Title
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Permalink
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Journal
City & Society, 26(1)

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Publication Date
2014-09-02

Peer reviewed
Enclosures within Enclosures and Hurricane Reconstruction in Cancún, Mexico

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Abstract
This article focuses on the reconstruction processes undertaken in Cancún, Mexico after hurricanes Gilbert in 1988 and Wilma in 2005. The article argues that both hurricanes facilitated the creation of an evolving logic of “enclosures within enclosures,” whereby hotel and real estate investors, aided by government authorities, privatized and commoditized Cancún’s public lands and resources for the exclusive use of the global tourism market. In practice, this meant a radical spatial, aesthetic, and economic reconfiguration of the Hotel Zone in Cancún from a low-density luxury resort to a mass tourism, all-inclusive resort destination after Gilbert, followed by the emergence of the contemporary timeshare high-rise condominium model after Wilma. With each new business model, investors strategically used post-hurricane reconstruction to redefine space, displace risk, and to reposition themselves and the city in global circuits of capital accumulation. The case of Cancún provides an empirically grounded example of how, in the aftermath of natural disasters, strategies of enclosure are deployed through approaches to governance, business models, and forms of architecture and surveillance all in the name of defending the public good, providing security, and enhancing economic growth. [tourism, natural disasters, reconstruction, Mexico, Cancún]

Introduction
At Km 13.5 of Boulevard Kukulcán, the main access road to Hotel Zone in Cancún, lies Allotment 18, an eighteen-hectare sea-front property next to Marlin Public Beach and surrounded by the distinctive architecture of the all-inclusive resorts Live Aqua Cancún and Barceló Tucancún Beach (see Figure 1). At the time of our fieldwork in October of 2010, Allotment 18 stood vacant, but it has not always been empty. Indeed, Allotment 18 embodies the dynamic and complex history of Cancún’s transformation from a small fishing village in 1970 to one of the most popular tourist destinations in the world. The particular story of Allotment 18 is traced back to 1987, when construction of a 225-room unit for Hotel Radisson Cancún began by a consortium of investors involving the U.S.-based global hotel company Radisson Hotel
Co., Mexico’s second largest bank Banamex, and Mexico’s reputed ICA/Ingenieros Civiles Asociados Investment Group. A year later, in September 1988, category 5 hurricane Gilbert hit Cancún, causing great devastation to the Hotel Zone. Due to the damage, Hotel Radisson Cancún was never completed. In the aftermath of Gilbert, Banamex and ICA brought their collaboration with Radisson to an end and joined Caribbean Cancún Real Estate to reconstruct a hotel unit on Allotment 18—the Hotel Caribbean Village Cancún. Two years later, in 1990, the new hotel opened its 300 rooms to the public, only to undergo a full renovation in 1995. For the next ten years, the hotel lodged thousands of the nearly four million tourists who travel yearly to the city (SECTUR 2011). In October 2005, Wilma, another category 5 hurricane, brought devastation back to the Hotel Zone and to Allotment 18. Unwavering, investors reconstructed the hotel as an all-inclusive resort, the Occidental Caribbean Village Cancún, now comprising 300 rooms, four restaurants, two swimming pools and two tennis courts. When the resort reopened in 2007, it carried a large deficit due to the onerous reconstruction process. In the same year, Banamex and ICA sold the land to R.M. Mexicana S.A. and the hotel’s property rights of Allotment 18 to the Marriott Vacation Worldwide Corporation. As a result of this property shift, the Occidental Caribbean Village Cancún was demolished in November 2008. It is soon expected to be replaced by the Marriott Vacation Club Timeshare Resort Cancún, a timeshare condominium comprised of a fourteen-story and two thirteen-story towers.¹

This story is a testament to the surprising speed and efficiency with which Cancún’s tourism sector recovered in the aftermath of hurricanes. More importantly, the case of Allotment 18 illustrates a moment of

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¹ The story is adapted from Enclosures within Enclosures and Hurricane Reconstruction in Cancún, Mexico.
“creative destruction” (Harvey 1995) whereby the post-hurricane recon-
struction resulted in new forms of land enclosure which reflected and
fostered “technocratic, marketized, audit-oriented modes of governance
(...) suitable to the economic imperatives of capitalist globalization in
its current form” (Kingfisher and Maskovsky 2008:116).

Land enclosures have been treated as part of the broader phenomena
of capitalist privatization, accumulation by dispossession, and uneven
development (Blomley 2007; Harvey 2003; Smith 2008). These critical
reviews of enclosures single out the economic and political conflicts
ensuing from fencing-off and blocking access to what were previously
common privileges (Chazkel and Serlin 2010). With contemporary
privatization of basic resources (e.g., air and water) and intangible objects
and experiences (e.g., music, knowledge, culture, and sights), recent
inquiries about enclosures are seeking to broaden the analytical and
political power of the concept (Chazkel and Serlin 2011; Vasudevan
et al. 2008). Attending to more abstract forms of contemporary enclo-
sures (e.g., slumming, extractive enclaves, legal violence and torture,
intellectual trade, or biometrics), Vasudevan et al. (2008:1645) propose
an expansive concept of enclosure that encompasses an assemblage of
multiple spaces of inclusion and exclusion, approaches to subjectifica-
tion, and governing strategies.

Enclosures have also featured prominently in the writings of tourism
scholars, especially among those studying how the travel and tourism
industries foster de jure and de facto privatizations of space and of natural
and cultural resources (see Britton 1991; Judd and Fainstein 1999;
Mosedale 2011). Privatization through enclosures has been described
as one of the main processes through which the leisure industry carves
out separate spaces for tourism consumption in cities around the world
(see Sharpley 2000; Smith and Duffy 2003). According to these scholars,
the need to meet tourists’ demands has brought about a distinctive
marketization of urban governance characterized by the enclosure of
space and the subordination of public services and infrastructures, labor,
resources, and land management to market imperatives.

