

THE TIDES OF THE TOURISM COMPLEX AT LA PAZ, MEXICO

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DOCTOR OF PHILOSOPHY

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ABSTRACT

By 1940, the outlying Mexican territory of Baja California Sur faced an uncertain future. The extractive industries of mining and pearling had collapsed in the southern areas of the peninsula, and the remaining economic activities of agriculture and fishing held little prospect for growing the population and fueling development. The solution adopted by local government, boosters, and the federal government was to promote international tourism. The rise of the tourism complex at La Paz represented a local response to the regional problems of economic underdevelopment and isolation, and its decline began with the intense federal involvement in funding the comprehensive tourist center at Los Cabos. From the 1940s through the late 1960s, La Paz tourism represented a sustainable model, rooted in place while maintaining and benefitting from the existing characteristics of Baja California Sur. Experiencing transition in the late 1960s and 1970s, Los Cabos underwent a transformation into a sun-and-sand mega-resort, and La Paz shifted to host a wave of national tourists attracted to the free trade zone. The region entered a phase of frenzied expansion of tourism infrastructure, but the inability to sustain this boom led to a bust in La Paz tourism in the early 1980s, and the regional dominance of Los Cabos. The decline of La Paz tourism during that period deepened as the national government gave priority to the development of Los Cabos, creating a tourist pole built along the same model as Cancún.

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DEDICATION

This dissertation I dedicate to my family, which has grown to span two continents and three countries. It has been my good fortune to be born into one excellent and supportive family, and to be adopted by two others. My parents, George and Bonnie Dutton, gave me the home and education that brought me to this point, and have long tolerated the slow but rewarding path that I have pursued. Words cannot express my gratitude to them, and I hope to reward their patience and support. Brother Greg and sister-in-law Yulia both beat me to the PhD., and served as inspirations along the way. In La Paz, my adoptive parents, Ramón Fischer Márquez and Diana Dorantes Salas, have been for nearly twenty years an unflinching source of support, guidance, and affection. Without them, I never would have found this topic, nor would I be the *paceño* I feel myself to be today. They, along with brother Oscar, cousin Sergio (Castañeda) aunts and uncles Lorenzo and Guina (Castañeda), and Adolfo and Maria Elena (Dorantes), hold special places in my heart. My newest parents, Battulga and Oyun, whom I found through marriage, have been the source of energy and excitement in completing this project, and I hope that I have done them proud. Mongolia is far afield from Baja California, but their support in this endeavor and their welcome into the family, along with brother Sergelenbayar and sister Munkhtuya, revitalized a tired doctoral student.

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INTRODUCTION

The reputation of La Paz for international tourists in January of 1995 was of a laid-back, “authentic” Mexican port, which once enjoyed a prosperous tourism industry but had slipped into a lingering stagnation. It was now a working city with a threadbare hospitality sector. Proud old tourist hotels, starting to show their age, offered mid-range lodging to the Mexican and U.S. visitors who passed through on the highway between Tijuana and the Los Cabos tourism complex. RV parks catered to American and Canadian snowbirds, and a small expatriate and retiree community was scattered across town, living in RVs, yachts, and small houses, and congregating at restaurants like the Kiwi, along the bay-front esplanade, or *malecón*. It was to that environment that I arrived for a six-month exchange at the local university. In La Paz of 1995, one could see glimpses of the tourism economy which had been such an important engine of local development in the decades before, but which by this point had become embodied in the twin establishments of the Posada de Engelbert and the Hotel Gran Baja.

The Posada sat on a narrow beachfront, perhaps a kilometer from the start of the *malecón*, at the edge of a residential zone. My host family’s home stood a block and a half away, and that relatively empty beach became a regular place for me to stroll in my free time. The small hotel enjoyed the shade of mature palm trees and felt like a throwback to a 1950s ideal of a Mexican destination, with single-story, white stucco bungalows decorated in faux-colonial furnishings and wrought iron light fixtures, a small swimming pool and ample patio space, the beach in front more for decoration than swimming, as it was located at the lagoon end of the bay. That idyllic, sleepy resort stood in the shadow of its neighbor, the Hotel Gran Baja, a modern, thirteen-story resort hotel with tennis courts, restaurants, a disco and a concrete pier for yachts, all in a state of ruin and decay. The Hotel Gran Baja appeared a ghost of times past. Built as the

jewel in the crown of an optimistic and forward-looking La Paz, which hosted the bulk of the tourist traffic on the southern peninsula in the late 1970s, within a few years it witnessed the shift of foreign tourism to Los Cabos and the contraction of the state capital's tourism economy. The resort became the most visible reminder of that decline.

My first day in La Paz, I remember walking past the Posada to the Gran Baja, seeing the juxtaposition of a tiny, old-style hotel with a handful of guests and a large modern resort, abandoned and posted with signs warning off the scavengers and looters. Too little or too late: they had picked the facilities clean and broken windows in the hundreds of rooms, leaving curtains to billow out in the breeze. The grounds overgrown and fenced off, the buildings tagged with graffiti, and the pier decaying, it was a blight standing next to the idyll. That morning I threaded my way along the pocked and damaged pier, riddled with holes where the cement and rebar had rotted and catching glimpses of the water below, to meet my host father at its end. We fished with hand lines, the skeletal hotel to our backs and the vista of the bay before us. The hotels we ignored while concentrating on our unsuccessful fishing served as a metaphor for the state of La Paz tourism in 1995: trapped in a present that clearly was much less glamorous and ambitious than its past. Across the bay, I could also pick out the roof of the ill-fated and long-closed Hotel Misiones de La Paz, visible over the mangroves at the bay's edge. The overwhelming impression was of a place of great natural beauty, that bore scars of its past.

This vision of La Paz, of boom and bust, ebb and flow, in tourism and in other industries, is a characteristic of the city and of the entire state at the southern extreme of the Baja California Peninsula. From the founding of Spanish colonial establishments in the late seventeenth century, through the cycles of mining, ranching, pearling, and the emergence of the tourism industry in the twentieth century, this has been a region on the margin of Mexican development,

geographically and economically. The contrasting influences of local economic interests and the federal government's efforts to organize outlying areas to serve national economic interests have regularly placed local and federal initiatives at odds. The rise of the tourism complex at La Paz represented a local response to the regional problems of economic underdevelopment and isolation, and its decline began with the intense federal involvement in funding the comprehensive tourist center at Los Cabos. From the 1940s through the late 1960s, La Paz tourism represented a sustainable model, rooted in place while maintaining and benefitting from the existing characteristics of Baja California Sur. Experiencing transition in the late 1960s and 1970s, as Los Cabos underwent a transformation into a sun-and-sand mega-resort, and La Paz shifted to host a wave of national tourists attracted to the free trade zone, the region entered a phase of frenzied expansion of tourism infrastructure. The inability to sustain this boom led to a bust in La Paz tourism in the early 1980s, and the dominance of the Cancún and Los Cabos-style nationally-organized model championed by the Fondo Nacional de Fomento al Turismo (FONATUR). With the rise of that model, La Paz settled into the ebbing state that I witnessed in 1995, while to the south, Los Cabos continued its long surge in development.

Rising in an isolated corner of Mexico, at a sleepy town which had just witnessed the collapse of the pearling industry and thus the loss of its main economic activity, the La Paz tourism complex of the 1950s through the late 1970s represented a novel attempt to pin the future of the locale, and later the region, on a newly emergent cross-border tourist economy. Over the course of three decades, the community of La Paz boomed as it adopted that new economic identity and oriented itself to serve a shifting population of visitors. During that time, the burgeoning city's tourist trade provided the engine for regional development and the advancement of Baja California Sur from a condition of chronic debility to one of strength. Yet

the conflation of changing tourist demand, massive federal investment shifting elsewhere in the region, and the precipitous peso crisis of 1983 conspired to weaken La Paz's tourism industry and led to the near collapse of that sector. In examining the trajectory of tourism in La Paz, and comparing it with the rise of Los Cabos, an understanding of the capacity of tourism to both build and weaken local economies becomes clear.

The twentieth century in Mexico marked a period of dramatic change and significant advancement. Politically and socially, the republic transformed itself through its revolution and emerged as a more pluralistic, democratic, and stable nation. Economically, Mexico underwent a transition from a profoundly rural and agricultural nation dependent upon the primary sector, to one that diversified with a petroleum boom and the development of a strong secondary — manufacturing — sector and a dynamic tertiary — service — sector. Building upon its proximity to markets and capital in the United States, and benefitting from its significant natural and human resources, Mexico increasingly emerged as a significant factor in regional and global markets.¹ As might be expected, however, that process of development did not benefit all regions of Mexico uniformly, and areas on the periphery of the Mexican state, such as Baja California Sur, lagged behind the central, industrial and urban core.

The second half of twentieth century proved to be an especially important period for Baja California Sur, as its economy began a rapid transition to a service-based economy organized around tourism. The forms that tourist economy took, however, varied between the two major regions in the southern peninsula which most completely transformed themselves. These two tourism complexes, one centered around the capital of Baja California Sur, La Paz, and the other

¹ In *World Systems Analysis*, the theoretical framework developed by Immanuel Wallerstein, among others, to describe global economic, social and political relations between nations, Mexico is generally identified as a state in the “semi-periphery.” As such, it exhibits some of the characteristics of states identified as “core,” with generally higher standards of living, more educated populaces and capital-intensive economies, as well as characteristics of states on the “periphery,” with labor-intensive economies and weak social or political institutions. Wallerstein 2004.

on the southernmost extreme of the peninsula at Los Cabos, grew to serve different clienteles and developed unique characters. In the earlier of the two, La Paz, its preliminary phase catered to American sports fishermen and leisure tourists attracted to the convenience of air links to the town and the ease of access to both fishing and beach activities. Emerging roughly ten years later, the southern destinations catered to more adventurous and more affluent clients. Initially seeking the isolation and abundant fish and game of the coastal camps, sportsmen here increasingly relished the privacy afforded by luxurious resorts accessible primarily by small plane or boat. By the 1970s, both tourism complexes began to diverge again, with the La Paz complex the first to adopt mass tourism, seeing an influx of domestic visitors, and the Los Cabos complex orienting toward mass foreign tourism, particularly once the federal government began a concerted program of investment and development. In the 1980s and 1990s, the tourism economy in Los Cabos flourished, while that of the La Paz complex contracted in the face of shifting tourist preferences, growing international and declining national tourism, and changing patterns of capital investment.

The value in examining the history of the La Paz tourism complex in particular, and of the emergence of tourism in Baja California Sur in general is in placing them into the framework of the economic, political and social histories of Baja California Sur itself, and fitting them into the context of a broader, regional study of tourism with cross-border interactions. This has long been a neglected area of regional Mexican history, but it is one that is becoming increasingly relevant as Los Cabos continues to expand into the second most popular Mexican destination for international tourists, and as La Paz begins to rebound from its precipitous decline in the 1980s. Scholars in Baja California Sur have not yet responded to produce regional histories of tourism centered on the older complex at La Paz, and those who have developed studies on Los Cabos

are generally economists or students of public policy. Taking a historical approach to these developments, especially through the neglected periods of the 1950s and 1960s, contributes substantively to the discipline and is of merit to both the English-and-Spanish-language bodies of scholarship. On a broader scale, however, it is also necessary to fit Baja California Sur tourism into the larger context of Latin American tourism and into the body of work on tourism in the U.S. West. The industry in its early days in La Paz bears similarities to even earlier developments in the Rocky Mountain and Southwest Borderlands of the United States, as well as to subsequent ecotourism and sustainable projects in Costa Rica, while the government-directed megaproject at Los Cabos relates directly to enclave resorts at sites in Jamaica and the Dominican Republic. In terms of contemporary developments to the La Paz, complex, the greatest similarities lay in Caribbean and Atlantic sportfishing destinations like Bermuda, the Bahamas, and the smaller islands of the Antilles. Cuban tourism of the 1950s operated on a much larger scale, and with different imperatives than the tourist offering at La Paz, although the closure of Cuba to transgressive tourism sent ripples as far west as Baja California, as the prospects of gambling and sex tourism gained very brief mentions in documents submitted to the governors in La Paz.

Beyond the general contribution of researching a topic largely overlooked to this point, this project is useful for the study of tourism development. The trajectories charted by the two tourism complexes in the southern zone of the state hold value in demonstrating the impacts that economic and policy decisions have in shaping locales. Los Cabos today is utterly transformed from its state forty years ago, and the almost exclusive reliance upon tourism as the engine for the economy, which resulted from the adoption of FONATUR's model, as well as the massive investment in related infrastructure, potentially weakens the ability of the local economy to

survive the bust side of the cycle. Since eclipsing the La Paz complex, fluctuations in demand at Los Cabos have not sent the tourism economy spiraling downward as happened in La Paz three decades ago. Should such a decline occur, the result for Los Cabos would resemble the boom-bust pattern that typified early economies on the peninsula, organized around extractive industries. The current La Paz complex, on the other hand, more closely resembles the model of tourism in effect forty years ago in that it is tied to the locale and part of a more diversified economy. Because it is for the most part funded and controlled locally, and is integrated into a more complete cultural landscape, it enjoys a greater degree of sustainability and stability in light of the boom-bust cycle. The meteoric rise of Los Cabos, contrasted with the prolonged growth and then tempering decline of the La Paz complex, reflect very different contemporary forms of tourism, which rose out of fundamentally similar origins.

Ultimately, the impetus for this project is an affinity for the culture and places of the Baja California peninsula and the characteristics that make them unique and often under-appreciated. While La Paz will never be at the center of Mexican history, culture, or economic development, it is a land suspended between two powerful influences: the nucleus of the Mexican state, and one of the most dynamic regions of the United States. In the arena of tourism, those two forces have proven at times to exert tremendous influence on the city and the wider state of Baja California Sur.

