (mangroves, *caatinga*, *restinga*, etc.). Within this framework, transportation services began to emerge in Tatus' harbour, along with boatmen, tourist guides, tourist intermediaries and tour operators. The slowing demand for agricultural activities such as rice production or carnauba wax extraction has promoted the displacement of rural workers to specific jobs related to tourism. Nevertheless, the first tourist flows in the Delta and neighbouring destinations have invigorated other traditional activities such as the production of bobbin lace, which is sold as local craftwork, and uça crab fisheries.

The Brazilian Northeast region presents a wide range of attractions and opportunities for residential tourism development. Uninhabited beaches, favourable weather throughout the entire year, affordable land and real estate prices, and a low cost of living, among other factors, have encouraged the entrance of transnational capital hunting for new territories in which to invest. Over the last two decades, global financial capital made up of private banks and international hotel chains, with incentives from public authorities, has invested in the construction of second residences destined mainly for foreign tourists (Assis, 2009). Several studies have showed how coastal municipalities in the Northeast region have drawn the attention from this private capital (Aledo et al., 2013; Carvalho Rodrigues, 2010; Coriolano and de Almeida, 2007; Cruz, 2009; Demajorovic et al., 2011; Rodrigues, 2010; Silva and Ferreira, 2008; 2011). The so-called 'Atlantic leap', 'global balearisation' or 'internationalisation of Spanish tourism capital' have displaced tourism capital from the Mediterranean area to Latin America and the Caribbean (Aledo et al., 2013; Blázquez & Cañada, 2011; Blázquez et al., 2011; Murray, 2015). This capital displacement might be an example of 'spatial fix' and geographical expansion to solve capitalism's crisis through production of new spaces for economic growth (Harvey, 2001).

The Parnaíba River Delta joined this phenomenon and participated in the development of residential tourism. The tourism industry was highly valued by the government of Luiz Inácio Lula da Silva (2003-2011). From his first legislation, Luiz Inácio Lula da Silva launched a tourism revolution (Buades, 2006; Murray, 2015) and provided the right conditions for foreign investments in tourism and real estate in the Northeastern region market. In this political context, tourism in the Northeast region and in the Parnaíba River Delta generated expectations for real estate investment and became a fertile ground for speculative schemes. In addition, at that time the price of land in the Northeast was very low. The accessibility of land prices and its geographical characteristics have thus led the Federal Government to promote the Parnaíba River Delta and Ilha Grande of Santa Isabel as important tourist destinations for the last decade, making them the centre of public tourist policies. For instance, the Parnaíba River Delta presents itself as a new milestone in

Brazilian tourist destinations and has been included in the tourist circuit *Rota das Emoções* (Jericoacoara, Delta do Parnaíba, Lençóis Maranhenses), shared by Ceará, Piauí and the Maranhão States.

The first year of residential tourism promotion in the Delta was 2005. The first foreign group, of Balearic origin (Ecocity Brasil), acquired more than 6,208 hectares of Ilha Grande of Santa Isabel. Their proposal consisted of the construction of a residential tourist complex, by previously acquiring the land from island landowners. It was followed by the entrance of a second tourist-real estate group, Pure Resort (led by a Spanish CEO), and a new and tangled process of land sale between real estate groups and island landowners. The goal was to propose small-scale tourism and real estate projects to obtain environmental licenses. The result was a fragmentation of the island space. At the beginning of 2010, two new tourism-residential projects were announced by Ecocity Brasil and Pure Resorts: Ecocity Brasil made a smaller-scale proposal in an area of 1,420 hectares called Gleba de las Canarias, located between the municipalities of Ilha Grande do Piauí and Parnaíba; Pure Resorts proposed a tourist resort and residential condominium that occupied 164 hectares (Geoconsult, 2014).

A rural island economy versus the residential tourism promotion

With the development of tourist excursions in the Delta of Parnaíba, the promotion of residential tourism was proposed as a new model. The sale of land and the consequent processes of land fragmentation limited the access of the islanders to resources and common goods. Most productive activities, such as the collection of native fruit or artisanal fishing, depend on resources that are found in rural areas, which were freely accessed by islanders in the past and have recently been acquired by tourism-real estate groups. Nowadays, some of these areas are fenced, limiting the circulation of animals, machinery and work vehicles.