This article traces the emergence of enclosures underlying the
transformation of Cancún into a tourist destination and its intersections
with post-hurricane reconstruction processes. More specifically, the
article unpacks the dynamics and evolving logic of this transforma-
tion through an analysis of the reconstruction of the Hotel Zone after
The article argues that both hurricanes facilitated the creation of an
evolving logic of “enclosures within enclosures,” whereby hotel and real
estate investors—enabled by government authorities—privatized and
commoditized Cancun’s land and public resources for the exclusive use of
the global tourism market. Aided by ad-hoc changes of land use regu-
lations led by the municipality, investors refashioned their tourism business
models after each hurricane. In practice, this meant a radical spatial,
aesthetic, and economic reconfiguration of Cancun’s hotel zone from
a low-density luxury resort area into a mass tourism all-inclusive resort
destination after Gilbert, followed by the emergence of the contemporary timeshare high-rise condominium model after Wilma—of which the trajectory of Allotment 18 is an example. With each new business model, investors strategically used post-hurricane reconstruction efforts to redefine space, displace risk, and to reposition themselves and the city in global circuits of capital accumulation.

A focus on post-disaster reconstruction is useful to identify the different logics of land management and socio-spatial segregation that contributed to transform Cancún into a space of multiple exclusions and uneven development. Cancún provides an empirically grounded example of how in the aftermath of natural disasters specific geographical configurations and political and institutional arrangements generate site-specific forms of neoliberalism (Brenner and Theodore 2002; Smith 2008). Specifically, Cancún exemplifies a peculiar mode of neoliberalization based on what we have defined as “enclosures within enclosures,” literally meaning the cordonning off and commodification of land, resources and infrastructures within already enclosed spaces. We contend these enclosures within enclosures operate as “nested” instruments of flexible privatization whereby resources are re-appropriated, commoditized and incorporated into global chains of capital circulation. In Cancún, this process is fuelled by the periodic occurrence of extreme weather events (such as tropical storms and hurricanes), which enable an ongoing process of reorganization of privatized land and resources, but also of re-demarcation of patterns of socio-cultural exclusion.

The strategic appropriation of hurricanes as destructive but creative occasions by governments and developers is not unique to tourist cities such as Cancún. It is a process that becomes largely visible in many cities in the aftermath of natural disasters, when the destruction of the material and social fabric of cities gives rise to a “state of exceptionality” discourse which aims to legitimize spatial and legal reorganizations in the name of the public good, security, and economic growth (see Ferguson 2006; Vasudevan et al. 2008). A paradigmatic example of this is the common claim of “building safer cities” (Kreimer et al. 2003) with better access to services in post-natural disaster situations. Infrastructure, such as water, telecommunication, and energy systems, as well as housing, are privatized through the transfer and displacement of reconstruction efforts and responsibilities for future risks from governments to the private sector (Clichevski 2003; Freeman 2003; Gandy 2008). As Schneider and Susser (2003:4) put it, “the necessity or opportunity for reconstruction exposes a city immediately and powerfully to neo-liberal capitalist pressures” namely through the demand “to generate profits for transnational corporate interests associated with finance, name-brand shopping, and tourism.” For this purpose, “cities must recreate themselves as commodities” (Schneider and Susser 2003:4).

The empirical material gathered for this article is the result of an interdisciplinary research project undertaken by a team of social anthropologists, sociologists, and urban planners. In the broader project we compared post-disaster scenarios in urban settings in Latin American and
Africa. The analysis in this paper builds on ethnographic fieldwork conducted in Cancún between October 2010 and July 2012. We conducted participant-observation, twenty semi-structured interviews, a large number of informal interviews, and on-site archival research.\(^2\)

Cancún: A planned, segregated beach resort

The processes of enclosure in Cancún began in the early 1970s as part of The Cancún Project, also known as Cancún’s Master Plan 1970–1995. Set in motion by the Mexican government and the Bank of Mexico, and later managed by the National Fund for Tourism Promotion (FONATUR), the Cancún Project was part of a national effort to stimulate the tourism industry as a viable economic alternative for the ailing Mexican economy of the late 1960s. FONATUR’s mission for Cancún was straightforward: to transform remote tropical lagoons and mangroves into an elite “sea, sun, and sand” resort destination.\(^3\) The Plan was strategically conceived as an economic device for extracting foreign currency from international markets by maximizing investment return through value-added oceanfront real estate development (see Córdoba Azcárate 2011; Marín Guardado 2010; Manuel-Navarrete 2012; Torres and Momsen 2006).\(^4\)

To accomplish this mission, and to successfully attract the necessary capital, FONATUR turned the 12,700 hectares of ejidos (common lands) committed to the project into a city with two spatially enclosed and functionally segregated areas with differential access routes and infrastructure provision (see Figure 2). One of the enclosed areas, the Hotel Zone, was built upon a very narrow and fragile barrier island that separates the Caribbean Sea from the Nichupté Lagoon. The other enclosed area, Cancún City, was built inland on the other side of the lagoon, to accommodate tourism-related workers and services. The Hotel Zone was expected to fulfill national and international tourists’ desires to escape and enjoy high-end services; Cancún City was designed to supply goods and labor to this tourist area. In principle, the plan “guaranteed public access to beaches” and the “preservation of the five mile zone separating...
the tourist zone from mainland” (Aguirre 1991:32). As we illustrate below, however, processes of creating enclosures within enclosures facilitated the privatization of public beaches. Ultimately, what transformed Cancún into a leading Caribbean tourist destination and an important center of the Mexican economy was, in essence, a typical enclosure process in which the state permitted the privatization of ejidos for profit and leisure consumption.