Historical Antecedents

Although Baja California Sur does not lack for academics and historians, the majority have little direct interest in the subject of tourism. The most prominent of historians, Pablo L. Martínez, writing in the middle-twentieth century, and Ignacio del Río, active from the 1980s to

today, focused on crafting comprehensive, regional histories with specific attention to the political and social developments of Baja Sur. Martínez's *A History of Lower California* (1960), and del Río's *Breve Historia de Baja California Sur* (2000) are the exemplars of this approach, with the former published just as tourism began to have an economic impact on La Paz, and the latter attempting to condense the scope of historical content to the point of minimizing the industry's impact. Building on that tradition, the Universidad Autónoma de Baja California Sur (UABCS), the state university and most prominent academic institution in the southern peninsula, organized an ambitious and expansive history of the region in three volumes and with more than a dozen contributors. The volumes of *Historia General de Baja California Sur* (2002-2004) consider tourism as a result of economic and social changes in the state, but none of the essays specifically address tourism as a key engine for regional growth. Instead, they prioritize mining, agriculture and fishing above tourism, judging by the number of pages devoted to those topics. Elements of infrastructure development that are best understood in the context of tourism and visitors, expanded transportation infrastructure, for example, are addressed independently. Beyond these general histories, the UABCS publishes a broad array of monographs on the colonial and early republican history of Baja Sur, but in terms of the twentieth century, the majority of publications favor political science and economics.

The most active local scholars, in terms of addressing tourism and its impacts in Baja California Sur are two economists with interests in public policy and an amateur historian. Antonina Ivanova Boncheva and Alba Eritrea Gámez Vázquez, both on the faculty at the UABCS, focus on question of sustainability and economic development in Baja California Sur. However, their emphases are heavily on the Los Cabos tourism complex and its growth during the 1990s and early twenty-first century, and not the La Paz tourism complex at any stage of its

development. Both of these scholars contributed mightily to the edited volume *Los Cabos: Prospective for a Natural and Tourism Paradise* (2012), with each serving as author or coauthor on several chapters, and Boncheva as one of the general editors. Although this work primarily attempts to synthesize natural sciences and social sciences to develop an overarching study of the locale, much of it focusing on geology, biology and climate, there is also a concerted effort to understand the social and economic changes that have transformed Los Cabos, and the role of tourism necessarily plays a central role. Gámez in particular takes up the topic of tourism, and although her emphasis lies squarely on the turn-of-the-twenty-first-century tourism at Los Cabos, she makes a series of observations that hold equally true for La Paz:

[Baja California Sur] is certainly on the periphery due to its geographical remoteness, lack of local policy-making, dependency on the centralized government, weak internal economic linkages, and dependency on outside innovation and pristine natural resources that make the region attractive. Tourism in the state is often portrayed as a means of regional development, but it has overwhelmed other economic activities.²

In terms of Gámez's specific references to tourism at La Paz, they are reserved for a brief illustration of how the central government's policies of trade liberalization and support for the planned complex at Los Cabos converged to shift the balance of state tourism decisively toward Los Cabos.

An economist's bent is also apparent in Michael Clancy's *Exporting Paradise* (2001), where he examines the Mexican government's policies of import substitution and centralized planning to reshape the development of the tourism economy, specifically in the case of Cancún. That model was soon applied to Los Cabos, and so Gámez and Clancy both explore the contours of a set of federal policies which attempted to establish tourism as a pillar of the national economy by investing intensively in regions which otherwise had been underdeveloped and on the fringe. *Comercio y desarrollo sustentable en sudcalifornia, siglos XIX y XX* (2002), edited

² Ganster 2012, 253.

by Ivanova, Micheline Cariño Olvera, and Osvaldo Ramírez Gómez, extends their consideration of development and sustainability beyond Los Cabos to the rest of the state, but prioritizes other economic sectors over that of tourism, as does Miguel Ángel Hernández Vicent, in *Desarrollo, Planificación y Medio Ambiente en Baja California Sur* (1998).³ In the case of the volume co-edited by Ivanova, mining, fisheries and agriculture receive the bulk of the attention, while tourism is largely represented in terms of the infrastructure projects that it requires. This is, however, a useful book as it employs a historical framework to examine the commercial and development processes, Cariño being a noted historian of the region. Hernández approaches the topics of development and sustainability with an analysis rooted in his present, opening with descriptions of the physical environment, flora and fauna before transitioning to the political structures relevant to the topics, particularly the legal foundations and state and local plans for development. Tourism receives only two pages of direct attention from Hernández.

The most exhaustive work on tourism in the state, Estela Davis's *El Alojamiento en Baja California Sur* (1998), is actually the work of a poet and creative writer from Loreto, whose family has long been part of the hospitality industry in that town. Davis's book is essentially an antiquarian piece, chronicling the establishment of hotels throughout the twentieth century and, apart from observations on the expansion of transportation infrastructure, little else. Her interests lie not in analyzing the processes of Baja Sur tourism, but its manifestations. However, the level of research and attention to otherwise ephemeral details, speak to the passion with which Davis compiled the book, and her extensive use of public archives as well as private papers, otherwise unavailable to researchers.⁴ Davis's work is the closest to an actual history of

³ The edited volume's title translates as *Commerce and sustainable development in Baja California Sur, XIX and XX centuries*, while Hernández's title renders as *Development, Planning and Environment in Baja California Sur*.

⁴ Davis' book's title translates to *Lodging in Baja California Sur*, but such a banal title does little credit to the volume of information in the book. Its value is apparently well-recognized, too, as the copy nominally in the

the La Paz tourism complex, although it is incomplete in the respects noted and uncomfortably broad in others.

Works on the history of tourism in Mexico in general, or focusing on other regions of the nation, have come to the fore in recent years. One of the key figures of this field is Dina Berger, whose *The Development of Mexico's Tourism Industry* (2006) and her edited collection *Holiday in Mexico* (2010), with Andrew Wood, chart the relationship between Mexico and U.S. visitors, and the processes through which American visitors developed understanding of their Mexican experiences. Berger identifies the establishment of organized tourism development as an economic activity on the national scene with the 1928 establishment of the National Pro-Tourism Commission, which spawned a corresponding body in La Paz the following year. By her analysis in the 2006 text, the first flowering of international tourism in Mexico blossomed in the late nineteenth century, but as an economic activity it only began to have significant impacts in the 1930s and beyond, with the emergence of an active cosmopolitan entertainment scene in Mexico City, and the early phases of development in the inaugural beach resorts at Acapulco and Puerto Vallarta. Nicholas Dagen Bloom's *Adventures into Mexico* (2006), another edited volume, explores the diversity of American experiences in the early years of tourism, and expatriate living. Organizing the book into three sections based on the duration of visits and purposes of the travelers, "short visits, cultural adventures, and colonies," the contributors to the volume outline the experiences of visitors across the twentieth century and in various regions of central Mexico and the Yucatán. Berger contributes an essay on nightlife in Mexico City during

collection at the UABCS is not in the stacks and appears to have been stolen. The archives do not have copies, and according to a contact at the Secretaría de Turismo in La Paz, the book is nearly impossible to locate. Relatively few copies were published, and those in circulation are prized and closely guarded. The gentleman noted that of the several copies which had been left to the Tourism offices, all had been loaned out and never returned, with the exception of a sole copy that he had kept hidden in his office. I am in his debt for loaning me the text, but it is worth noting that he did so reluctantly, only on the conditions that I return it within two days, and that I leave as collateral my driver's license.

the 1940s in the short visits section, followed by a chapter from Rebecca Torres and Janet Momsen entitled “Gringolandia: Cancún and the American Tourist,” which explores the artificiality of the cultural landscape of Mexico’s preeminent resort and the perceptions of U.S. tourists whose desires and preconceptions help to shape the tourist offering. In the cultural adventures section, Richard Wilkie documents the experiences of the first wave of college students to make their way to Mexico, between 1954 and 1962, not as spring breakers, but as students at Mexico City College, many of them veterans making use of their G.I. Bill benefits, or students attracted to the opportunities for anthropological and sociological research. Wilkie presents the students, exploring the countryside during school vacations, as pioneers in establishing the adventuresome tourism which increasingly led American visitors to coastal Mexico. Dagen Bloom himself and David Truly contribute to the section on colonies, analyzing the relationships between U.S. expatriate enclaves and the Mexican communities that they occupy in San Miguel de Allende and Lake Chapala, respectively. Although technically not tourists, these émigré communities place demands on development and local infrastructure which resemble those of tourism spaces, as well as reordering interactions with local peoples to establish a hierarchy which places locals in the position of providers of services.

This relationship between tourists and locals figures centrally in Walter Little’s *Mayas in the Marketplace* (2004), which adopts an anthropological approach to the interactions in the marketplace between indigenous artisans and foreign tourists. While the context of this interaction in Little’s study is removed geographically from Baja California Sur, the interactions between locals and visitors follow the same general pattern he describes: a nexus of global, regional, and local processes which create a transnational space in which identity is negotiated by both parties. Hal Rothman, in *Devil’s Bargains* (1998) identifies similar processes from the

perspective of a historian looking at the U.S. West. Although Rothman is not dealing with an international context, he does identify elements of colonialism in the interactions between tourists to the U.S. West and the locals that they found there, especially in the form of American Indian and Hispanic populations. Examining the Harvey Company's development of tourism to the Grand Canyon in the early twentieth century, and the construction of identities in Santa Fe during the middle twentieth century around the Santa Fe Fiesta, he notes the reordering of the locale to meet the expectations, stereotypes, and desires of visitors.⁵ In considering the emergence of ski resorts in the mid and later twentieth century, Rothman carries the analysis, and criticism, of these developments even further. He describes tourism as a Faustian bargain, in which locals adopt tourism as a seeming panacea for the economic woes that afflict areas tied to extractive economies that boom and bust, or faced with isolation that limits other commercial activities. Once committed, the result of a successful tourism economy is the reordering of power relationships, creating social upheaval, and the erosion of the ability of locals to influence and participate in the very activity intended to benefit them. New arrivals attracted to jobs, whom Rothman calls "neonatives," compete with true locals, land prices rise to the point that poorly compensated service industry workers can no longer afford to live in the resort area, and ultimately the control over the political structure of the area is ceded to affluent and powerful neonatives, or the few original natives positioned to profit from the new economy. La Paz began to experience these processes by the 1970s, with the completion of the transpeninsular highway

⁵ The Santa Fe Fiesta is an annual civic celebration to commemorate the reconquest of the Spanish settlement after the Pueblo Revolt. Established by a proclamation issued in 1712 by the Marquis de Peñuela, the event faded into obscurity by the late nineteenth century, but was revived in 1910 as a reenactment pageant, sponsored by local Anglo-American civic leaders. Hal Rothman describes its transition by the 1920s into a tourist spectacle and notes the blending of the authentic — the speech of a Zuñi tribal leader in the indigenous language — with the patently inauthentic — the faked "translation" of that speech as an invitation to drink, and the parading of citizens in period clothing. In the early years of the revived Fiesta, Anglos adopted the clothing and personas of Spanish friars and *hidalgos*, or stylized Pueblo Indians, parading the streets for local spectators and tourists alike. Rothman 1998, 101-104.

and the high-volume of traffic on the ferry service from Mazatlán, before the tourism economy shifted to Los Cabos.

In *Devil's Bargains* (1998), Hal Rothman introduces another issue which bears consideration at this point, and which to a degree differentiates the current La Paz tourism complex from the booming Los Cabos complex: the question of authenticity. Rothman's analysis identifies an inverse correlation between the growth of tourism in a locale and the maintenance of authentic local culture or identity. He suggests that as the economy shifts toward tourism and opens itself to visitors looking to consume the experience of the locale, the qualities and characteristics of that experience shift to conform to the expectations of the visitor. Once neonatives flow in to work the newly available jobs and come to outnumber the actual natives, the local culture is no longer the dominant one, and authenticity is questionable.⁶ At any rate, even before the population shift takes place, the authentic identity of the place is usually modified through the lens of the tourism encounter, ending distorted and reinforcing the expectation of the visitor. Where once the tourism focus of Baja California Sur centered around the landscape and sea, catering to sport fishermen who sought marlin and other fish specific to the area, now it focuses on sun-and-sand tourists selecting Baja Sur for an image that they already anticipate. Contemporary tourists from the United States expect to find mariachis, serapes and sombreros, the occasional bullfight, Aztec ruins and colonial buildings. All of these things are indeed Mexican, but virtually none of them are sureño, or of Baja California Sur.⁷

⁶ Rothman 1998, 25-26. With reference to the concept of the neonative, a conversational strategy that I often employ when riding a taxi in a tourist area is to ask the driver where he is from. In Los Cabos, over the past several years, taxi drivers over the age of approximately thirty often hail from other states in Mexico, like Guerrero or Sinaloa, or from other parts of Baja California. Younger drivers frequently identify themselves as locals, but based on the explosive growth of the population in the area over the past decades, likely are the sons or grandsons of neonatives. In La Paz, the distribution of locals and neonatives is less apparent, and in my experience most of the drivers I have met identified themselves as hailing from La Paz.