The first proposal of the Ecocity group provoked a strong opposition that stimulated the constitution of a local association, *Comissão Ilha Ativa* (CIA), responsible for distributing informational documents (*Carta Aberta*) and organising resistance actions against real estate speculation. Pressure from popular and environmental state and federal agencies in 2008 resulted in the voiding of the environmental license of the project through an '*Ação cautelar inominada*' of the *Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis* (IBAMA) Federal². The second project of the Pure Resort group received similar resistance. In 2015, at the public hearing of the presentation of the Pure Resorts project, the movement of artisanal fishermen of the State of Piauí (MMP/PI) denounced it with a '*Nota de Repúdio*', accusing Pure Resort group of developing in an area where the islanders

perform agricultural work and artisanal fishing. The main concern of the island rural workers (artisan fishermen, subsistence farmers and fruit gatherers) is the putting up of fences around areas where they carry out their activities, limiting access. This happened with the lagoons where artisanal fishing of freshwater fish is carried out, and with other activities such as crab fishing that takes place in the streams which are now in the tourist-residential areas.

The changes in land use caused by residential tourism increased the already existing problems that had triggered processes of depeasantisation (Milano, 2015; 2016) among the local peasants on Ilha Grande of Santa Isabel; such as the chemical pesticides polluting rice fields (Damasceno, 2011) or overfishing of uça crabs (Legat et al., 2006; Mattos, 2009, Lustosa, A. H. M. 2014). The new processes driven by residential tourism, coupled with the expectations generated by tourism and the employment possibilities in the nearby urban centres, resulted in the acceleration of depeasantisation (Cañada & Gascón, 2016). The case of the Parnaiba Delta is in an embryonic phase of residential tourism. The first processes of fragmentation and division took place at the beginning of 2016. With the concession of the installation license of the Pure Resort project in April 2016 other scenarios began to emerge, characterized by an increase in the land market, rural emigration and depeasantisation.

The cases of Cotacachi and Vilcabamba (Ecuador)³

Cotacachi: A maturing touristic destination

Cotacachi is a rural canton⁴ located in the province of Imbarura, in the northern region of Ecuador. It had a population of 40,036 inhabitants in 2010 (Instituto Nacional de Estadística y Censo, 2010), and by the end of 2014 it was estimated that there were about 700 residential tourists. Almost all of them live in the parishes around the cantonal capital, Santa Ana de Cotacachi, whose native population is indigenous *kichwa*.

Residential tourism emerged during the second half of the first decade of the century as an unintended effect of a municipal tourism development policy. This policy began in the 1990s, with the support of local social partners (Gascón, 2016a; Ortiz, Ospina, Arboleda & Santillana, 2009), and was based on the natural attractions of the canton (a substantial part of its territory forms part of the Cotacachi-Cayapas Ecological Reserve) and its famous leathercraft (Ortiz Crespo, 2004). As different studies have already shown, it is not surprising that residential tourism appears in areas where conventional forms of tourism are being promoted or consolidated, especially if cheap land is available (Gartner, 1987; Hof & Blázquez-Salom, 2013). These tourism development policies create the right conditions for the subsequent

development of residential tourism, as actions to promote the destination generate a 'magnet effect'.

This context led to the partnering up of local entrepreneurs with North American promoters. The first association of this kind dated from the mid-2000s and promoted the first real estate project for foreigners. This model based on 'mixed' promoters (local and North American) was later replicated. For instance, in mid-2014 a new urbanisation was being promoted, just a kilometre from Santa Ana de Cotacachi. The promoters were an Ecuadorian hotelier, settled there for decades, and an American. According to the hotelier, the presence of a compatriot generates trust among potential clients. In addition, speaking the same language and having the same cultural codes allowed them to overcome prejudices that Americans have towards Ecuadorians, whom they consider to be excessively informal. These joint ventures were also promoted on internet and social media. The canton became part of the offer that the US publishing group, *International Living*, presented on their website. This website locates and describes suitable places to enjoy retirement and is a reference for all North Americans who want to spend their last years away from their place of origin. Subsequently, forums and blogs allowed the exchange of opinions between tourists who were already residents in Cotacachi and others who were looking for a suitable place to start that stage of their life (Kline, 2013).