While space does not permit us to discuss the phenomenal unplanned urban growth in Cancún City since the 1970s, it is important to note that over the years FONATUR has remained unwilling or unable to house the vast number of rural and low-paid workers that migrated to Cancún in search of a decent livelihood. For the most part, those who catered to tourists in the Hotel Zone lived in colonias, distinct settlements with varying degrees of regularization, makeshift and self-built housing, service provision, and land security. The indifference to creating decent and stable housing in Cancún City is visible in the priorities of post-hurricane reconstruction. As noted below, in the aftermath of hurricanes Gilbert and Wilma, government agencies privileged the reconstruction of the Hotel Zone over ordinary neighborhoods in Cancún City.

The spatial segregation between tourists and workers’ areas remains in place today. The need to maximize capital investment and to generate national and regional revenues has prompted the enclosure of the Hotel Zone and its resources—particularly, the public beach. As it is stressed among Cancún’s inhabitants, the segregated Hotel Zone very soon became “the goose that lays the golden eggs”: an area to be protected and respected as a restricted space for outsiders and tourist consumption where the access of locals was mediated by labor intensive practices, policing, and surveillance. In practice, the Hotel Zone became a fortified enclave (Caldeira 1999)—that is, “a privatized, enclosed, and monitored space for residence, consumption, leisure and work,” a “socially homogenous environment (. . .) turned inward and not to the street,” which is “controlled by guards and security systems that enforce rules of inclusion and exclusion” (Caldeira 1999:83–87).

Hurricane Gilbert and the birth of all-inclusive resorts

The absence of large, high intensity hurricanes (i.e., category 4–5) prior to 1988, together with the unavailability of data prior to 1970, helped to foster among Cancún’s inhabitants, city planners, and the federal government an optimistic belief that the city was somehow immune to natural disasters (Martí 1985). This belief, however, was shattered on September 14, 1988, when the massive and virulent hurricane Gilbert hit the city. Known in Mexico as the “hurricane of the 20th century,” Gilbert caused over two hundred deaths in Mexico, 40 of them in Cancún. More than half a million people were displaced and material
losses were estimated at over US$300 million (Aguirre 1991:33). The rapid development of the hurricane in less than forty-eight hours, together with its erratic path, caught Cancún largely unprepared, razing the Hotel Zone and Cancún City. As one local authority put it:

In 1988, with Gilbert, people in this city experienced a hurricane for the first time and it surprised them all (...) Just imagine how little thought it was given to this [issue] that it occurred to no one [to plan for] hurricanes when inventing Cancún.

According to field observations in the week following the hurricane by a team of the U.S. Committee on Natural Disasters of the National Academy of Sciences and the National Academy of Engineering, sixty percent of Cancún's 200,000 inhabitants lived in colonias surrounding downtown (Aguirre 1991:34). Gilbert either completely destroyed or severely damaged the makeshift houses, leaving them without roofs and walls or any kind of service (Aguirre 1991:34). Nearly every kilometer of the coast's beaches was reshaped or eroded, and the beach's slope, with all the sand removed, was left “too acute for recreation” (Clifton 1991:340). Most hotels in the Hotel Zone suffered some kind of structural damage, with over 4,000 hotel rooms severely damaged. In the three months following the hurricane, the finances of the state of Quintana Roo, where Cancún is located, declined by 65 percent due to an estimated loss of USD$87 million in tourism revenue (Aguirre 1991:33).

Post-disaster recovery differed significantly between Cancún City and the Hotel Zone, the latter benefitting from the use of exceptional governance measures. As the head of FONATUR at the time of our fieldwork said:

FONATUR has that capacity of attracting federal resources directly and it has the freedom of using them immediately. With those resources we can go in immediately [and recover the Hotel Zone].

Despite the severe housing crisis generated by the hurricane, Cancún City received no housing assistance programs. It was up to individuals to fix their homes the best they could (Aguirre 1989, 1991). As one informant put it:

No credits for new boats or motors. No equipment. Just cardboard sheets ... Why, if hotels received millions of pesos? Why did fishermen not receive some help? This is indeed what I call a governmental stunted (atrofiada) attention.

The federal government prioritized the recovery of the Hotel Zone in order to re-establish its lifeline which is dependent upon tourism. To this end, President Carlos Salinas, formally in office on December 1988, declared Cancún as a space of exception. The investment required for the reconstruction of tourism infrastructure along the coast—over US$4.5 million, according to an estimate by the Inter-American Development Bank (see Aguirre 1989)—was well beyond the possibilities of the state of Quintana Roo and the federal government.
To facilitate access to international loans for disaster reconstruction and the influx of foreign capital, the federal government undertook an unprecedented national restructuring of foreign investment laws. Granted by Salinas’ 1989–1994 National Development Plan, which aimed to achieve growth through denationalization and deregulation, Cancún became one of the first cities in Mexico to privatize its water and electricity services (Pradilla Cobos 1997). Recovering from Hurricane Gilbert became an opportunity to implement those wider reforms in Cancún, with an emphasis on capturing international capital inflow through tourism activities.