⁷ Although there are a handful of colonial buildings, most notably the surviving mission churches, very little of Baja California Sur was built prior to the nineteenth century. Sombrero is a generic word for hat, but the high-peaked,

In comparing the two major tourism complexes on the peninsula, the one centered around La Paz is clearly the more “authentic,” although that distinction is itself a relative one. La Paz suffers less from the placelessness and globalization that are present in Los Cabos, but elements of those qualities are there. By the collapse of the tourist complex at La Paz in the middle 1980s, the city’s business community included very few extra-regional corporations. In 2013, the sheer volume of international brands present in Los Cabos lodgings overwhelm, but in La Paz, the Araiza Palmira hotel and Costa Baja are the only significant chains extant.⁸ In the 1980s, La Paz restaurants were wholly local, while Los Cabos already began to shift toward national and international chains. By 2013, the only international restaurant brands present in La Paz are McDonalds, Burger King, Subway, Domino’s Pizza, and Applebees, with a single Starbucks the most recent addition.⁹ Clearly global corporations are making inroads into La Paz, increasingly in the form of retail businesses, but it remains a place rooted in its specific location. La Paz is primarily a working city, with tourism an important element of its economy but not the key reason for its existence. It is also a human landscape that orients the visitor to a few characteristic elements of the place: the bay-front *malecón* street, *el mogote* sand spit across the bay, and the Pichilingue road toward the swimming beaches outside of town. Visitors mingle with locals, who also make use of these spaces, and the effect is the creation of an atmosphere

broad-brimmed round hat of most Americans’ imagination is long gone along with the peasant sarape, and more residents of the peninsula are likely to wear baseball hats or an American style, straw cowboy hat, known in Mexico as a *tejano*, or “texan.” High quality bullfighting endures in a number of the old colonial cities, most famously at the Plaza México in the nation’s capital, but it is decidedly a minority sport in Mexico, and bullfights in tourist areas draw few local aficionados and are primarily for foreign visitors. Neither the Aztec nor the Maya occupied Baja California Sur, and so the most significant lasting artifacts of pre-Columbian occupants are the pictograms painted on rock faces in the central and northern peninsula. Mariachis are characteristic of the state of Jalisco, but along with the other great *jalisience* product, tequila, have become so ubiquitous as to now figure in all Mexican locales.

⁸ Costa Baja is owned by the Grand Heritage Hotel Group, with twelve high-end destinations, worldwide and a Fiesta Americana Inn on the site. Hoteles Araiza operates four sites in the three-state area of Baja California, Baja California Sur, and Sonora. For a brief period in the 1990s, a La Paz hotel operated under the brand Crown Plaza.

⁹ Unlike in Los Cabos, the majority of the clientele in these restaurants appears to be local Mexican residents. The McDonalds and Subway locations are out of the primary tourist areas and located along major streets. Applebees and Burger King are located on the *malecón*, which does make up part of the tourist zone, but most of their patrons appear to be locals as this is a high foot-traffic area for *paceño* families during evenings and weekends.

that is unique to the place. In Los Cabos, the individual resorts are oriented toward the beaches themselves, largely interchangeable, and in most cases not recommended for swimming. Golf courses dot the tourist zone, and especially with the advent of the all-inclusive resort, visitors are isolated from the local community and are encouraged to spend their vacations within the confines of the resort enclave. The fundamental effect is one of placelessness, and the tourist could just as well be in a similar resort in Cancún, Puerto Rico, Jamaica, or Florida.

The San José del Cabo and Cabo San Lucas resorts of the 1960s, which grew organically and were tied to the landscape and local fishery, did project an air of authenticity parallel to that of the luxury fly-in resort of Las Cruces, near La Paz, and to the tourist hotels along the *malecón*. Certainly, there was a degree of artifice and constructed identity to such places, as they allowed moneyed foreigners to live out fantasies of leisure in a tropical clime. Bankers and salesmen might pretend to be the *patrón* of an *hacienda*, or engage in masculine, outdoors pursuits of fishing and hunting with guides and attendants at their beck and call. Still, these early sportsmen's lodges and resorts were undeniably of the peninsula, and anything but placeless. The transition occurred with the shift to mass tourism, and in the case of Los Cabos, the arrival of FONATUR and massive federal investment in the infrastructure to support the industry. Sun and sand became the commodities sold, and although Los Cabos grew to be tremendously successful at delivering those goods, second only to Cancún in terms of FONATUR's planned developments, the truth is that the locale played less of a role than accessibility and massive investment. That La Paz continued along a more organic approach to building tourism is attributable to the limited involvement of FONATUR in comparison, and the shift to national tourists during the 1970s, a trend that contributed to the collapse of La Paz tourism following the

catastrophic devaluations of the peso. To some degree, La Paz owes its current “authenticity” to its partial failure to sustain mass tourism during the Los Cabos boom of the 1990s.

Authenticity is also an issue that comes up in the history of tourism in the U.S. West, and this field generally sheds light upon Baja California Sur’s development in significant ways. Geographically, Baja Sur is on the periphery of the Sonoran desert, a region which extends across the border into the U.S. southwest and which received attention from Earl Pomeroy, Marguerite Shaffer, and a range of New West historians, including Rothman. Pomeroy’s *In Search of the Golden West* (1957) and Shaffer in *See America First* (2001) describe the tendency of tourists and locals to redefine the locale to conform to their narratives for the place, its history, and the forms of meaning inherent therein.¹⁰ Pomeroy describes the adaptations of locals to appeal to visitors and insure their satisfaction in tourist encounters, as in the case of cowboys returning to a west dependent more on tourist dollars than head of cattle. For both Shaffer and Pomeroy, the development of transportation infrastructure and the democratization of the means of transport proved key to the emergence of the tourism complex — characteristics also apparent in Baja California Sur, beginning with commercial aviation and continuing through passenger ferries and ultimately with road links to the north. Carlos Schwantes pushes the discussion of that transportation network in the U.S. back, prior to the railroads in his essay “No Aid and No Comfort,” in the edited compilation *Seeing and Being Seen: Tourism in the American West* (2001). Here, he notes that with the establishment of steamboat and coach service to the northwest, one of the key the rudiments of tourism had been put in place. Railroads served to

¹⁰ Shaffer describes pre-1940 tourists making their way by rail to a west that was unfamiliar but at the same time majestic, constructing a nationalist meta-narrative that equated the awe inspired by views of the Grand Canyon or Yosemite to the gothic cathedrals and iconic castles of Europe, and thereby counteracting American fears of inferiority compared to European counterparts. In the case of American visitors to Mexico, the sense of a cultural inferiority was less likely, but the tourists did appear to construct a neo-colonial narrative that reinforced a sense of superiority over the local population, or at least those employed in the tourism complex.

further expand that accessibility, but without the hospitality infrastructure and consumer demand for using those facilities, tourism as an economic activity could not grow. Schwantes's accounts of travelers' experiences in Oregon in the 1860s mirror the reports of travel writers making their way down the Baja California peninsula, ninety years later. In her contribution to the volume, Patricia Limerick identifies the appeal to boosters of latching on to tourism as an economic panacea, as well as voicing a misgiving that even after the infrastructure is put in place, it may not prove fundamentally different than the earlier industries on their way out.

The lesson of western history is that extractive industries have provided a treacherous foundation for permanent and stable communities. If one looks for a different, and more reliable, kind of foundation, all roads seem to lead to tourism, to the preservation and publicizing of local natural and cultural resources, as a permanent attraction for visitors with deep pockets. Here, the theory goes is the clean industry, the sustainable industry.¹¹

That is a position that would have rung true to boosters in La Paz in the early and middle-twentieth century, but Limerick then goes on to express misgivings about the elevation of tourism to the economic foundation, a doubt that Hal Rothman draws out into a condemnation of the tourist economy. Limerick is unwilling to be so uncharitable to the tourism industry, but in her conclusion she likens the dependence on tourism to Taos, New Mexico, resident Joe Sandoval's childhood experience as a portrait model, when halfway through his sitting he had misgivings and tried to escape. Six-year-old Sandoval was promptly caught, brought back to the artist's studio, and chained to a chair so the painter could finish, a blanket draped over the chain to conceal it. The implication being that although an alternative to boom and bust extractive industries, the tourist economy represents an opportunity, with which hidden constraints come attached.

Broader studies of tourism in Latin America generally identify the government of Mexico as a key supporter of the shift to centralized planning and investment. Les Lumsdon and

¹¹ Wrobel 2001, 54.

Jonathan Swift, in *Tourism in Latin America* (2001) note that the Mexican government was an early adopter of the centralized model by the 1970s, and that “there remains a strong centralized approach to tourism policy in Mexico in comparison to other Latin American countries.”¹² They also identify Mexico as a leader in the development of integrated resorts, of which Cancún and Los Cabos are the prime examples. In *Peddling Paradise* (2013), Kirk Bowman identifies a core contradiction in government policies through much of Latin America during the late twentieth century tourism boom, notably that centralization policies became more pronounced and entrenched when directed toward tourism during the same period that state control of other economic sectors was declining or being eliminated altogether.¹³ Such a contradiction suggests the importance that the tourism economy began to have for the development of these nations, and many adopted the enclave model which Mexico pioneered with its integrated resorts, establishing isolated, purpose-built tourism communities kept separate from the local settlements, and oriented directly toward foreign visitors and serving their needs.¹⁴ Heidi Dahles and Lou Keune note in their introduction to the edited volume *Tourism Development and Local Participation in Latin America* (2002), that for tourism to be truly sustainable, not only in the ecological sense but in the economic and socially responsible senses, it must integrate into the local community: the opposite of what occurs in enclaves or centrally-planned integrated resorts like Los Cabos. In terms of this measure, the tourism complex that developed at La Paz from the 1940s through the 1980s had a much higher potential for sustainability and responsible development than its expansive neighbor to the south. That is not to say that local participants in larger-scale tourism economies lacked all agency to take steps toward addressing their own

¹² Lumsdon 2001, 54. The authors do not name a specific date for the adoption of this model, but place it during the 1970s and 1980s. The state tourism development agency FONATUR was chartered in 1974, but its predecessor agencies involved in funding projects existed as far back as the 1950s.

¹³ Bowman 2013, 1.

¹⁴ Bowman 2013, 85.

concerns about exploitation, nor that they failed to influence the perspectives of visitors. According to Dennis Merrill, they did so in very complex contexts of not only local and national interactions, but international ones as well. His *Negotiating Paradise* (2009) explores the impact of the United States as an imperialist power in Latin America during the twentieth century, and the interaction between U.S. tourists abroad as both agents of that imperial, virtually colonizing power, and as participants in nuanced, bilateral relationships with the potential to soften stereotypes and build mutual understanding. Florence Babb further explores that complex interaction in *The Tourism Encounter* (2011), tracing how tourism played a role in redefining national identities for states recently wracked by internal conflicts. Looking at cultural tourism in Mexico and Peru in the 1990s after the Zapatista and Shining Path conflicts, and postrevolutionary and resort tourism in Cuba and Nicaragua in the first years of the twenty-first century, Babb argues that foreign visitors seek out such destinations because of their recent histories of conflict and the fact that they were effectively closed to tourism. By touring in such areas, the visitors bring legitimacy to the transitional regimes that are rebuilding those societies, and engage with local populations in an encounter that may be mutually beneficial, but which at any rate reshapes the participants' understanding of each other.

Two other geographic areas merit consideration when addressing Baja California Sur, La Paz, and the Los Cabos complexes, and they in turn expose two sub-topics within the literature on tourism. Costa Rica and the Caribbean islands represent the closest analogues to the forms of tourism practiced in Baja California Sur, and both are more extensively represented in tourism and development literature than either the Baja California peninsula or Mexico itself. Within the body of work related to Costa Rican tourism, both subtopics are widely covered: ecotourism and sex tourism. Although neither plays a transformative role in La Paz tourism – ecotourism

gaining significant attention in Baja California Sur only after the time period examined in this dissertation, and prostitution only receiving tangential mention – the bulk of material written about them tends to obscure one fact that relates Costa Rica tourism to the La Paz complex: its relatively diffuse and local-based nature. Andrew Miller describes, in *Ecotourism Development in Costa Rica* (2012), a nation whose involvement in tourism roughly parallels the timeline in La Paz. The country’s first lodging, the Gran Hotel Costa Rica, was founded in 1930, whereas in La Paz the first hotels for business travelers emerged by the turn of the twentieth century, but the first hotel specifically to attract tourists was the Hotel Perla, built in 1940. Mexico and La Paz established the first tourism commissions in 1929, while in Costa Rica a tourism board was created in 1931 and its equivalent to the Mexican Secretaría de Turismo, the Instituto Costarricense de Turismo (ICT) in 1955. Costa Rica’s national push to build foreign tourism began in the 1980s, while Mexico’s centrally-orchestrated push began in 1969 with the construction of Cancún. Where Mexico’s national tourism agencies from that point on began to follow an enclave model for development, La Paz incorporated few national and international players in the tourism sector, much like Costa Rica up to the 1990s. As the *Ticos*, or Costa Ricans, struck upon ecotourism as the main form of their tourism offering, the government took steps to manage resources through a parks system, and by licensing tour operators to ensure their observance of environmental regulations.¹⁵ The flip side of the regulation and orchestration of ecotourism is the relative lack of government input into the issue of sex tourism, which appears to have grown organically and emerged as one of the significant sectors of the tourism economy.

¹⁵ Miller 2012, 61–62. The comparison here is my own, although the data on Costa Rica’s moves toward tourism development come from Miller’s work. This is not to say that the ecotourism approach taken by Costa Rica as a means of promoting its unique qualities was also followed by La Paz. In the 1950s and 1960s, tourism promotions focusing on the wildlife and landscapes of Baja California Sur emphasized the fish and game that could be exploited in the area. Tico is a term employed by Costa Ricans to refer to themselves and their compatriots. Sterling Evans’ *The Green Republic* (1999) provides an excellent overview of the history of conservationism and environmentalism in Costa Rica, and from pages 229 to 232 he describes Costa Rican resistance to large-scale foreign investment in megaresorts.