In order to understand the impact of residential tourism on the Cotacachean peasant economy and society, it is necessary to know the tenure structure of the land and the peasantry's reproduction strategies. In the 1980s a dynamic land market was developed which increased the land in the hands of the peasantry and reduced the amount belonging to large landowners. Fernando Guerrero (2004) recorded that between 1990 and 2000 there were 3,055 transactions, the majority (82.5 per cent) being purchase and sale. In the Andean region, the plots of land were generally small with less than five hectares.

Most of the peasantry in the area combined family farming with paid jobs in urban areas or as agricultural labourers on neighbouring farms (Skarbo, 2006). These occupations provided the necessary capital to be able to acquire the plots of land from the haciendas. From the beginning, the land market was shaped by several factors, generating extremes of land division. Some owners, whose farms were under-utilized, sold plots to farmers in order to obtain additional income that allowed them to capitalize on their urban business or face other expenses. In other cases, these sales covered the costs of the failure of some haciendas that had attempted to become technically modernised. Those owners whom had successfully modernised were also interested in shedding land that for them had become marginal with the application of agro-industrial technologies, such as hillside areas lacking irrigation (In a peasant

and smallholder production model, characterised by little technology and intensive use of labour, these lands are not seen as marginal). Peasants also sold and purchased land amongst themselves, starting with those who migrated. Furthermore, demand was spurred by a demographically expanding indigenous peasantry, which traditionally divides inheritances among all children. The acquisition of land from the haciendas thus became the strategy that allowed for the reproduction of the domestic groups while at same time increasing the frontier of the peasant model of production.

Agricultural and land market crisis in Cotacachi

Traditionally, the processes of purchase and sale of land were established taking as a reference the valuation of the Municipality. However, demand for land for residential tourism drove a rapid increase in the price of land. Currently, appraisals only serve to establish taxes or utility rates. Let us look at some plots for sale in early 2015 (Table 1). We see that the sale price far exceeds the estimate given by the Municipal Office of Appraisal and Cadastral. On average, we have calculated that the cost of rural land in the Andean parishes of Cotacachi has been multiplied by three between 2008 and mid-2014.⁵ But in some cases, this increase has been much higher, as exemplified by plot 1. Factors that explain these variations are the proximity of the plots to the road or the cantonal head, or the existence of water on the land. In the case of the first plot, the differential is also due to the fact that, in addition to being very well located, it already had the municipal land division permits: 69 plots of approximately 2,500 m² each. The increase in price is also observed in plots 3 and 4 (Table 1), located in the capital of the canton. The interest in presenting these two plots is not only to exemplify the increase in the price of the land, but also to show that they are small, urban plots. They are, therefore, outside the interest of residential tourism, which has adopted a model of gated urbanisations that require several hectares of space located in rural areas. However, the increase in the price of the land has generated a contagious effect that exceeds the attributes of the land that is really required.

Table 1. Plots of land: municipal valuation and market price (Cotacachi, 2015)

Plot	Size	Municipal evaluation	Sale price
1	176.000 m2	8.349 \$US	1.056.000 \$US
2	37.067 m2	33.173 \$US	100.000 \$US
3	291 m2	9.250 \$US	32.220 \$US
4	305 m2	9.699 \$US	33.790 \$US

Sources: GAD of Santa Ana of Cotacachi – Office of Appraisal & Cadastral (2014) and real estate webpage OXL (www.plusvalia.com)

Residential tourism prompted the conversion of land into a capital reserve, to the point that the demand for residential tourism and land supply has become disconnected. It is no longer so attractive to sell land. The capital reserve is understood here as land used to keep for future and major long-term investment needs. For instance, even though a particular plot is not actively pursued by a real estate investor, its owner still sees his price increase progressively without having to make any type of investment. The increase in the land market promoted an autonomous speculative process. Now the price of land is no longer related to the amount of land demanded by residential tourism. The business is in land ownership and not in its use. It is the element that characterises a housing bubble.