The opening of Cancún to foreign capital fostered a process of land and service privatization and a radical reorganization of land use in the Hotel Zone. To this end, FONATUR focused on selling off or leasing “those enterprises where [FONATUR] was participating and which implied any kind of operational costs” (SECTUR 1996:201). It also started looking for “operational and financial efficiency in [its] investments through changing operators and concessions to private investors” (SECTUR 1996:201). In practice, this strategy allowed the Federal Government, through FONATUR, to sell large tracts of the Hotel Zone’s public land to tourism multinational corporations and real estate investors.7

As a result of FONATUR’s aggressive privatization strategy, together with the re-investment of insurance premiums, the Hotel Zone experienced a fast recovery of its room capacity. Although data on the exact amounts of public and private investments is not available, Mexican insurance companies estimate that they distributed US$1.2 billion for reconstruction efforts after Gilbert, most of which was to rebuild damaged tourist infrastructure in the Hotel Zone.

By mid-December 1988, just three months after Gilbert, 80 percent of the hotel rooms were back in service. A year after the hurricane, new construction achieved record levels in the area, with 21 new hotels opening within two years of the storm (Clifton 1991:340). In the following decade, the Hotel Zone more than doubled its room capacity from nearly 12,000 rooms before the hurricane in 1988 to over 27,000 rooms in 2005. This effectively transformed Cancún from an elite and low-density tourist destination into the mass-tourist vacation destination that it is today (SECTUR 2006).8

The process of economic growth after the hurricane took place through the gradual transformation of Cancún’s Hotel Zone into a space of “enclosures within enclosures.” Prior to Gilbert, operating low-density luxury hotels was the dominant business model in the Hotel Zone. During the 1990s, and aided by post-disaster privatization processes, the mass tourism all-inclusive resort replaced this model, reaching a total of 60 units in 2011 (SECTUR 2011). The all-inclusive tourist model consists of a self-contained resort, offering full board, accommodation, drinks, and entertainment activities for a flat rate paid in advance to tour operators. In many cases, the flat rate also includes airport transfers, special sports activities (e.g., golf, scuba diving, horse riding), and spa
treatments (Issa and Jayawardena 2003:168). These resorts differ from traditional hotels in that they require larger amounts of land for their recreational infrastructures, in addition to space for parking. Moreover, their philosophy of seclusion varies from that of traditional hotels. It explicitly aims to detach tourists from the local culture. By paying for their holiday in advance, tourists have little incentive to leave the premises and experience life outside the walls of the resort. As an urban planning expert working in Cancún commented:

What did the Government do in Cancún? They changed debt for investments, they sold debt and hotel corporations, Spanish ones in particular came to invest (…) Hotels started to generate such an attraction that they absorbed everything. Restaurants (…) jewelry shops and other shops started to die, people just didn’t go outside.

The advent of the all-inclusive resort, which increased the connection of the Hotel Zone to international markets, contributed to the re-organization of economic relationships between the Hotel Zone and Cancún City, and to deepening the splintering of these two areas. Before hurricane Gilbert, and despite the segregated nature of the destination, there were everyday interactions between downtown Cancún City and the Hotel Zone. In the early stages of the tourism enclave, tourists who lodged at the Hotel Zone often visited the main markets in downtown Cancún City to buy souvenirs or to eat at local restaurants. Hotel managers who lived in downtown Cancún City traveled daily to the Hotel Zone. Gilbert, and the advent of the all-inclusive resorts that followed, disrupted these relationships of exchange and interdependency between the two areas. As production for local and regional markets could not meet the demands of a growing number of tourists, the Hotel Zone developed connections to global supply-chains that bypassed Cancún City. Tourists became increasingly detached from Cancún City, as one of our informants explained:

After Gilbert, the city was not the same anymore (…) these big hotels you see now where constructed then (…) This was also the time when the spring-breakers came to Cancún and the chaos (desmadre) started (…) tourists just wanted to party (fiesta) and the beach (…) Before Gilbert tourists would come to the city for a walk, to dine at restaurants, to buy souvenirs at the markets.

According estimates, about 85 percent of tourists never step outside the enclosed space of their all-inclusive hotels to eat, walk, or take pictures (Grupo Ciudad, Desarrollo y Conservación Consultora 2007). It now seems that tourists move within highly regimented circuits of consumption designed by the all-inclusive resort in which they stay. When they venture outside the Hotel Zone, they tend to do so through the pre-packaged tours organized by the hotels. This is often reinforced by fears of what might happen beyond the resorts’ walls, which are under permanent surveillance by the security systems of the resorts (Hawkes and Kwortnik 2006). The all-inclusive resort—a spatial enclosure nested
within the wider enclosure of the Hotel Zone—has thus become a self-contained habitat for private consumption characterized by the regimentation of people, capital, and objects within tightly controlled spatial circuits.

Key to this process of nested enclosures was the appropriation of the beach for tourists’ private consumption. Under Mexican law the beach is a public space; therefore, its enclosure within the boundaries of all-inclusive resorts could not be achieved by a straightforward process of privatization. The beach had to be “cordoned off” through de facto privatizations involving the creation and maintenance of intricate physical and immaterial boundaries. Different forms of architecture became one of the most prominent material boundaries producing this process of enclosure. Most all-inclusive resorts are built on the narrow oceanfront corridor limited on one side by the beach and on the other by the Boulevard Kukulcán. The hotels themselves have been placed immediately next to each other, thereby allowing little space for accessing the beach. In addition to the walls, fences, and gates that secured the resorts, this architectural configuration creates a barrier that blocks both physical and visual access to the beach. As one local put it, “when the hotels came we could no longer see the sea (…) and each new one is bigger and thicker [than the others].” When we visited Cancún in October 2010, unrestricted public access to the beach was possible only at nine sites on Boulevard Kukulcán, a stretch of nearly 25 km along the coast (see Figure 3).