Prostitution is not illegal in Costa Rica, per se, although pandering and commercial establishments profiting from prostitution are crimes that the government prosecutes.¹⁶ In Mexico, prostitution is illegal, and, though tacitly acknowledged by the Baja California Sur territorial government, a sensitive issue when related to tourism.¹⁷

In the Dominican Republic, laws relating to prostitution and pandering are equivalent to those in Costa Rica, but other Caribbean sites such as Cuba have significant sex tourism activity even though prostitution is against the law. Amalia Cabezas, in *Economies of Desire* (2009), and Kamala Kempadoo, in *Sun, Sex, and Gold* (1999), examine the sex tourism industry across the Caribbean, noting that the Dominican Republic has become the center of this particular form of tourism, even though it is widely practiced in Jamaica, Cuba, Barbados, and other islands and coastal areas that also provide more traditional forms of tourism. Polly Patullo adds in *Last Resorts* (1996), a more traditional work on Caribbean tourism with a brief section on sex tourism, that the only thing that has succeeded in eradicating sex tourism where it has taken hold and become a major sector of the tourism economy is the AIDS scare. She cites the case of Haiti, which in the early 1980s was the prime destination in the region for sex tourism, but which saw that sector collapse when the U.S. government identified Haitians as being a high-risk group for AIDS infection.¹⁸ Of greater direct relevance to tourism in Baja California Sur are the aspects of Patullo's work, Evan Ward's *Packaged Vacations* (2008), and George Gmelch's *Behind the Smile* (2012), which address large-scale, enclave resorts across the Caribbean which resemble the planned tourist developments like the one at Los Cabos. Patullo and Ward speak to the international component of these commercial establishments, funded by foreign investment and catering to foreign visitors who seek to isolate themselves in artificial, placeless

¹⁶ Shifter 2007, 3-6.

¹⁷ AGEBCS Vol 18 document 18-40, 1966.

¹⁸ Patullo 1996, 91.

communities of like travelers, while Gmelch examines the interactions between foreign visitors and Barbadian resort workers, who must negotiate complex exchanges while following social and cultural conventions and struggling to exert forms of agency. These challenging positions in transnational exchanges within the context of tourism encounters have resonance throughout the primary documents which make up the foundation of this dissertation.

Sources and Methodology

While this dissertation makes considerable use of magazine and newspaper articles promoting Baja Sur tourism, and the published accounts of American and Mexican visitors to La Paz, the bulk of the sources referenced here come from archival repositories. The two key resources, found in La Paz, are the Archivo General del Estado de Baja California Sur (AGEBCS) and the Archivo Histórico Pablo L. Martínez (AHPLM). Generally speaking, the official archive for state documents is the AGEBCS, but most of the materials predating 1969 are to be found in the AHPLM, as is a significant collection of theses, dissertations, and published secondary works relating directly to La Paz.¹⁹ Most of the documents accessed from these archives are internal government files relating to individual tourists, correspondence and applications from local business owners, data gathered on movement of visitors and progress

¹⁹ The excellent quality of the collection at the AHPLM and the professionalism of its staff meant that materials here were more readily accessible than at the AGEBCS. The delineation between collections was not entirely clear, as the AHPLM is an official state archive, and is infrequently referred to as the Archivo Histórico del Estado, Pablo L. Martínez. For instance, the 1967 letters to the governor, proposing tourism developments at Punta Coyote and at *el mogote* are in the AGEBCS collection, although nominally they should be at the AHPLM. At the time of my visits in 2007 and 2008, the collection at the AGEBCS was not being held in a climate-controlled environment, and so the older state documents were stored and catalogued at the AHPLM to maintain their integrity. Apart from the storage conditions, the collection at the AGEBCS was largely uncatalogued, and instead resided in a handful of boxes with minimal notations on them. Curatorial practices were also basic, and instead of offering photocopy services, I was permitted to use my personal camera to photograph documents in the director's office, as the only alternative was to mark pages and send the documents down the street with an archive employee, to copy them at a *papelería*. At the AHPLM, attendants made scans of requested documents, which they then added to a digital catalogue of images to be burned to storage media. Notwithstanding the differences between the two archives, I am indebted to the directors and the staffs at both, as their assistance proved invaluable and the materials from their collections form the foundation of this dissertation.

reports on infrastructure development. For the late 1960s, the archives hold published *Informes*, or official reports, in which the territorial government informs the public on the state of Baja California Sur public welfare and the projects that the government has undertaken for economic development and the public good. Several of the key documents found in the archives are letters written to the various governors by boosters recommending means of improving tourism development and by would-be investors seeking support to build new projects.

Other primary source data used in this dissertation comes from Mexican national agencies such as the Secretariat of Tourism (Secretaría de Turismo, or SECTUR), and the National Institute for Statistics, Geography and Information Technology (Instituto Nacional de Estadística, Geografía e Informática, or INEGI). Apart from its published sources, which generally promoted the agency's projects, SECTUR's online database portal, DataTur, provided quantitative information on tourist movement. INEGI's published sources provided such quantitative data in the form of almanacs and were useful for analyzing statistics on the national level, but to access information on the local level it was necessary to use the agency's online *geoestadística* service. Documents from the Baja California Sur State Informational Center (Centro Estatal de Información) proved useful in this respect, too.

In terms of published primary sources, travelers' accounts and travel guidebooks are particularly useful and fairly plentiful. During the colonial period, the fundamental works relate to the establishment of the missions across the seventeenth and eighteenth centuries, and to the visit of José de Gálvez in 1768 and 1769. Mexican historian of the region Ignacio del Río's works, compiling letters and reports from the missions, *La Fundación de la California Jesuitica* (1997) and "Población y Misiones de Baja California en 1772," provide insights into the challenges faced by the regular clergy on the edge of empire, as well as their reactions to the

landscape and peoples of the peninsula. Baja Sur historian Francisco Altable's *Testimonios californianos de José de Gálvez* (2012), cover this colonial official's attempts to document and reform the economic and political structure of the northern territories. Published accounts of U.S. visitors to the territory picked up in the twentieth century, with Arthur North's *Camp and Camino in Lower California* (1910) setting the tone, recounting the difficulties of traveling by land down the peninsula at a time before tourist infrastructure existed, and the hospitality of ranchers proved essential. On the water, John Steinbeck's *Log from the Sea of Cortez* (1951) and Sparky Enea's *With Steinbeck in the Sea of Cortez* (1991) recounted the 1940 expedition of the famed author, who would immortalize La Paz in *The Pearl* (1947). Neither these accounts, nor North's represent works promoting tourism in the region, but by the 1950s, the nascent sport-fishing boom inspired a new category of traveler's accounts that did seek to popularize Baja California Sur tourism. Starting with *Baja California: Hunting, Fishing and Travel in Lower California* (1953) by Ralph Hancock, Ray Haller, Mike McMahan and Frank Alvarado, who drove a modified truck the length of the peninsula, and continuing through the accounts of John Hilton, *Hardly any Fences: Baja California in 1933-1959* (1977), and Walt Wheelock and Howard Gulick, *Baja California Guidebook* 5th ed. (1980), adventurous travelers took notice of Baja California. All noting the proximity to the U.S. border, the rugged landscape, and the abundant game species, these books conveyed a peninsula that rewarded the effort of tourists who traversed the rugged dirt tracks that constituted the early roads. By the 1970s, the new generation of guidebooks sang the praises of the recently inaugurated ferry service from the mainland, and then the completion of the transpeninsular highway as making the region accessible to all. Exemplars of these guidebooks include Ken and Caroline Bates's *Sunset Travel Guide to Baja California* (1971), Tom Miller and Elmar Baxter's *The Baja Book* (1977),

and the Automobile Club of Southern California's *Baja California* (1981). By this point, the narrative of the books shifted from the hardships and rewards of travel in Baja California to the facilities and amenities available.

From the 1950s through the 1970s, U.S. magazines such as *Sports Illustrated* and a wide range of newspapers north of the border worked to popularize La Paz, Los Cabos, and the sport-fishing industry which had become the foundation of regional tourism. Although *Sports Illustrated* largely focused on the exclusive resorts near San José del Cabo, in articles like "Winter Haven at Land's End" (1958), Jack Olsen's "Land of the Buzzard and of the Coromuel" (1965), and Sue Paterson's "Sport and Sun: Sue Paterson in little-known Baja California" (1965), the Ezra Bowen article "Waterway to West Mexico" (1957) referenced La Paz and omitted San José or Cabo San Lucas.²⁰ La Paz received plaudits in newspaper articles such as Albert Wiese's "Lower California Town Sees Big Future as Resort" (1957) and Richard Josep's "La Paz: Remote Baja Outpost Still Unspoiled" (1969). Newspaper and magazine stories across those three decades tended toward the laudatory, while the most useful articles of the past decade serve to show the more conflict-laden side of tourism. Examples here include the Gustavo Álvarez articles from 2008, voicing environmental concerns at the resort developments being constructed in La Paz, or the 2008-2013 articles of Aracely Hernández Flores on the strike and closing of the Hotel Los Arcos on La Paz's *malecón*.²¹ Very clearly, as times and interests shift, so too do the nature of the primary sources and their emphases.

²⁰ The Bowen article dealt with sailing the western coastline of Mexico and not with fly-in sport-fishing, likely why it emphasized the more complete port facilities of La Paz over its neighbors. The other *Sports Illustrated* articles sought to promote exclusive sporting in the relatively isolated resorts that grew around Los Cabos in the 1950s and 1960s. Generally speaking, La Paz received better publicity in the U.S. through Associated Press-distributed news stories picked up by local newspapers than in the slightly more specialized magazine.

²¹ Both the Hernández Flores and Álvarez series of articles were initially published in the Baja California Sur newspaper of record, *El Sudcaliforniano*. Titles accessed for this dissertation include "Cancelan proyecto camino de acceso al El Mogote," "Denuncia ante Profepa daños a humedales y manglares en obras de acceso a El Mogote," and "Encuentran sexto nido de tortugas en Costa Baja," all by Álvarez and published in 2008. Hernández Flores

This examination of the tourism complex at La Paz, its development as a local response to the regional problems of economic underdevelopment and isolation, its expansion into a form of mass tourism by the 1970s, and its decline coincident with the centrally-planned tourist mega-project at Los Cabos, is best developed chronologically. While several scholars have attempted to define uniform sequences of development for Mexican or other international tourism sites, no single progression can be adopted for Baja California Sur because of the considerable differences in the inputs these two complexes experienced. In the beginning, both destinations grew organically, in response to the opportunities presented and the infrastructure that grew alongside tourism. It is possible to tease out shared characteristics during particular periods of tourism in La Paz and Los Cabos, but through much of their middle and later development, they were very different places. Likewise, the standard periodization model proposed for the entirety of Mexico does not fit particularly well for Baja California Sur. Specifically, Baja Sur tourism emerged late in relation to other Mexican Pacific coast beach resorts, and until the 1970s it functioned on a much more modest scale. Furthermore, the model in widest use deals in very broad periods, providing little insight into specific developments.

The model proposed by Manuel Ramírez Blanco and promoted by Ibañez and Cabrera in *Teoría General del Turismo* (2011), identifies only three periods for Mexican tourism: birth, development, and formalization.²² Birth corresponds with the period 1920-1940 and saw the earliest foundations of the leisure tourism business in Mexico as well as the first attempts to organize support structures, such as the establishment of the Mixed Pro-tourism Commissions in

articles include “Estalla huelga en Hotel Los Arcos” (2008), “Solución a huelga en Los Arcos hasta 2011” (2010), and “El conflicto de Los Arcos está entrapando, falta de voluntad política: Isaías González” (2013).

²² Ibañez 2011, 48. This scheme was originally proposed by Ramírez in 1981, but remains unaltered. I am using the term “formalization” as a translation Ramírez’s choice, *tecnificación*. Translation to a cognate does not convey the intended meaning, which asserts that during this period an effort to manage tourism grew out of the founding of an official government agency and the application of concerted policy.

1929 and the Department of Tourism in 1937. Ramírez identifies development as the phase from 1940 to 1958, during which tourism to the colonial cities of central Mexico grew, as did the early sun-and-sand tourism at Acapulco and the like. The turning point at 1958 came with the autonomy of the Department of Tourism, previously under the Secretaría de Gobernación. According to Ramírez, the nature of tourism in Mexico from 1958 to the present has been the continued formalization of government planning and promotion, leading to greater efficiencies and the adaptation of the tourist offering to the expectations and desires of the visitors, while striving to meet the employment needs of the Mexican populace.

This schema is actually an adaptation and streamlining of a model proposed by the Mexican Institute of Tourism Research in the 1970s, and referenced in Armando Romero Balcazar's 1975 thesis. Here, 1920-1930 is identified as the period of initiation, followed by incorporation (1930-1940), development (1940-1957) and completed by expansion and formalization (1958-present).²³ In this case, incorporation identifies the emergence of the committees of the 1930s as representing a distinct phase, but otherwise follows the same pattern that Martínez expressed a few years later. In La Paz, the Mixed Pro-tourism committee did form, but leisure tourism did not really emerge until the establishment of the Hotel Perla on the malecón, in 1940, and the development phase did not begin until the early 1950s, when the next major hotels began to open. Formalization arrived in 1958, but that was largely because that process was top-down, and dictated by the federal government. Development actually continued well into the 1960s and early 1970s in Baja California Sur, prior to the arrival of FONATUR, when expansion and formalization clearly took over.

²³ Romero 1975, 22.

Chapter Outline

Following the chronological structure, the first chapter examines the historical background of the peninsula in general, and of La Paz whenever relevant. Particular attention is paid to the economic activities which emerged on the peninsula during the colonial and pre-revolutionary republican period (i.e., prior to 1910), as the subsequent shift toward tourism as a concerted economic activity in the twentieth century emerged as an attempt to replace failed, extractive industries. Chapter two addresses the origins of the tourism industry, with antecedents around the turn of the century but emerging in the 1920s with the establishment of the first local commission on tourism. That movement began to consolidate in the 1940s with the construction of the first tourist hotel, and by the first years of the 1950s saw the addition of the first luxury fly-in resort at nearby Las Cruces. By 1954, with the closure of the copper mines in the northern part of the state, Baja California Sur was committed to tourism as the engine for economic development, and La Paz was clearly the heart of the industry. Chapter three continues from 1954 through 1967 and plots the rise of a secondary tourism complex at San José del Cabo as well as the development and expansion of the La Paz complex. At this phase boosters emerge to promote a coordinated and progressive tourism policy to the government at La Paz. Chapter four comprises the period from 1967 to 1976, during which the tourism complex at La Paz reached its pinnacle and the federally-planned and funded Los Cabos project emerged as an impending revolution to tourism on the peninsula. During this timeframe, private investment in Cabo San Lucas had already begun to expand the tourist offering on the south cape, and the southern tourism complex diverged completely from the La Paz complex. Throughout the region, transportation and other major infrastructure projects transformed local development, and La Paz transitioned into a mass tourism model with large numbers of Mexican national tourists. In the

final chapter, from 1976 to 1986, FONATUR investment and the peso crisis's impact on domestic tourism catapulted Los Cabos into the ascendant and lead to the collapse and stagnation of the La Paz tourism complex. In the epilogue, the dominance of Los Cabos in the twenty-first century is confirmed, although initial signs of a resurgent La Paz complex indicate the potential long-term sustainability of tourism there.