Thus, we have, on one hand, an increase in the price of the land, leading to a situation in which the peasantry can no longer afford it and is marginalized from the land market. At the same time, the land is converted into a capital reserve, beyond the real demand for land for development, reducing the land available for sale. Combined, these two factors have collapsed the land market and peasant reproduction strategies. A cartographic study on two of the most affected communities, Santa Bárbara and Tunibamba, discovered that the amount of land from haciendas used by foreigners' residencies in less than five years was far larger than the land purchased by the community over several decades (Quishpe y Alvarado, 2012). Going back to Table 1, we observe that the municipal assessment per m² of plot 1 is 0.05 USD/m², while for plot 2 it is 0.89. The difference is explained by the agricultural value of each. But its tourism-residential value substantially changed this difference. Now it is plot 1 that has the highest price per m², and with an important difference: 6 USD/m² compared to 2.69 USD/m² for the second plot. Spectacular views, a good asphalted road, but above all, lacking or having the municipal concession to divide up the land and to build, explain this change. The value of the land when its use is agrarian is totally different to its value when the use is tourist-residential.

The Municipality of Cotacachi has always been uninterested in the control of rural land. There was a consensual acceptance that an illegal construction could easily be regularised by the payment of an insignificant fine. As a result, the reclassification of the land (from agrarian to developable) has always been easy. This lack of interest became a problem with the emergence of residential tourism. Due to its consequences, the Municipality began to be cautious when granting new construction permits, and the application of ordinances aimed at maintaining the rural character of the territory was proposed. This meant establishing low levels of development potential.

But this solution proposal could have a negative effect on the peasant-indigenous society. And the fact is that in a context of population growth⁷, the

outdated cadastre and the municipal apathy regarding controlling the change of land use were factors that facilitated peasant reproduction. New generations of peasants, when they become independent, raise their new homes on land inherited from their parents that previously were spaces for agricultural production, livestock or forestry. In fact, the municipal indifference to control the territory was a premeditated indifference, necessary to favour the aforementioned peasant reproduction. What could happen if the Municipality begins to control the land reclassification? Vilcabamba gives us an answer to this question, since it has already experienced this process.

Vilcabamba: a mature tourist destination

Vilcabamba, a parish in the province of Loja in southern Ecuador, began attracting residential tourism much earlier in the 1970s, when a study published by National Geographic ratified and disseminated an idea that had long been running in certain circles: Vilcabamba was one of the places on the planet that presented greater longevity and a better quality of life to its elderly population (Leaf, 1973). According to the Population and Housing Census of 2010, there were 4,778 Vilcabamba inhabitants, of which 301 were foreigners (National Institute of Statistics and Census, Ecuador, 2010). However, the parish calculates that the actual number of resident tourists is much higher than the number registered and could reach up to one thousand.

The Municipality of Loja, on which Vilcabamba depends, decreed ordinances that circumscribed the urban area to approximately 1 per cent of the territory of the Parish (Reyes, González, Miranda & Crecente, 2009). It also established that the minimum plot to allow building in the rural area should be 1,000 m². But this space is beyond the scope of possibility for the native population. As a result of the price increase driven by residential tourism, it became virtually impossible for locals to buy that amount of land. The objective, to maintain the rural-agrarian character of the territory, was not fulfilled. On one hand, residential tourism is characterised by requiring ample garden spaces. So, the standards of building of the municipality, which demands a low building index were adequate to its construction model. On the other hand, those standards made it difficult for the local population to reproduce, as dividing up of the land meant the housing of the new generations had to be built on rural land with a high development potential index. The problem materialises in the peasants' inability to transfer land to their children for the construction of their new homes due to the extreme fragmentation of the territory and the dispersion of peasant properties in small plots through the community. The result is that nobody is able to group together the 1,000 m² required for the construction of a house. The case of the housing cooperative *Maderas de Mandango* is emblematic. Formed by 278 residents of Vilcabamba

(among them, the actual chairman of the Parish Council), the cooperative acquired thirteen hectares for the construction of their houses. However, based on the cantonal ordinances, these hectares are insufficient for the construction of 278 homes, as the space of each would not reach even 500 m².