In addition to these tangible physical barriers, the process of creating enclosures within enclosures also relies on a number of immaterial, but equally effective boundaries traced by socio-economic status, race, and constant surveillance (Low 2006). The conspicuous difference between the affluent and typically white-skinned North American and European tourists, and the brown-skinned locals often acts as an insurmountable barrier for the latter. These barriers are constantly at play when walking the beach, when trying to access an all-inclusive hotel either from the beach or from the entrance gates, or when deciding where to go shopping. At the beach, all-inclusive resorts use hotel staff as “beach guards,” as they are locally known, to enforce these invisible borders. Beach

Figure 3. Wall of hotels on Blvd. Kukulcán blocking visual and physical access to the beach (left). Example of de facto privatization of the beach through architecture (right). Photos by Juan Córdoba Ordóñez.
guards usually stand at the limit between one resort and the next, keeping unwanted visitors off the enclosed beach perimeter. The guards constantly survey people walking along the beach, verifying whether they are wearing the hotel’s identifying bracelet, either by visual identification from a distance or conducting “stop-and-probing” of passers-by. The fear of public embarrassment from being stopped while walking on the beach works as an effective deterrent to non-guests who may wish to access the beaches that front hotels. Guards also keep on-foot vendors away from guests lounging on the hotel’s beach hammocks and hut-like umbrellas, restricting vendors’ circulation closer to the water as this is still public federal land. The surveying is, in many ways, an act of profiling along lines of race and appearance of a particular socio-economic status. The son of one of the first residents of Cancún synthesizes what has become a recurrent explanation for how the enclosure of the Hotel Zone works:

After Gilbert, free movement in Cancún came to an end. It is maybe even possible to think about what apartheid is in South Africa to think about what the Hotel Zone is for [the city] inhabitants (. . .) Credentials are needed to get in, sometimes it is not an ID, it is the color of your skin (. . .) Interiorized segregation is what makes [the population] even more vulnerable. They just don’t feel entitled to enter that zone of the city to go to the beach.

It is through this set of intangible and tangible boundaries that the beach has been effectively cut off from public space and incorporated into the hotels as a natural extension of their swimming pools. The once public beach thus becomes the “hotel beach,” recognized by the name of the hotel that fronts it, and with restricted access to hotel guests only.

The development of enclosures within enclosures in the form of all-inclusive resorts at the Hotel Zone illustrates the process whereby local public spaces are appropriated, commoditized, and incorporated into global chains of capital circulation. It also illustrates the splintered

Figure 4. Private-public property at an all-inclusive hotel’s signal. Photo by authors.
nature of globalizing processes (Graham and Marvin 2001). It was not Cancún as a whole, but only the Hotel Zone and very specific enclosed spaces within this area that became nodes in the larger tourist and financial global networks. Unlike the initial land enclosure leading to the creation of Cancún in the 1970s, the all-inclusive resort model emerged from a combination of exceptional measures derived from a natural disaster, government-led privatizations, physical architectural barriers, and everyday strategies of surveillance, profiling, and policing. More importantly, the development of these enclosures within enclosures resulted in a shift in the logic of urban governance and citizenship. The proliferation of these nested enclosures shifted political and economic power from the federal government to the private sector thus creating a new urban, political and economic geography of the city. This was achieved by introducing new boundaries that reshaped and fragmented space, which regulated the flow of people and goods and effectively segregated citizens with unequal access and rights to these spaces. The ability to access and participate in these enclosed spaces and into the global networks they are connected to, thus became the discriminating factor in the allocation of economic and political resources at the city level. This created a divide between serviced enclosures connected to global circuits and the rest of the areas excluded from its benefits, but fully dependent on them for survival.

The insertion into this global market also implied a new dynamics of socio-spatial segregation. The absolute dependency of the city on these enclosed spaces of global consumption increased the vulnerability of the city to fluctuations in the global tourist market as much as to natural disasters. This became evident in 2005, when another major hurricane brought Cancún down on its knees once again.

Hurricane Wilma and the emergence of timeshare high-rise condominiums

While post-Gilbert recovery marked a period of spatial and economic reconfiguration of Cancún into an all-inclusive mass tourism destination, the period that followed hurricane Wilma was characterized by the displacement of risk and responsibilities through the emergence of a new type of enclosure: the timeshare high-rise condominium. On October 20 and 21, 2005, category 5 Hurricane Wilma, the most powerful hurricane on record worldwide, ruthlessly hit Cancún. There were no human casualties to report, but the hurricane tore the Hotel Zone into pieces and devastated entire areas of Cancún City. Nearly all the City’s residential areas suffered from intense flooding and structural damage, and over 300,000 residents of Cancún City lost their homes. More than 80 percent of rooms in the Hotel Zone suffered severe damage, while the beaches were obliterated, causing an estimated daily loss of US$1.5 million in hotel revenue. Material losses related to the tourism sector alone were estimated at US$2.9 billion,
with about US$11 million being claimed from insurance companies for personal damages in Cancún and the Riviera Maya. As one local official put it, after the hurricane:

[the Hotel Zone] was full of sand. All the palm trees were on the ground. (. . .) The beautiful [sea] color we have [had turned] black, such devastation. I thought, “Cancún is over. There won’t be Cancún ever again.”

The strategic relevance of Cancún’s Hotel Zone to the Mexican economy became apparent once again in the prompt but selective post-hurricane response of the federal government. On the first evening after the storm, a Federal Police contingent of 240 military landed in Cancún to protect the Hotel Zone, selected commercial areas (mostly Walmart properties) and banks in the city’s downtown area. Despite the early presence of the military, local residents reported feeling “unsafe” and “abandoned.” The lack of water, electricity, and food in the weeks following Wilma led to unprecedented episodes of violence and extensive looting in Cancún City. One local official remembered that:

Cancún was a city in which everything was being looted. [People] had to close the neighborhoods, light fires at their entrance and arm themselves to defend their property. This was true and absolute chaos, just like a movie (. . .) the Hotel Zone was immediately closed by the [Federal Police] and no one could enter it.