CHAPTER 1. LA PAZ BEFORE TOURISM: SOUTHERN BAJA CALIFORNIA TO

1929

Since colonial days, the economic activities on the southern reaches of the Baja California peninsula have been characterized and shaped by three key factors: geographic isolation, a hot climate, and the scarcity of water.²⁴ For centuries, these characteristics insured that the peninsula would remain on the fringes of settlement, development, and integration into the national economy. Yet the first two would also create the ideal context by the middle of the twentieth century for the emergence of a tourism complex that grew out of wider developments in the region, across Mexico, and in the neighboring United States. From the eighteenth to the early twentieth century, however, tourism played no appreciable role in the regional, nor indeed, the national economies. Instead, the social foundations of the communities that would make up Baja California Sur were laid in the missions established by the orders of regular clergy that occupied the peninsula during the colonial period. The economic foundations could be found in both the mission and civil settlements that studded the coastline, and in the extractive industries of mining and pearling, as well as agriculture, which all attracted a lay population, capital investment, and commerce to the region.²⁵ The processes of building social and civil institutions as well as economies capable of supporting growth came slowly to such an isolated region, and

²⁴ Boncheva, et al. 2002. This observation does not originate in Boncheva's work. In fact, the sentiment and the wording are motifs that appear in multiple histories of the region, including Pablo L Martínez's canonical 1956 *Historia de Baja California*, but have become so widely used that they may be taken as common. Under the Köppen climate classification system, virtually the entire Baja California peninsula is characterized as low-latitude desert (BWh), meaning rainfall totals for the year fall below the potential evaporative total, and that average monthly temperature never falls below zero degrees Centigrade.

²⁵ Natural resources have long been key to the economic activities of the peninsula, with the primary sector industries of agriculture, mining and pearling all exploiting scarce materials. To be sure, only mining relied on finite resources, but pearling did follow a similar extractive model, and with the scarcity of water and the limited supply of good forage, ranching on the peninsula required close resource management. In that sense, the analogy of extractive industries being those which must manage valuable but limited raw materials, tourism in Baja California Sur may also be viewed in terms of extracting economic benefit from scarce natural resources.

were characterized by fits and starts, as boom and busts cycles hindered development on the western periphery of Mexico.

Colonial Contacts and Economic Communities on the Peninsula

The first organized economic activity to bring the Baja California peninsula into the larger sphere of Spanish colonial Mexico was the trade for pearls, a precious material that indigenous people had already been extracting from the sea beds and putting to their own decorative uses, and which captured the attention of the Spaniards. Noted as early as the 1533 voyage of Fortún Jiménez, and confirmed by the subsequent 1535 expedition of Hernán Cortés which attempted and failed to establish the colony at Santa Cruz (La Paz), the harvesting of pearls from that coastline and as far north as Loreto in one way served as both the first arena of trade for the peninsula, and the first to disappear completely. During the first decades of the colonial period, the pearls of this western inland sea found their way to mainland New Spain. The shoreline contained seemingly inexhaustible oyster beds, and even before Spaniards attempted to build missions or settlements, small ships plied the coast to trade with local Guaycura or carrying Yaqui natives from the mainland coast, whom they put to work diving for pearls. One early entrepreneur and partner in the first pearling monopoly established in 1585, Antonio del Castillo, made several voyages to the Baja California coast to trade knives and other goods with local Indigenous peoples, in exchange for pearls they had gathered.²⁶ At this level of production, the beds may well have been inexhaustible, and although the Spaniards exploited indigenous labor, the indigenous peoples also profited from the industry. The presence of Spaniards on the coastline was relatively light, as no permanent pearling settlements were established on the peninsula, although in the seventeenth century organized pearling accelerated

²⁶ Gerhard 1956, 240.

and began to leave a lasting impact on the oyster beds. By 1625, numerous pearlers plied the coasts, registering tremendous yields, and many more must have participated illegally in order to avoid paying the *quinto real* (“king’s fifth,” the customary tax on precious minerals extracted from the colonies). Occasionally such *contrabandistas* would be caught diving or become shipwrecked on the coast, but their numbers will never be known with any certainty. What is known is that for one 1632 expedition undertaken by Francisco de Ortega, the *quinto real* totaled thirty-six ounces of pearls, meaning his net take must have been in excess of 180 ounces.²⁷ Such harvests took their toll, and although official records are scarce, before the 1670s the industry had collapsed and no Spaniards still engaged in organized pearling by the time permanent colonial settlements appeared on the coast.

Apart from the brief and unremarkable visits to the peninsula by Cortés in 1535, Juan Cabrillo in 1542, other early Spanish explorers and conquistadors of note as well as the flurry of pearlers, Baja California escaped organized attempts at colonization until the Jesuits took responsibility for building a chain of missions up the peninsula at the end of the seventeenth century. To be sure, missionary impulses played a key role in colonization, as local indigenous groups had largely escaped the initial wave of conquest and were therefore unfamiliar with Spanish Catholicism. The indigenous Guaycura, Pericú, and other cultural groups were small in number, geographically dispersed, and eked out famously tenuous lives in the peninsular deserts. Apart from scattered oases and a few hospitable microclimates in the sierra, native peoples lived on land that supported only small bands, necessitated regular migration, and which led to regular competition for land and resources.²⁸ This proved unappealing to conquistadors, who sought an “*otro México*” and the promise of wealthy, imperial civilizations to overthrow, but presented no

²⁷ Gerhard, 1956, 244.

²⁸ Massey 1949.

such disincentive to missionaries who sought to extend Christianity into the hinterland.²⁹ Indeed, by the point that the Jesuits began their first mission-building endeavor in the peninsula in 1683, the soon-abandoned mission of San Bruno, the need to expand the process of conversion and “civilization” on the borders of New Spain must have been compelling. The recent Pueblo Revolt, which had expelled the Franciscans and colonists from New Mexico, demonstrated the fragility of these borderland institutions, and would have made apparent the gap in settlement along this western peninsula. Likewise, the reports of Alta California gathered by explorers extending back to Cabrillo in the 1540s, gave impetus to push northward and buttress the eventual recapture of New Mexico with mission and colonial establishments to the west. In addition, the potential for colonial competition with France to the east, in the Louisiana country, in conjunction with English colonial successes on the east coast of North America, their capture of Jamaica in 1655, and their tenuous claim on the western coast of North America based on Francis Drake’s 1579 exploration of that coastline during his circumnavigation, made Spain’s establishment of a colonial presence in the region all the more important. The construction under Juan María de Salvatierra of the mission Nuestra Señora de Loreto in 1697 (Figure 1), giving name to the town that would be the seat of the expanding mission network up and down the peninsula, marked the effective beginning of Jesuit control over the region.

Still, the circumstances of isolation and harsh environment which impeded the colonial settlement of the peninsula during the first century and a half of Spanish presence also frustrated

²⁹ The concept of “*un otro México*,” or “another Mexico” should be read in the context of colonial understandings of Mexico. The political institutions with authority over the region were the Viceroyalty of New Spain (extending south into modern Central America and north to the edges of Spanish settlement in the borderlands region), and within that the Audiencia of Nueva Galicia, centered in Guadalajara and responsible for the lands to the northwest of the viceroyalty’s capital. Mexico, in the colonial understanding, would have been the land of the Mexica, or Aztecs. In essence, Spaniards and the first generations of their progeny sought to replicate the fantastically profitable conquest against another indigenous empire. As discussed by Cynthia Radding in *Wandering Peoples* (1997), the indigenous groups that the Spanish found in the northwest proved to be semi-nomadic and politically disorganized, when compared to the Aztec and other peoples to the south.



Figure 1. Nuestra Señora de Loreto mission church.

the Jesuit mission-builders, who struggled both to establish and maintain missions on marginal land, and to organize and compel semi-nomadic peoples to remain in their mission settlements. Missions along the lower peninsula suffered from a high rate of failure as native peoples succumbed to newly imported illnesses, abandoned the Jesuits, or actively evaded incorporation into the communities. Yet the imperative for conversion was not the only motive for establishment of the institutions. Mission-building also served to cement land claims, to support

the settlements on the Sonoran coast of the Gulf of California (by raising livestock to ship across the narrow sea or to process into dried meat), and to provide an emergency stopping point for the economically important Manilla galleons, as they tacked down the peninsula.³⁰ Jesuit economic activities in the interior areas of Mexico during the colonial period are well recognized as factors in the rise of the order in terms of wealth and power, although there they also created competition with local entrepreneurs and the potential for conflict. In Baja California, the missions served as nuclei for Spanish settlement along the peninsula, coalescing a civil population and establishing economic activity, even as they failed to organize indigenous groups. Along the peninsula, the missions proved to be the foundations without which the civil settlements might have taken decades longer to develop, but the relationship that the religious institutions had with the lay communities that surrounded them were often a point of conflict.

With the arrival of the Jesuits and the building of their institutions, the priests endeavored to restrict the contact of the indigenous with *hispanos* who were not of the missions. The reasoning they followed held that the first priority for the *indios* was to become Christianized, and that labor on the mission and not trade with lay merchants was their first step toward “civilization.” One of the greatest threats to this process was the development of large settlements of *hispanos* engaged in economic activities off the missions, which might demand a labor force. A classic example of such an activity across northern New Spain was mining. The

³⁰ González Cruz 2002, 123. The issue of supporting the Manila galleons was especially important to the imperial interests of Spain. These treasure ships supplemented the bounty extracted from the silver mines of Jalisco, Durango and Zacatecas, but the challenges of shipping goods from the Far East and the risks posed by hostile European states necessitated a trans-Pacific route. Cargos arrived in Acapulco before transshipment across central Mexico to Veracruz. Although this process in itself was not without risk and inconvenience, the primary challenge became the length of the sea voyage and the health of the crews. Manila galleons regularly arrived with crews suffering from scurvy and other disorders related to malnutrition. A particular frustration proved to be the final several hundred miles, sailed against prevailing winds and by weakened crews. By visiting settlements along the coastline of the Californias, including one at San José del Cabo, Spain hoped to relieve and resupply the ships in time to preserve the crews and speed the ships to Acapulco. From 1736 through 1776, the galleons occasionally stopped at San José, presenting locals with a rare opportunity to trade with the crew. After 1776, the presidio and settlement at Monterrey in Alta California supplanted San José.

first indications of precious metals in the soil of Baja California emerged in 1720, when Ignacio de Rojas, a soldier accompanying the Jesuits, collected an ore sample that contained silver near the camp that would later be the site of the Santiago mission. Soldiers, and particularly former soldiers who had renounced their commissions or left the service, would play many of the key roles in the early mining industry during the colonial era. Indeed, they would also form a nucleus for the *bajacaliforniano* population that would outlast the missions and their priests and friars. Rojas' discovery went unexploited for more than two decades, until the first of Baja California's new generation of pearling entrepreneurs struck upon silver mining as a way to grow his fortune and diversify it, to protect from a future decline in the oyster beds.³¹

During the first decades of the mission settlement, the trade in pearls continued, but it did so either beyond the pale of the mission settlements, or at the hands of *armadores* (owners of armadas of small ships and canoes used in pearling) with divers they brought from the mainland. At any rate, the take in pearls had declined precipitously, the industry dwindled from the 1670s through the first half of the eighteenth century, and the religious authorities in the small communities of the peninsula worked to discourage *indios* and *hispanos* from dealing in pearls. The first Baja Californian *armador* went into the trade despite the best efforts of the authorities at Loreto to impede him and as the result of a fortuitous storm. Francisco Altable notes that the Jesuits and the governor made every effort from their first establishment on the peninsula to restrict the ability of presidio soldiers and other local inhabitants to speculate in activities that might build their personal fortunes. In particular, harvesting and trading in pearls was a concern as the men knew of the presence of the oyster beds, and might readily trade them with ships that stopped at the town. For the most part, any efforts undertaken by soldiers escaped notice until 1740, when a heavy storm dredged up oysters and deposited them on beaches near Loreto. A

³¹ González Cruz 2002, 109–111.

group of soldiers began to ignore their duties and openly dive for pearls, among them Manuel de Ocio. Within months, Ocio had recovered enough to confirm his future path, and he quit the army to take up pearling full time. Over the next several years he built up his armada and appears to have worked his way through the local oyster beds, decimating them before turning his interests southward and inland, toward Santa Ana. In 1743, Ocio reported a harvest of just over 128 pounds of pearls of differing quality, and the next year he registered nearly 279 pounds.³² That very year, 1744, Manuel de Ocio and fellow former soldier Gaspar Pisón y Guzmán undertook to establish working mines at Santa Ana and El Triunfo.

Making a commercial success of mines required a different approach and significant developments, including a workforce (in the case of Ocio's mines, often former soldiers who followed his success), basic infrastructure such as water storage and works to process the ore, and most importantly, recognition by the authorities in order to insure the legality of the claim. The mainland provided no shortage of mining engineers and intermediaries to square relations with the viceregal government, and as the enterprises grew, so too did the demand for equipment, more labor and improvement of the mining towns which began to spring up. Increasingly, the region stretching up the western lobe of the peninsula from near Santiago up to San Antonio and El Triunfo spun out of the mission economy and influence, and into those of the mines. For the first time since hispano-mexican settlement began, a significant area of Baja California functioned under a different model of development.³³ To be sure, the mining concerns of the peninsula during the mid-eighteenth century were not as profitable as their counterparts in more established areas of Mexico, and even after establishing the mines at Santa Ana, Manuel de Ocio continued to run his pearling armada to support his personal income. From 1759-64 he paid over

³² Gerhard 1956, 246. González Cruz 2002, 108–9.