This situation favours rural emigration. A substantial part of the children of the peasants are not only forced to abandon the agrarian activity because they do not have access to land for the cultivation due to the price of the land; they neither have the option of staying in the territory because of the legal constraints that prevent them from using their property as land for their dwellings. In this context, ordinances have become the subject of political debate. A significant part of the Vilcabamba population is requesting a reduction in build index. Meanwhile, the foreign residents demand their strict application, wishing to maintain a rural landscape that has not been urbanized. With the indirect support of certain academic sectors in the region, which demand low levels of buildability to maintain the ecosystem and curb speculation, the approximately 1,000 foreign residents of Vilcabamba have become a real power. In the municipal elections of 2014, they almost managed to make their candidate into chairman of the Parish Council.

It should be noted that the conservation of the rural landscape does not necessarily imply the maintenance of the agricultural area. In fact, the restrictions of the buildability potential on rural land have allowed the territory of Vilcabamba to remain undeveloped. On one hand, despite residential urbanisations landscaped green areas are not used for agricultural production. And on the other, this strategy expels peasants from the territory, accentuating the processes of depeasantisation.

Depeasantisation and rural migration have led to a reduction in the available agricultural labour force. The difficulty of accessing agricultural land in Vilcabamba leads to low expectations for work in agriculture and makes it difficult for potential labourers to reside in their place of origin. At the same time, they are attracted by urban areas that offer work and educational possibilities. Moreover, although tourism generated an high inflationary process, the prices of agricultural products were not increased. The result is that the peasantry is increasingly scarce in relation to the existing agrarian space. In 2006, the population dedicated to the agricultural sector in Vilcabamba represented 6.61 per cent of the entire economically active population, while in the neighbouring parish of Malacatos it reached 11.96 per cent (Jaramillo, 2012). At the end of the last decade, the rural area represented almost 99 per cent of the total space of Vilcabamba (15,654 hectares), of which only 3.3 per cent was being used for agricultural activities (Reyes, González, Miranda and Crecente, 2009).

This situation has led to changes in land use. Traditionally, the rich valley of Vilcabamba was used for short-cycle agriculture (vegetables, cereals, creeping fruits, etc.), which requires the intensive application of manpower. But given the current shortage of labour, farmers opt for long-cycle produce such as sugar cane or woody fruits (citrus, papaya), or they convert agricultural land into pasture, using it for livestock production. These activities require less labour, but the conversion increases the fragility of the peasant economy. Coming from a very diversified production, which was sent to the local markets and used for self-consumption, it has now transformed to a production based on fewer products and aimed at markets controlled by a few intermediaries (Jaramillo, 2012). These intermediaries have the ability to set prices and conditions. Furthermore, the farmers' dependence on just a small variety of products have made them vulnerable to sudden drops in price. This weakness was evidenced by the crisis of *panela* (unrefined whole cane sugar; the fall of its consumption in Ecuador caused the collapse of the estates that had opted for the production of sugar cane).

Conclusion

Local peculiarities (land tenure structure, level of property formality or local legislation) and characteristics of the tourism-real estate model (whether it is driven by foreign transnational corporations or based on the participation of medium national capital) are factors that influence the development of residential tourism. Precisely, the cases analyzed in the present article show local contexts and dissimilar business models. While in Ilha Grande de Santa Isabel residential tourism is based on large foreign capital, in Cotacachi it was developed from almost artisanal alliances between American individual promoters and local entrepreneurs. While the peasantry of Vilcabamba and Cotacachi were only able to access land through the acquisition of plots, the population of Ilha Grande of Santa Isabel freely exploited the territory before the property-speculative vortexes.