This description is compelling considering that just three days after the storm President Vicente Fox visited Cancún and declared it a “state of national emergency.” In an attempt to speed post-disaster recovery in time for the December peak season, Fox pledged nearly US$2 billion in assistance, half of which was designated for the reconstruction of hotels, restaurants, and other tourism-related facilities at the Hotel Zone. The other half was to fund a temporary employment program for tourism workers affected by the hurricane—a novelty since hurricane Gilbert. The federal government sought further loan assistance from both the Inter-American Development Bank and the World Bank International, although amounts were never publicly disclosed (Álvarez n.d.). A survivor of the hurricane narrated the process of receiving financial aid as follows:

Cancún said, “We need money to recover,” and [President] Fox, without coming, without evaluating, said, “There, you have it” (. . .) reconstruction was not done by the government (. . .) it was done by financial capital (. . .) Wilma was the most costly hurricane ever. They just wanted to keep money moving, they built rooms and more rooms. They never thought about vulnerability, they just knew land was cheap and governments opened to business to grow.

Once more, in the absence of a public program for housing recovery, Cancún’s inhabitants were left to their own devices. A newlywed couple of immigrants from Mérida, Yucatán who survived the hurricane in their
new home in Cancún, recounted the sharp contrast between their experience as citizens and the recovery of the Hotel Zone:

While in the city everybody was looting, we could see trucks with palm trees passing by for days. A week after the hurricane we went to see the Hotel Zone. It was totally clean (. . .) it is hard to live in a city like this (. . .) just think that the second day after the hurricane the military was everywhere, every night you could hear fire guns, every day you had to form lines if you wanted to get something of basic need (. . .) We even had curfew at 6[pm] for weeks (. . .) The government was not coming.

The lack of attention that most of Cancún’s population received after Wilma and the precariousness of these residents’ lives stand in stark contrast to the aid that was designated to swiftly re-establish the Hotel Zone and its position in the global tourist market. Within two weeks, water, electricity, and access infrastructures that connect the Hotel Zone to the airport and the city had been fully restored. New palm trees were brought in and planted in the main tourist boulevard and the beaches were rebuilt in just three months. This latter achievement was the result of a tremendous engineering effort involving a consortium of hotels and the federal government, costing over US$20 million (SEDESOL 2010). As a result of these concerted efforts, 80 percent of Cancún’s hotels were opened to the public within five months after Wilma. Ninety percent were opened within a year. Perhaps even more surprising than this, in less than three years Cancún surpassed its pre-Wilma room capacity by adding 21,300 new rooms in real estate development projects. By 2008 the Hotel Zone exceeded the 30,000 rooms carrying capacity legally established in the original Master Plan.

The source of this phenomenal growth is to be found, once again, in the strategic use of a post-disaster scenario. Hotels, real estate investors, and public officials transformed the encumbrances of destruction into an opportunity to reposition Cancún in the global tourist market by reorganizing existing forms of enclosures and associated tourism business models. Like other well-established tourist destinations, Cancún’s hotels were by 2005 trapped in a cycle of decay where the need to cut prices generally implied the gradual downgrading of hotel infrastructures (Warnken et al. 2008). Additionally, for many hotel corporations in the Hotel Zone—as those delivering change to Allotment 18—the all-inclusive model proved too inflexible and expensive to deal with after natural disasters of the likes of Wilma. This model required major investments by resort owners to sustain a steady flow of tourists as well as large and costly global supply chains. As a result, the typical cycle of investment recovery for resort businesses spun over a decade. The dramatic rise in insurance premiums after Wilma meant an even more extended cycle of investment recovery for the all-inclusive resort business model. The tourism industry thus started perceiving the all-inclusive resort model as a high-risk investment in a disaster-prone area such as Cancún. As a result, hotel companies began looking for business models with shorter cycles of investment recovery.
While post-Gilbert recovery entailed exceptional measures to restore Cancún, including the massive privatization of public lands that facilitated the all-inclusive resorts expansion in the Hotel Zone, local, national and foreign investors turned to existing planning provisions to redress investment risk this time around. More specifically, under the provisions of the 1993 Cancún Urban Development Plan, there was a land use category—the “areas for special recreational tourist services”—which had remained largely underused but which entailed little regulation. Other land use categories zoned for tourism—the high, medium, and low density tourist areas—had well defined norms regulating, for example, the number of rooms and residential units per hectare, their area, the minimum distance between units, or the number of parking lots per square meter of built area. However, the “areas of special recreational tourist services” category only regulated parking—one parking lot per hundred square meters of built area. In practice, this meant that hotel corporations and real estate investors were free to build as many rooms as they saw fit, as long as their property was zoned as an “area of special recreational tourist services.”