³³ González Cruz 2002, 109–111.

seventeen pounds as his *quinto real*.³⁴ Then again, the promise of these new regions to provide fresh veins of silver when the fabulously wealthy Guanajuato and Zacatecas mines were already showing signs of decreasing production led to wide interest. When *visitador* José de Gálvez arrived in Baja California in 1768 on his inspection of the northern provinces of the viceroyalty, he went not to Loreto, only a year previously wrested from the Jesuits upon their expulsion, but to the mining town of Santa Ana. There he was received by Manuel de Ocio, proprietor of the mines.³⁵ In the twenty years since the foundation of silver mining on the peninsula, Santa Ana and the few other sites had not grown rich or populous, but in a land of scarcity, their emergence was notable, and for an official like Gálvez, who was committed to extending effective, lasting Spanish control over the tenuous border regions, the mines gave testimony to progress. It is worth noting that Gálvez had overseen the expulsion of the Jesuits from New Spain, along with Viceroy Carlos Francisco de Croix, and was anxious to see their mission network reoccupied and expanded, by Franciscans and Dominicans. He recognized the strategic importance of occupying Alta California and consolidating the hold over New Mexico and Texas, which he attempted by promoting settlement through the expansion of mission and presidio building. Efforts to build a safe road to Alta California and to encourage trade on the long and inefficient roads to Santa Fe and San Antonio de Bexar would also become hallmarks of his *visita*, and when he returned to Spain Gálvez continued to exert his influence on the region through the establishment of the *Provincias Internas* in 1776.³⁶

When the *visitador* arrived in Santa Ana, he ordered a survey of the deposits and began to lay the framework for an expansion of mining in the region. Once the veins of silver ore proved to be adequate, Gálvez ordered the establishment of a royal warehouse at Santa Ana to maintain

³⁴ Gerhard 1956, 246.

³⁵ González Cruz 2002, 121.

³⁶ Altable 2012, 303.

supplies of and access to mercury, a necessary product in the patio process of refining precious metals and a resource in short supply. Without an official royal establishment, mine proprietors on the peninsula had been forced to resort to purchase or smuggling of mercury from the mainland coast, or had been reduced to producing impure silver by inefficient means. The royal monopoly on the production and sale of mercury had been a limiting factor without a supply in Baja California, and even after legal sales began, demand quickly outpaced supply, as it had on the mainland. Still, by ordering the warehouse, Gálvez intended to foster the nascent industry on the peninsula. In further reforms he established a standard salary for laborers in the provinces, depending upon their area of work, and named as representative of the *Real Hacienda*, or Royal Treasury, Bernardo Moreno y Castro. Moreno's task would be to monitor the mines and collect taxes on their production, but also to represent their interests to the government and insure that the mines had the necessary access to supplies and support for growth. To Gálvez, increased profit in the mines would lead to increased revenue for the crown and the peopling and stability of the northern frontier.³⁷

One of the difficulties in measuring the impact of these reforms lies in the limited statistical evidence of precious metal production in Baja California during the colonial period. According to historian Francisco Altable, the only direct figures on Baja California may be found in the reports compiled in the records of the Provincias Internas and held at the Archivo General de la Nación de México, and they only record the production of the Ocio mine at Santa Ana from 1753 to 1783. Over these years, there was a general increase from the first decade to the second, and then a general decline, although great variance in output existed from year to year. 411 marks (3,288 oz t, [troy ounces]) of silver were reported in 1753, but the low in production came in 1756 at 264 marks (2,121 oz t). Between those low years, Ocio registered

³⁷ González Cruz 2002, 145–153.

2,071 marks (16,568 oz t) in 1755, and after 1761 production never dipped below the 1191 marks (9,528 oz t) recorded that year. Peak production years were 1769, the year after Gálvez's visit, with 7,242 marks (57,936 oz t) and 1776 with 6,723 marks (53,784 oz t) reported. Only 1765 yielded more than 4,000 marks at 4,025, and the average production across all other years not explicitly stated above was 1,838 marks (14,704 oz t).³⁸ In terms easier to grasp, in such a year Ocio's mine generated only 1,008 pounds of silver, but in that peak year of 1769 it produced very nearly two tons of silver. Mining proved variable, but for those with access to sufficient capital, it held the potential for great profit. Pearling was again proving variable, and the *visitador*, noting that yields in pearls had begun a precipitous decline in the years immediately before his visit, attempted to establish restrictions to protect the oyster beds.³⁹ The devastation of those beds in an attempt to reap as much profit as possible would presage the developments of the late nineteenth and early twentieth century, although they would play out on an even larger scale. It would be nearly a century before pearling would again be a vital component of the regional economy, again demonstrating the cycle of boom and bust.

A slower, but more consistent pattern of development took place in the context of the religious institutions of the region. The Society of Jesus, and, after 1767, the Franciscans and Dominicans, constructed a chain of missions and *visitas* outward from Loreto throughout the eighteenth century.⁴⁰ Low population density among the indigenous peoples, scarce water resources, and the unique geography of this periphery of New Spain conspired to limit these religious institutions to a slender thread extending along the eastern coastline, occasionally

³⁸ González Cruz 2002, 150. 1759 and 1782 are not represented in the data. The yearly average figure I derived by adding the production figures not explicitly referenced otherwise in my description, and dividing by the number of years represented in the data.

³⁹ Gerhard 1956, 246. González Cruz 2002, 108–9.

⁴⁰ In this context, a *visita* was a chapel where friars could conduct religious services for small indigenous communities, and which often served as waypoints on their travel between missions. *Visitas* were not permanently occupied by the regular clergy.

meandering inland to springs and indigenous *rancherías* (occupied by bands or small groups), and finally emerging along the Pacific coastline as they neared Alta California.⁴¹ The Jesuit period, lasting until their expulsion from Spanish America in 1767, saw the construction of all of the missions in present-day Baja California Sur. By the 1770s Franciscans shifted the emphasis to the far north in Alta California, and shortly thereafter Dominicans undertook the construction of the majority of the missions in the current state of Baja California (Norte). Mission sites proved notoriously vulnerable, and natural disaster, loss of access to sufficient fresh water for agriculture, or even isolation and dwindling populations in the *rancherías* doomed several to failure and abandonment or relocation. Yet missions that survived typically found themselves the nuclei for small, hardscrabble communities. In Baja California Sur, Loreto and La Paz both hosted missions and later served as capitals of the civil governments. San Ignacio, Mulegé, Todos Santos and San José del Cabo all grew around missions, and with the exception of mining towns like Santa Rosalía and El Triunfo, or twentieth century agricultural centers like Ciudad Constitución and Ciudad Insurgentes, virtually all towns of significance were sites of missions or *visitas* (Figure 2).

Notwithstanding the emergence of an archipelago of missions up the peninsula, development and incorporation of the region into the larger viceroyalty was slow, a condition which continued into the Mexican national period following independence. Although geographically close to the Mexican mainland, separated by a narrow sea with comparatively tranquil weather (at least in relation to the Pacific Ocean on the other side of the peninsula), the fact that populations in Sinaloa and Sonora never reached a density to preclude further expansion

⁴¹ *Ranchería* fundamentally described a small settlement of indigenous peoples, living outside the bounds of a mission. That usage, however, was at times employed to indicate the band or group itself, as Spaniards on the peninsula found it more effective to refer to indigenous peoples by their settlements than by broader cultural groupings. Thus a *ranchería* might be either the physical settlement or the band living there.



Figure 2. Baja California Jesuit missions (Adapted from Baja Almanac Publishers 2003, and del Río 2000, 40). The date in parentheses is of the foundation of the mission. Several Baja California Sur missions were abandoned during the colonial era. The dashed line indicates the modern border between the states of Baja California, established in 1952 and represented here with the descriptor *norte*, or “north,” and Baja California Sur, established in 1974.

meant that there was little impulse to expand to Baja California. In point of fact, these mainland regions remained the focal points of development over the next three centuries following the establishment on the peninsula of the mission at Loreto, with their access to transportation

networks, coastal plains and better irrigation contributing to their slow but more effective growth. The geography of Baja California, alternately mountainous, marked by deserts like the notorious Vizcaíno, and studded with sheltering coves and bays, encouraged activity on the peninsula to orient toward the Sonora and Sinaloa coasts. Small coastal settlements in Baja California frequently communicated by boat with the mainland, with tracks through the countryside proving more dangerous than sea travel, and granting no great advantage in terms of speed or reliability. Peripatetic priests and friars, most famously the Franciscan priest Junípero Serra, traveled along the mission archipelago that ascended the peninsula, but they were the exception when it came to land travel. By and large, the settlements of Baja California relied upon the mainland to supply goods, livestock and settlers, and to serve as markets to receive the peninsula's products.

The missions did, however, begin to serve as generators of economic activity by the middle of the eighteenth century.⁴² In particular, these religious institutions and their associated indigenous *rancherías* established the farming and ranching activities that would feed the hispano-mexican newcomers to the peninsula and allow for the export of surplus to those mainland markets. The indigenous groups of the peninsula had not practiced the intensive agriculture of their central Mexican counterparts, and so there were no local crops to scale up for market, such as the maize and agave in the heart of New Spain. Rather, the priests and friars carried seed stock across the Sea of Cortés, sowed maize, bean and wheat to supplement their food stores and put their indigenous neophytes to productive labor as part of their intended Christianization and civilization process. Successful missions both bred and were predicated

⁴² González Cruz, ed. *Historia General de Baja California Sur*, vol 1. 2002. provides an excellent overview of the regional economy from its earliest phases to 1990. Francisco Altable's chapter on the mission economy promotes the position that these religious institutions set up the framework for the agricultural sector which would continue to employ the majority of the residents of the state up into the twentieth century.

upon successful agriculture. By the 1770s, the Baja Californian missions had reached their peak of production, with Dominicans registering in excess of 347 tons of produce of various types harvested at six missions in the modern state of Baja California Sur. San Ignacio proved the most prodigious that year, endowed as it still is with an abundant spring, generating 152 tons on its own in wheat, maize, beans, grapes, figs and other crops from seventy-seven hectares under cultivation. The nearby Nuestra Señora de Guadalupe mission contributed sixty-nine tons and the fields at San José del Cabo yielded eighty-two tons of assorted crops.⁴³ Such production would have created a surplus to transport to the mainland for the support of other missions and *visitas*.

Still, the strength of the mission economies proved to be fleeting despite their evident growth. In terms of crop production, the high of 1778 was followed by a quick and steady decline. From 1782 through 1800, San Ignacio averaged fifty-nine to sixty-nine tons of produce, San José del Cabo twelve to eighteen, and *Nuestra Señora de Guadalupe* only managed five tons per year. The situation became so acute and so widespread that in 1813, Governor Felipe de Goycochea noted that the missions now imported grain.⁴⁴ While weather and pests certainly reduced harvest quantities from one year to the next, Goycochea specifically referenced the decline in the indigenous population at the missions surrounding Loreto as the core cause of the precipitous drop in harvested produce. With the independence war on the horizon and the Mexican national period to follow, peninsular missions would begin to cede their primacy in agriculture to the small but growing settler population. While the foundations of farming were in the religious institutions, ultimately it would be those settler communities that would provide the necessary growth in agriculture to support the local economy.

⁴³ González Cruz 2002, 80. Citing the 1857 work of Ulises Urbano Lassépas.

⁴⁴ González Cruz 2002, 82. The 1782-1800 statistics are derived from the work of Franciscan priest Zephyrin Engelhardt and published in 1908, as cited by González Cruz.

A second area of economic activity in which the missions took the lead but in which they sparked subsequent development among non-indigenous settlers was ranching. The missions engaged in animal husbandry to varying degrees, and were responsible for the introduction of Old World domesticated animals to the peninsula, again, after they had successfully spread throughout the mainland of New Spain. Cattle, horses, donkeys, sheep and goats all made their appearances in the corrals and hinterland of the missions. But where farming briefly took off and generated exportable products for the religious institutions, ranching appears to have primarily been an activity primarily for the individual missions themselves. Again, the isolation and landscape of the peninsula conspired against the efforts of the new arrivals. Drought and limited forage reduced the potential size of herds in many missions, and the demands on a small labor force to tend animals, especially cattle, could easily run counter to the interests of the mission. Horses and donkeys might serve as beasts of burden and facilitate farming, and sheep and goats might be kept closer to the mission, but if cattle were to number more than a few head they would need to be tended away from fields of crops, on good forage, and by cowherds who would not be required to return to the mission several times a day to undertake their religious instruction. Neophytes did not fit that bill. And the economic imperative to develop herds to ship to markets did not exist on the peninsula during the early days of the colonial presence. In Sonora, Sinaloa, and further inland, the mining centers provided such markets, and missions there did develop ranching on a larger scale, as did lay settlements. In the Baja California missions, meat from the cattle, sheep, and goats primarily remained on site, and with the exception of leather, wool, and perhaps some animals shipped on the hoof, livestock generally did not play a major role in trade. That began to change slowly with the emergence of mining sites on the peninsula, but even then the ranching economy that developed grew best in the hands

of settlers, many of whom gained their first experience in tending animals on the peninsula while employed as servants or soldiers at the missions.⁴⁵

Integrating Sectors of the Peninsula's Colonial and Early National Economy

Although mining would bring dramatic change during the nineteenth century, it was private ranching and limited agriculture that occupied the largest number of inhabitants, living off of the mission lands during the eighteenth century. If mining required access to capital, transportation to get supplies from across the Sea of Cortés and bullion back to the mainland, and ownership of lands with veins of silver or gold, ranching necessitated little more than the experience that the average resident of the peninsula might already be expected to have. As settlement on the peninsula clustered around missions, the people who congregated there, neophytes and later the converted (or *gente de razón*), soldiers employed in protecting the missions, and servants brought across from the mainland, often found themselves employed in ranching. When they left the missions, either resigning the military, completing the terms of their service, or having been “civilized,” they needed some means of self support and establishing or hiring on to *ranchos* offered a familiar option.⁴⁶ In the first decades of the mission system, most of these ranches were located in the vicinity of the churches, both because they were the nuclei of settlement and served as potential clients for the dairy, meat, wool and

⁴⁵ González Cruz 2002, 88–91. Francisco Altable promotes this argument in his article on the mission economy compiled in this work. He notes that although missions typically kept livestock, their numbers often were not systematically reported. He does provide a table of data derived from reports to the Provincias Internas by the Dominicans from 1773-1800, with the omissions of reports almost equaling those with figures. By Altable's reckoning using this data, a total of from 9,000-11,000 head of cattle, 5,000 sheep, 2,000 goats and an additional 2,000 horses, mules and donkeys were held across the period at the missions. It is worth noting that these numbers were highly variable, in some cases suspect, with the mission at San Ignacio registering 4,000 cows in 1778, but in the previous and subsequent reports of 1774 and 1782, only 215 and 500 respectively.