Even though the case studies showcased here are different, the processes characterising the growth of residential tourism show similar patterns that we can divide into three phases. The first stage of real estate tourism development not only drives changes in the use of space (from productive land to land for construction), but also globalises its market: the land market ceases to function based on the characteristics of the local/regional economy and joins a national or international market. In Ilha Grande of Santa Isabel foreign companies such as Pure Resort or Ecocity Brasil are the agents that globalise the land market by acquiring the land to build tourist-real estate complexes. In Cotacachi and Vilcabamba, on the other hand, it was first the end users themselves (retired

Americans) who played this role, and then small mixed companies made up of local people and foreigners. In one way or another, the result is the same: lands that were bought and sold by the native population at prices reflecting the local economic level, are now in the hands of foreign agents with greater purchasing power.

The second stage is characterised by depeasantisation. The emergence of outsiders with high purchasing power, or large capital companies interested in acquiring land for their residences or real estate business, induces an inflationary-speculative spiral in land prices. An example of this process is given in the Cotacachi case. In earlier times, land market prices were based on local factors. The price of the land was limited by the characteristics of Cotacachi's economy. This had allowed the formation of a dynamic agricultural land market that favoured the reproduction of the indigenous-peasant economies. The increase in land prices not only made it difficult for the peasants to access land due to lack of funds or access to credit (the price exceeds the peasant's purchasing power), but also generated an autonomous speculative process: the price of land ceased to be related to the amount of land demanded by residential tourism. Now the real estate bubble turned the land into a capital reserve that offered its owner a growing differential rent without any productive investment. And in this process, the peasantry's reproductive strategies became obsolete.

The third stage is rural migration. The speculative spiral causes serious problems for the traditional economic sectors, endangering their sustainability (Fuller, 2010; Gascón & Cañada, 2016; Milano, 2015). In some contexts, productive activities are halted by strategies such as fencing, as seen in the case of Ilha Grande of Santa Isabel, in others, they are halted by the fact that the increased land price leads to an increased price of agrarian products, which is above the amount accepted by the market. In Cotacachi, peasants would now have to sell potatoes at the price of shellfish to make the acquisition of a plot of land profitable. In other words, traditional productive sectors generate stable income over time (each harvest, each day of fishing or harvesting), but cannot compete with the profits generated by building land, although these profits are obtained only once (when the land is sold). The inflationary-speculative vortex makes these sectors unviable. Only the tourist-real estate sector resists this price spiral, since it feeds on it: it attracts capitals eager for rapidly profitable investments. The greater and faster the increase in prices, the greater the attraction of this capital. And if traditional productive activities are no longer economically viable (Cotacachi and Vilcabamba) or are restricted (Ilha Grande of Santa Isabel), the population that lives there ends up being expelled. One part of the native population will be able to repurpose itself within the new economic pattern as unskilled labour (construction, services related to the

requirements of new foreign residents, etc.), but others will not. Finally, emigration follows depeasantisation: as we have seen in the case of Vilcabamba, the impoverishment of households as a result of the increase in land prices makes it difficult for the local population and their children to be able to reside in their place of origin (Hayes & Tello, 2016).

As mentioned above, several studies show that, in many cases, the development of residential tourism promotes depeasantisation. We cannot affirm that this process always follows these three phases, but the three analyzed cases show a pattern that can help us understand how this process occurs.

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Notes

1. This section is the result of an ethnographic research carried out over 13 months between 2011 and 2014 in Ilha Grande of Santa Isabel (Parnaíba River Delta, State of Piauí).
2. Federal court judicial section of the State of Piauí: precautionary measures with request for an injunction against the State of Piauí in the Northeast region and ECOCITY BRASIL. Online access: <https://goo.gl/5TuQWI>.
3. This section is the result of an ethnographic research conducted between January and October 2014 in Cotacachi and Vilcabamba, the results of which have been partially published in Gascón (2016a, 2016b, 2016c). In the first region, we have been working for more than twelve years.
4. Administrative division of municipal area.
5. Data obtained from a) interviews with real estate agents of Cotacachi; b) monitoring land selling prices
6. Between 1990 and 2010 the population of the canton went from 33,250 to 40,036 inhabitants (National Institute of Statistics and Census, 1990).

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