Tapping into this largely unregulated land use category and with the acquiescence of local authorities, real estate consortiums and corporations began investing in a new business model: the timeshare resort, comprised of mixed tourism and residential units (villas) and high-rise condominiums (towers) (see Figure 5). Spurred on by the large cash flows from insurance premium payments after the hurricane, hotel corporations began replacing damaged all-inclusive hotels for timeshare resorts, like it happened in Allotment 18, despite the explicit prohibition in the 1993 Cancún Master Plan to erect buildings over four stories high. As a result of this shift toward the timeshare model, the Hotel Zone room capacity increased by nearly 2,000 rooms in five years, with 11 low-density tourist areas changing zoning to the “special recreational tourist services” category (SEDESOL 2010). By 2010, only five years after Wilma, there were 25,000 units of high-rise condominiums and residential villas, nearly the same room capacity as that of existing hotels. At Protección Civil in Cancún, we learned from an official about this transformation and its associated environmental and social risks:

Condominiums are invading us (…) they are everywhere (…) fifteen, twenty-story high (…) do you know how many people can live there? Do you know what this means if a three meters wave hits Cancún? The sea would just need to show its tongue and they will be gone (…). These [condominiums] of course are political favors as they [real estate and politicians] know this [area] is highly vulnerable.

The development of timeshare resorts produced yet another shift in the logic of enclosures within enclosures. This time the shift involved a displacement of investment risk and responsibilities to individual property owners in the attempt to generate more flexible investments for the global tourist market. As an enclosed architecture, timeshare
condominiums share similarities with all-inclusive resorts, such as gated access and the *de facto* privatization of the beach. There are, however, some critical differences. All-inclusive resorts—its property development, management, maintenance, and marketing—are the responsibility of a single legal entity (e.g., the property owner, the management company, or the hotel chain). Most condominiums, however, entail a form of responsibility over the property that is distributed by its many apartment owners. With the timeshare model, investors recover their investment in a shorter timespan and dissociate from the property as soon as all apartments are sold. In other words, condominiums allow a reorganization of legal responsibility which enables investors to externalize some of the costs associated with maintenance or post-disaster reconstruction processes to individual property owners. Moreover, investors will have little vested interest, for example, in contributing to future beach recovery efforts as they did after Wilma. In the event of the destruction of apartment units by a natural disaster, insurance and reconstruction costs will be directly imputed to individual property owners, the federal government, and the municipality.

Fearful of the potential long-term effects of condominiums, the Hotel Association in Cancún is trying to regulate condominium construction. However, as one of the Association’s leaders confessed:
Trying to regulate condominiums is hard. It is like fighting with lions. They are terrible for Cancún. When people buy them, they don’t generate jobs, they don’t generate money, they just come a few days a year. The rest of the time they rent it and they don’t pay taxes as hotels pay the 11 percent of VAT, plus three percent of the cost of the room to the promotion of the destination. These people don’t care about Cancún (…) they only take advantage of its consolidated place in the tourism market.

The emergence of the timeshare model as another form of enclosures within the enclosed space of the Hotel Zone illustrates, once again, how a natural disaster is effectively taken as an opportunity to adapt to contemporary demands of the global tourist market by adopting more flexible, quickly profitable, and less risky business models. The introduction of this new model has done little to redress the enduring socio-spatial and environmental imbalances that characterize Cancún’s urban landscape. Timeshares have contributed even less to change the official discourses and hegemonic narratives regarding the need to reassure the development and security of the Hotel Zone for the greater good. If anything, this new model of enclosure within enclosures has deepened the vulnerabilities of Cancún in the face of both the whims of extreme weather events and of the global tourist market. What emerges in the case of Cancún is an unevenly profitable model of enclosures within enclosures through a process of space commodification that avoids responsibility and liability in the face of global market fluctuations and the unpredictability of natural disasters.

Conclusions

The rise of Cancún as a main destination in the global tourist market provides an example of the dynamics of enclosure and the role that natural disasters can play in them. Beginning with the planned enclosure and the segregation between the space of tourists (the Hotel Zone) and the space of workers (Cancún City), Cancún’s geography of enclosures has been under constant reorganization in an attempt to create more flexible and profitable tourism business models, as exemplified by the trajectory of Allotment 18.

In the aftermath of large-scale destruction caused by hurricanes, Cancún’s Hotel Zone underwent a process of creating enclosures within enclosures. First, after Gilbert, all-inclusive resorts replaced the initially planned low-density luxury hotel units. To this end, exceptional measures facilitated the privatization of public lands and the commoditization of public resources. Fortified architectural configurations and non-material forms of control and surveillance established barriers that enclosed the Caribbean beach for its exclusive insertion in the global market of mass tourism. The philosophy of seclusion espoused by the all-inclusive resort detached tourists from local activities and economies, facilitating the splintered connection of Cancún to global networks.
Later, after Wilma, timeshare high-rise condominiums and residential villas began to replace the cost-intensive all-inclusive resorts. Local government and real estate investors saw an opportunity to deploy a new business model that returned investment quickly, while displacing risk to future individual property owners. As a consequence, investors have little vested interest in contributing to the future sustainability of Cancún. Enduring socio-spatial imbalances persist and the economy of Cancún remains as vulnerable to the volatility of global tourist markets as to hurricanes and tropical storms. This process of risk displacement is not exclusive of real estate investors or the local government. In a way, the Mexican Federal Government has played an enabling role to this end too. With the original enclosure and commodification of public lands for private use by the tourism industry, the federal government also displaced risk to the private sector. The process of land privatization that followed Gilbert further transferred risk. Certainly the main purpose of privatization was to raise funds to reconstruct the Hotel Zone, the “engine” of Cancún. But it also entailed transferring risk to real estate investors and their insurance companies. Once that risk became too burdensome (i.e. non-profitable) to the private sector, they sought to shift it to individual unit owners. As a result, Cancún’s case exemplifies an instance in which the logic of enclosure implies the transfer of sovereignty from the public realm into the private sector and the subsequent transfer of responsibility (Chang 2011: 7).