⁴⁶ *Ranchos* differed fundamentally from *rancherías*. The latter were indigenous settlements outside of the missions, the former were agricultural establishments, translating as “ranches,” but often involved in raising crops as well as livestock. *Ranchos* were incorporated into the scheme of Spanish settlement in the region.

hides that the ranches produced. Likewise, missions were built at sites with reliable access to water, a resource that was in short supply in many areas of the peninsula, and it took time for ranchers to spread into an uncertain hinterland. At any rate, land was not in short supply near the missions in the eighteenth century.

While the missions provided limited markets for ranch goods, they were also to some extent in competition with the private agriculturalists surrounding them. As ever, one of the key goals of mission churches and the *rancherías* of indigenous peoples attached to the missions who lived and worked there was to strive for independence from outside support. Baja California missions generally did not achieve this goal, as local resources proved too scarce, indigenous populations too precipitously in decline, and the climate too harsh to create abundance. Still, all of the missions engaged in farming and animal husbandry even though only a few managed to provide all of the food necessary, and then only in favorable years. Thus, nearby ranchers could eke out basic existences in trade with the missions. Yet it would not be until the mining concerns began to take hold in the southern portion of the peninsula that ranches found the economic partners with whom they might expand. By the late eighteenth century, mission building in Baja California was all but complete, with the Franciscans only building one new establishment after the 1767 expulsion of the Jesuits, and the new focus to that end shifting to Alta California. No new missions and no growth in those extant meant that the best opportunity lie with nascent independent commercial enterprises like the silver mine of Manuel de Ocio at Santa Ana, or the salt works at Isla Carmen, across the bay from Loreto. These lay establishments did tap the missions for produce as noted by Miguel del Barco, and the missions at Santiago and Todos Santos in the early years regularly found themselves compelled to provide food to the miners out of charity, such were the conditions of the workers. Del Barco

acknowledged that those missions nearest the southern mining district were not the most productive of the network, and so they often struggled to balance their own needs with those of their neighbors (and their Christian duty to them) when it came to resources.⁴⁷ The lack of surplus and the primary purpose being the maintenance of the priests and neophytes meant that missions were not long-term sources for food. Successful mines therefore bred successful lay ranches and farms, but as governor Felipe de Neve noted in 1780, the mines' outputs were generally so poor that after paying for supplies including beef, their profits were often minuscule.⁴⁸ In the interconnected economy of the peninsula, growth could only occur in balance between one sector and the others.

Evidence of the growth in ranches and their association with mining may be seen in the report of Sergeant Francisco Aguiar of the presidio, or fort, at Loreto, in documenting which ranchers had paid their *diezmo* (tithe) in 1780. Along with the names of the proprietors, Aguiar included the number of head of cattle, and in the cases of some ranchers who also farmed, the size of their plots and what they grew. In the area surrounding Loreto, he reported on ten landowners, five without mention of farming, whose herds ranged from three head of cattle to twenty-five. Two he reported without mention of cattle but who owned irrigated land on which they planted corn and fruit trees. The most prosperous two, Diego Pérez and Felipe Romero, enjoyed twenty-eight head of cattle, a field of corn and garden plot, and twenty-six head, a *suerte* of land, grapes and fig trees.⁴⁹ In Loreto, they would have been trading with the mission and salt works nearby. At the southern extreme, the ranches Aguiar documented at San José del Cabo and Todos Santos would have counted missions as their neighbors, but no major private

⁴⁷ Del Barco 1988, 320. (cited in González Cruz 2002, 101).

⁴⁸ González Cruz 2002, 151.

⁴⁹ A *suerte* of land in the colonial Californias equated to 6.912 acres. http://www.californiamissionstudies.com/Research/Articles/Mission_Period_Weights_and_Measurements_Part_2.html

industries. San José registered two ranchers with fourteen and seventeen head of cattle, and Todos Santos tallied three, with eight, twenty and fifty head, no farms noted at either site. The remaining entries were for the mining districts: San Antonio, Santa Ana, *parajes* (camps or waypoints) in the jurisdiction of Santa Ana, and landowners with cattle and cultivated land in the jurisdiction of Santa Ana. Clearly Santa Ana was the center of activity during this period, but San Antonio registered twelve ranchers with herds ranging from five head to two ranchers with thirty-nine head. A total of 224 cattle were counted in San Antonio, with the average for all ranchers at just over eighteen head. In Santa Ana proper, the two ranches owned by Antonio de Ocio counted 280 head of cattle, another rancher owned seventy-four, and a third eighteen head. Antonio de Ocio himself owned more cattle than the entire privately owned herds counted in Loreto, San José and Todos Santos, combined. In the *parajes* in the vicinity of Santa Ana, a total of 436 head were attributed to fourteen owners, the most prosperous with one hundred cattle. Of those with cattle and cultivated land, 360 head were accounted for, 250 in the ownership of Juan Crisóstomo de Castro who also controlled four *suertes* of land and four *almudes* of maize.⁵⁰ The remainder held smaller plots of land but also included dozens of fruit trees, figs and one proprietor with grape vines.⁵¹ With 1,168 head of cattle enumerated in the area surrounding the mine at Santa Ana, the impact on the economy becomes apparent.

Yet populations on the peninsula remained low. Although *visitador* José de Gálvez had attempted to encourage settlement by people from the interior of Mexico when he inspected

⁵⁰ In terms of land measure, an *almud* represented the amount of space required to sow an *almud* (a volume measurement, in this case 13.124% of a modern bushel) of grain. The measure proved to be highly variable, depending upon the quality of the soil and the type of grain planted (wheat seed being planted closer together than corn, an *almud* of wheat was in practice smaller than an *almud* of corn). In the case of corn, a 1781 reckoning for Alta California placed an *almud* of corn at .578 acres. Thus, Juan Crisóstomo de Castro planted roughly 2.3 acres of corn. http://www.californiamissionstudies.com/Research/Articles/Mission_Period_Weights_and_Measurements_Part_2.html, http://www.californiamissionstudies.com/Research/Articles/Mission_Period_Weights_and_Measurements_Part_3.html.

⁵¹ González Cruz 2002, 138. Altable cites this report from the Archivo General de Indias de Sevilla, in Guadalajara.

Spanish settlements on Baja California in 1768, few traveled to or put down roots in Baja California who had not come in the service of the military or the missionaries.⁵² In a report to Viceroy Bucareli written in 1772 by fray Juan Ramos de Lora, the friar notes the sparse populations and difficult conditions of the settlements. Although most of his attention is spent on the missions, Ramos devotes a passage to the mining camp at Santa Ana which Gálvez, no favorite of Bucareli, had visited four years earlier. Here, he notes that the projected works were semi-abandoned and that “in this manner Santa Ana resulted, and remains to the present, without church, population, nor the appearance of a settlement, with very few people.”⁵³ In a footnote that historian Ignacio del Río made to the letter, he notes that Manuel de Ocio employed as many as seventy workers at his Santa Ana mines. Hardly a metropolis, then, but also not a ghost town. The friar then goes on to dismissively describe several other mining sites on the trail to San Antonio. In his introduction to the section on Santa Ana and the mines, Ramos also notes that Gálvez’s plans for settlement at La Paz and Cabo San Lucas had only yielded shacks housing four soldiers and a commander at each. To seventeenth-century observers whose primary interests lay in the missions, as was the case with Ramos, the emergence of mining camps and the slow growth of lay civil settlements demonstrated the inability of civil institutions to generate effective growth. Somewhat more positive about the missions, he regards San Javier as the best at the time of his visit, with 293 *indios*, the finest church in all of the Californias, and sufficient agriculture to support its inhabitants. Loreto, which he identifies as the closest approximation to a town on the peninsula, he views in a state of disrepair. The presidio, which previously housed sixty soldiers was down to thirty, the townspeople, whom he fails to enumerate, in desperate

⁵² The office of *visitador*, or inspector, was a representative of the royal authority who was tasked with inspecting the political and economic activities in the colonies to seek out corruption and abuse of power, as well as inefficiencies that might be corrected by the Council of the Indies.

⁵³ “...*así se ha quedado Santa Ana, y lo está hasta el presente, sin iglesia ni población ni formalidad de villa y con poquísima gente...*” del Río 1974.

poverty and without employment or the means to leave, and the governor the only figure not due reproach: Ramos paints a picture of a squalid, underpopulated capital. The *indios* at the Loreto mission he does present as “the most civilized and hispanicized in all the Californias,” but that also makes them hard to manage and discipline for the priests who must struggle with the secular influences their charges are exposed to.⁵⁴ Thus, the only settlement worthy of being called a town in 1772 must only have counted a few hundred inhabitants, most of them indigenous peoples at the mission.

As the nineteenth century dawned and the war for independence loomed, the southern reaches of Baja California continued as before and very clearly remained out of the center of colonial attention. The nexus of activity in the missions had shifted northward to Alta California and the richer, strategically more important establishments at Monterey and San Francisco. Indeed, the formerly Jesuit, now Dominican missions at Santiago had already been decommissioned and secularized in 1795, so few were the neophytes and so limited its resources.⁵⁵ One positive development that indicated future growth, but which during the first years of the nineteenth century had little immediate impact, was the 1803 opening of the ports of Loreto, La Paz, Ensenada de Muertos and San José del Cabo to *comercio de cabotaje* (coasting trade).⁵⁶ Essentially, this opened the ports to vessels registered outside of the region, and potentially those registered outside of New Spain.⁵⁷ In real terms, that did little to spur the

⁵⁴ “*los más ladinos y castellanos de todas las Californias*” del Río 1974.

⁵⁵ Secularization of missions consisted of transferring the responsibility for them from the religious orders or regular clergy (i.e. Jesuits and Dominicans) to the secular clergy. The missions remained religious establishments, but after secularization functioned as parish churches, serving the largely mestizo local population and falling under the authority of the diocesan hierarchy of bishops and archbishops.

⁵⁶ González Cruz 2002, 159.

⁵⁷ Prior to the Bourbon Reforms of the eighteenth century, Spain maintained a strict mercantilist economic relationship with the colonies and attempted to restrict trade flowing out of them to raw materials, and trade flowing in to finished goods. In order to maintain Spain’s primacy in that relationship, inter-colonial trade was strongly suppressed and Spain attempted to transfer goods via the *flota* or fleet, which would make the transatlantic journey twice-a-year. Late eighteenth-century reforms opened trade in the Spanish colonies, in recognition of the fact that

arrival of merchants to the region, but it did simplify the flow of supplies to the southern mines, accessible either by La Paz, with its massive, sheltered bay, or Ensenada de los Muertos, closer to Santa Ana, but with little more than a long, sandy beach facing Cerralvo Island in the distance. One thing that the designation as a port open to *comercio de cabotaje* did not mean was that major efforts had yet been made to improve port facilities to allow deep-draught vessels to dock. That would bring the designation of *puerto de altura*, and up until this point San José del Cabo was the only port which periodically received such ships with any regularity. The nineteenth century dawned sleepily on the southern peninsula and without urgency in terms of development.

If the early nineteenth century did not mark a sharp departure from the developments of the previous century, it did at least see the continuation of a few trends. The influence of the missions and their clergy continued to decline, especially as the indigenous populations decreased or abandoned these institutions. It is unclear how many indigenous peoples occupied the peninsula at the 1697 founding of Loreto, but the most reliable count for 1755 put the number at 22,674. In 1773 they numbered 12,900 and in 1800 only 5,900 indigenous inhabitants remained.⁵⁸ Even prior to the time of the war for independence, the Baja California missions were virtually moribund, with the missions from Loreto to the south cape recording a total of only 190 indigenous inhabitants for 1808, contrasted with a larger indigenous population outside of the missions, and a *mestizo* population reported as 1,593.⁵⁹ In the first years of the Mexican federal government, successive laws stripped authority from the missions and sought to secularize them, and although this process was not instantaneous on the peninsula, it was consistent and irreversible. In 1825, the newly appointed governor of the territory, José María

the *flota* model had become inefficient and a constraint on economic activities. By this phase, the designation of a port as open to coastal or deep-water trade indicated growth in the local economy.

⁵⁸ Jackson 1985, 470.