It is in this context that we can understand why institutional discourses in Cancún almost invariably portray destructive events such as Gilbert and Wilma in a positive light. For institutional and corporate actors, hurricanes are not “crises” that disrupt the city or that threaten its economic viability or survival. For them, hurricanes emerge as “catalysts” for change, as “opportunities” that “help save bad seasons.” They are contingent events that come and go, re-order things, and open up opportunities for strategic appropriation. This is evident in the reconstruction processes following hurricanes Gilbert (in 1988) and Wilma (in 2005). These events were strategically appropriated to transform Cancún into a fortified enclave of global leisure and consumption.

Cancún’s story of enclosures within enclosures also reflects a political process of fabricating acquiescence and subduing dissent. While this article focused on the socio-spatial dynamics that unfolded in the Hotel Zone, we found only occasional evidence of dissent from the city’s residents against the hegemonic narrative of Cancún as a tourist destination (see Kray 2006). For the most part, there was an attitude of acquiescence rather than resistance with respect to the need to preserve Hotel Zone—the “goose that lays the golden eggs.” The Hotel Zone remains a national, regional, and municipal priority, as well as the only source of work available to most of those who migrate to Cancún. This explains why the neglect of Cancún City in favor of the Hotel Zone in the reconstruction processes following both hurricanes did not generate any form of civil discontent, let alone political criticism. The local population seemed to acknowledge then, as they continue to do...
now, that their individual survival is ultimately tied to the Hotel Zone and its system of enclosures within enclosures. As one of our interviewees put it, “everybody understands that [after a hurricane] replanting palm trees in Boulevard [Kukulcán] must be a priority. People go to work at the hotels even before working on rebuilding their houses.” This subordination of individual fates to the global market and natural catastrophes is perhaps the most enduring and perverse outcome of these processes of enclosure and of the dynamics of differential citizenship that it entails.

Finally, our focus on the idea of enclosures within enclosures brings out the complex assemblages through which space is continuously redefined and cities repositioned in global circuits of capital accumulation. Strategies of enclosure come into existence through the deployment of multiple formal structures of marketized governance (government-led privatizations, legal reconfigurations, land use categories, varying business models) and multiple forms of everyday governance (surveillance, profiling, policing). This article has provided an empirically grounded example of how these processes of enclosure unfold over time making evident their political nature, and how they are manipulated in the name of the public good, development, and security.

Notes

Acknowledgements. Research for this article was sponsored by The Oxford Programme for the Future of Cities, University of Oxford (2010), and the research project Tourism and Mobilities in Times of Crisis, within the Ministry of Science and Innovation of Spain (CSO2011-26527). We would like to thank our reviewers as well as several colleagues for their comments and support during fieldwork. Special thanks to Guenola Caprón, Stephanie Clare, Juan Córdoba, Lupe y Ata Díaz, Michael Guggenheim, Ana García, Amy Hinterberger, Goran Janev, Ann Kelly, Javier Lezaun, Setha Low, Fabio Mattioli, Ella McPherson, Catherine Montgomery, Densy Peláez and Claudia Zamorano. We are also grateful to all the participants at the 2010–2011 Public-Private Working Group at the Graduate Center (CUNY), and at the 2011–2012 seminar Construcción Social de los Espacios Urbanos y Regionales (CIESAS, México D.F.) for their helpful insights.


2Formal interviews were conducted with members of government institutions, academic experts at regional universities, local newspaper leaders, hotel stakeholders, and local residents who witnessed one or both hurricanes. All interviews were taped with the consent of interviewees and in accordance with the rules established by the Central University Research Ethics Committee at the University of Oxford. Interviews were
transcribed in full in the original language, and translated to English by the authors. Informal interviews were conducted with local residents, street vendors, workers and tourists in the Hotel Zone and downtown Cancún.

1 The development of the “sun, sea, and sand” mass tourism model in Jamaica, Barbados and the Bahamas in the 1960s was a clear reference for Cancún’s Master Plan (Cameron and Greenwood 2008).


3 Cancún receives nearly four million visitors per year. This is more than Cuba, Jamaica, and the Dominican Republic combined (SECTUR 2011). In 2006, Cancún contributed about 11 percent of the Mexican tourist GDP; a third of Mexico’s foreign currency is from tourism (SECTUR 2006).

4 Recent estimates from the Municipal Planning Institute suggest that about 20 percent of Cancún’s population lives in colonias, with one new such settlement being created every month (IMPLAN 2009).

5 See Jiménez Martínez (2010) for a complete list of hotel corporations that arrived to the area after hurricane Gilbert hit.

6 See SECTUR (2006) for detailed information on room capacity and numbers of visitors since 1988.

7 Timeshare ownership is also known as fractional vacation ownership, whereby “the purchaser acquires, for the prepayment of a capital sum and with the obligation to pay for ongoing maintenance and management of the holiday accommodation, the right to use holiday accommodation in future years for a certain period and time per year” (WTO 2005:2). In Cancún, some of the condominiums and villas are timeshares and some are privately owned. Both allow renting. Regimes of ownership are heterogeneous and while companies own the land and owners own the property in most ventures, in some ventures owners own both land and property. See Hovey (2002), Upchurch and Gruber (2002), and Woods (2001) for a detailed analysis of timeshare resorts in the tourism industry.

8 Other properties underwent a similar transformation. Two examples observed during our fieldwork are the Sheraton Cancún Resort and Towers 2007–2010 Redevelopment as a Starwood Vacation Ownership Resort and the newly Branded Westin Lagunamar Ocean Resort (471 rooms and 167 apartments); and the Emerald Residence Towers (106 residential lots) by the Grand Coral and Bancaja Habitat Spanish Group consortium (Grupo Ciudad, Desarrollo y Conservación Consultora 2007).
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