⁵⁹ Jackson 1985, 468.

de Echeandía ordered the secularization of the remaining missions and the distribution of their lands to the indigenous peoples occupying them in the form of *ejidos* (communally-held lands). In the southern portion of the peninsula, this proved more difficult than might seem apparent, because the population of the *rancherías* had declined to the point that they could not make adequate use of the land as proprietors. Secularizing the mission and disposing of lands would put it directly in the hands of the more numerous *mestizo* settlers in the surroundings and would leave the former neophytes disinherited. Dominicans fought to retain the missions and their lands rather than turn them over to lay farmers who had arrived as settlers. Over the next twenty-six years, Father Gabriel González, the last Dominican president of the Baja California missions, persevered in maintaining mission control of land even as indigenous populations in all of the southern missions died out. Numerous political and legal battles pitted him against governors and local proprietors, and a US military force occupied La Paz during the 1846-1848 war. Not until 1851 did the last of the southern Baja California missions transfer into secular stewardship, by which time González himself had emerged as a proprietor and head of a large family in Todos Santos.⁶⁰

While the missions completed secularization, the civil settlements grew, albeit at a glacial pace. In 1822, the first significant effort at establishing a civil structure for the administration of the southern peninsula emerged. That year, in the aftermath of independence from Spain and the first blush of national governance, Mexico City named three *municipios* on the peninsula: the most prominent settlements of Loreto, San Antonio and San José del Cabo.⁶¹ In 1831, the

⁶⁰ Gerhard 1953. Gerhard cites two American military officers as sources describing González as priest, father of many children, and conspirator in the resistance against the brief American occupation.

⁶¹ *Municipios* function as the tier of government immediately below the states. Initially, cities of significant size were identified as *municipios*, as may be inferred by the title which loosely translates as “municipality.” In regions such as Baja California, the *municipios* came to encompass large geographic areas and were centered on small settlements. The 1824 Constitution formalized the *municipio* as a tier of government, but left it to states to determine what criteria they might use to establish a *municipio*.

municipio of La Paz was established to replace that of San Antonio, and for the next decades the two towns would compete to serve as principal power in their micro-region. San Antonio retained a larger population through much of that period, although the mining industry which spurred its earlier rise was in a lull until new veins of silver were discovered in 1837.⁶² La Paz had begun from its recent establishment to grow as a commercial town and then as the capital of the territory. In 1823 the small outpost at La Paz became the focus of a civil colonization effort. Five years later, La Paz gained the designation of *puerto de altura* to the consternation of boosters of San José which had historically received ocean-going vessels and which was better situated for transitory shipping but which was now officially limited to *comercio de cabotaje*.⁶³ From 1837-1854 La Paz would briefly lose the lucrative designation due to competition from the ports in Sonora and Sinaloa, and activity in the capital city would diminish, leading to economic stagnation.⁶⁴ But by the beginning of the next decade, in 1860, the distinction was re-conferred, with La Paz the only peninsular port authorized to receive ocean-going, internationally-flagged ships. The slightly more central location of La Paz, its excellent harbor that held promise for growth, the presence of customs facilities, and its relative proximity to the mining region meant the still new settlement began to experience the benefits of change on the peninsula.⁶⁵

When an earthquake severely damaged Loreto in 1829, the capital of the Territory of Baja California shifted to the south. For decades before the war for independence, the mission population in the former Jesuit seat of government had been in decline. Although a small non-indigenous population had come to outnumber the Indigenous on the mission, even that

⁶² Cariño Olvera 2007, 129-130.

⁶³ Reyes Silva 2006, 33-37. By this point Santa Ana had fallen in decline and nearby San Antonio emerged as the mining center of the eastern lobe of the extreme south. In areas of sparse population like Baja California, *municipios* and the *ayuntamientos* that govern them roughly resemble counties and county commission boards, respectively.

⁶⁴ Cariño Olvera 2007, 134.

⁶⁵ Centro Estatal de Información, “*Estadísticas Históricas 1768-1879*,” 2005, 340.

settlement began falling before the earthquake struck. The opportunity to move the capital coincided with clear demographic and economic shifts in favor of the southern end of the territory. San Antonio, San José del Cabo and La Paz were the prime areas of growth in a region struggling to move beyond the mission past (again, only San José counted a mission as a nucleus for its settlement, the La Paz mission failing by 1750 and being abandoned in favor of Todos Santos, and San Antonio emerging as a civil, mining town). Geography again came to the aid of La Paz, as did the glimmering of the earliest traces of a commercial underpinning to the town. In spite of being smaller and less established than the other two, La Paz became capital in 1830 and began a slow growth that outpaced its neighbors, but which did not correspond to the rate of

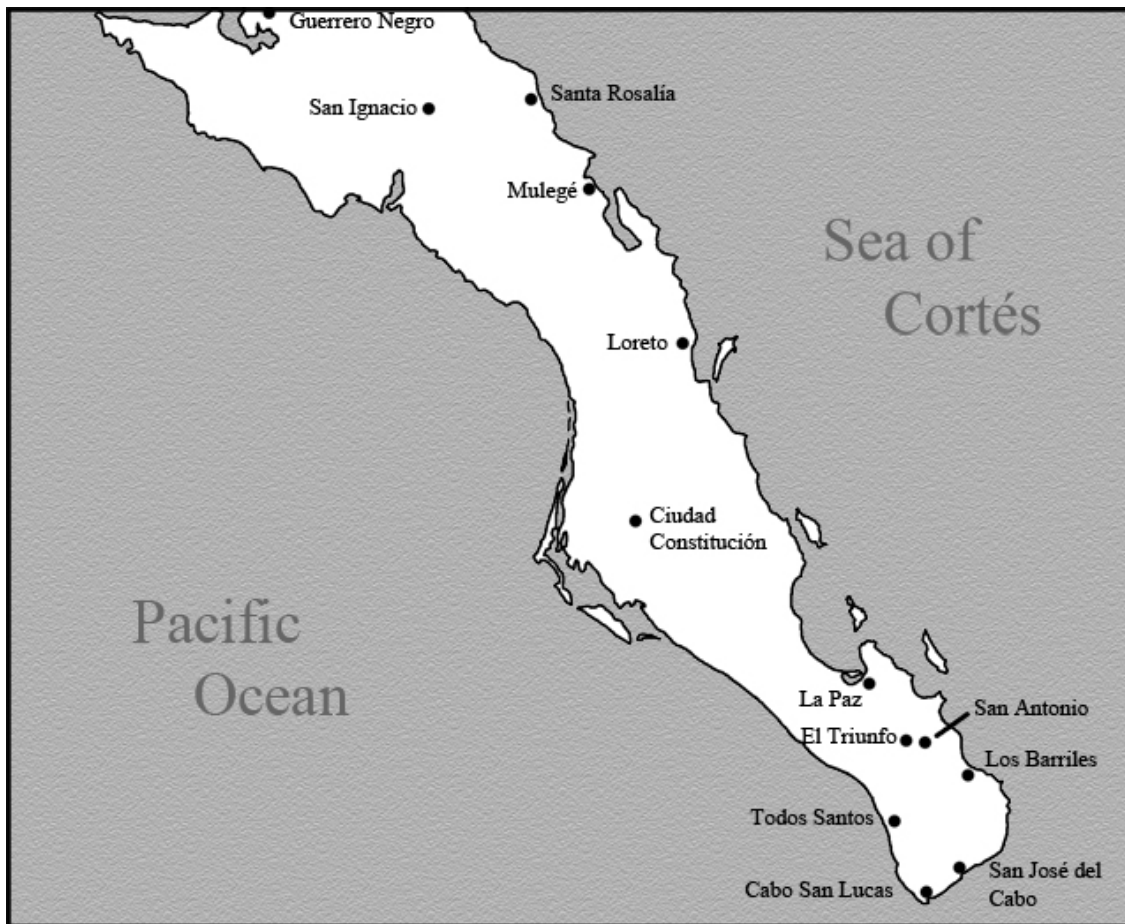


Figure 3. Settlements in Baja California Sur (Adapted from Baja Almanac Publishers 2003).

growth of mainland Mexican regions.⁶⁶ To illustrate, the population of the three *municipios* in the south peninsula, according to the 1836 report of Miguel Martínez, stood at 1,781 in San Antonio and Todos Santos, 1,476 in the administrative region centered in San José del Cabo, and 1,226 around La Paz.⁶⁷ By the census of 1900, the government would count significant shifts in the population, with 962 people in the town of San Antonio alone, 1,183 in the town of Todos Santos, and 3,346 in San José proper. As either the administrative center of a *municipio*, in the case of San José, or as towns with a significant hinterlands, as in Todos Santos and San Antonio, population figures in 1900 would have been higher had more than the towns themselves been enumerated, but clearly La Paz had gained momentum. For the 1900 census, La Paz logged 5,046 inhabitants and gained official designation as a city, or *ciudad*, the only such-termed settlement on the southern peninsula.⁶⁸

Population in the towns of the southern peninsula fluctuated over the decades, sometimes wildly. At the core of these changes was the economic underpinning of each community. Todos Santos emerged as a farming and ranching center after the decline of its mission, due to the presence of an excellent fresh water spring and temperate weather compared to other points on the peninsula. By the nineteenth century, the town became a major regional producer of *panocha*, or coarse brown sugar, from its cane fields and *trapiches*, or sugar mills, and of preserved fruits from its established groves. As such, Todos Santos supported a stable

⁶⁶ The political divisions of the Californias shifted over the years, and although Loreto had served as the capital of the entire region for a century, the growing significance of the Franciscan missions to the north and the economic activity that grew up around them spurred the Spanish colonial government to split off the region of Alta (upper) California in 1804. By the Treaty of Guadalupe Hidalgo in 1848, Alta California became part of the United States, and Baja California remained a territory of Mexico, with its capital at La Paz. After the seizure of Alta California, the subsequent gold rush had the effect of invigorating the economy at the northern end of the peninsula, but geography and the booming extractive economies at the southern end of the region favored maintaining the capital at La Paz. It was not until 1930 that the peninsula was divided into the Northern Territory of Baja California and the Southern Territory of Baja California, with their respective capitals. By that point, growth in the northern territory exceeded that of the south, and in 1952 Baja California became a state, while the Southern Territory of Baja California was renamed as the Territory of Baja California Sur, finally achieving statehood in 1974.

⁶⁷ Cariño Olvera 2007, 134.

⁶⁸ INEGI 2013. The difference between city or town figures and those for an entire *municipio* are not insignificant.

population. San Antonio, Santa Ana and El Triunfo, all on the eastern lobe of the southern peninsula relied most heavily on mining and on ranches, the first of which might attract large numbers of laborers and prospectors in boom times, but which also underwent periodic busts. The ranching economy depended less upon a large workforce, but also expanded and contracted according to the changing fortunes of the mines, its most immediate market. To that end, the population in these towns fluctuated widely. In La Paz, reduced shipping briefly reversed the slow population growth since its nineteenth century reestablishment, but the fact that the city had the most diversified economy in the region by the mid-1800s and had developed an entrepreneurial class in families such as the Ruffos meant that over the long run, growth would accrue to the capital.⁶⁹ To place these characteristics in context, 1835 figures on the towns of Todos Santos and San Antonio fixed their respective populations at 465 and 1,316.⁷⁰ La Paz in 1836 registered 780 inhabitants, but the following year it lost *puerto de altura* status and the significant revenue from international ship arrivals. By 1850, the population of La Paz had declined to 675, likely exacerbated by the occupation of the harbor and city by United States forces during the U.S.-Mexican War. Some of that population undoubtedly relocated to Todos Santos, which saw less immediate U.S. presence and which was unaffected by the shipping regulations as it had always been officially open only to *comercio de cabotaje*. In 1850 Todos Santos registered 873 inhabitants, up more than four hundred from fifteen years earlier. San Antonio and Santa Ana tallied a mere 255 in 1850.⁷¹

⁶⁹ Cariño & Monteforte 1999, 76. According to Cariño, the Ruffo family made its fortune during the nineteenth century in shipping and pearl diving. To this day, the Ruffos exert commercial influence in La Paz, until recently owning the CCC chain of grocery stores and *La Perla*, department store.

⁷⁰ Centro Estatal de Información, “*Estadísticas Históricas 1768-1879*,” 2005, 129. The sum of these matches the 1836 total reported by Miguel Martínez. The San Antonio figure likely includes the neighboring mining towns when compared to the official census figures cited below for 1838.

⁷¹ Altable 2004, 358.

The Nineteenth-Century Rise and Fall of Mining in Baja Sur

As an economic activity in the southern peninsula, mining seemed to offer the greatest potential for building communities, but it also proved prone to sudden declines or “busts,” sometimes with little warning. Mining experienced periodic revivals when the introduction of new techniques allowed for the exploitation of older deposits previously abandoned as unproductive, or when new veins came to the attention of prospectors. The refinement of capital, including foreign investment, brought growth in the nineteenth century, as did the growing access to international markets and the brief development of gold mining. For the long term, however, it would be the expansion into semi-precious metals such as copper and non-metallic minerals such as salt that would propel Baja California Sur’s mining industry into the twentieth century.

There are three principal measures that demonstrate the state of mining in southern Baja California during the nineteenth century: the production of sale-able material, the population in mining locales, and investment in infrastructure. That last point is certainly a secondary measure because relatively little infrastructure development took place until the last quarter of the century, but what did emerge by then indicated the level of investment and potential for long-term continuation of mining in such an infrastructure-poor region. Although the first measure must also be the primary method for determining success in mining, it is also somewhat problematic because the precise figures are not universally available across the companies and scope of the years. To that end, population of the respective towns will serve to corroborate the other data and act as a fairly reliable secondary measure of the mining economy. As many of the residents of these communities were supported by the mines, population increases and declines mirrored the fortunes of the companies.

As noted above, the 1837 discovery of new silver veins in the area around San Antonio and Santa Ana led to a revitalization of the mining enterprises south of La Paz. An 1838 census of the population in the town placed its population at 436, but noted that 110 were children under nine years of age. Accounting for the sixty-nine married couples in the count, the labor force in the mine could not have been much more than half of the total number of inhabitants.⁷² The presence of a large number of families suggests that there was some degree of persistence in the local population, but also may be accounted for by landless laborers relocating with their households intact. These would not have been seasonal workers, and the scarcity of resources and economic activities for these people would have made it more difficult to split families and leave those less likely to find employment to fend for themselves over long periods of time. The uptick in mining in the late 1830s and early 1840s also contributed to the establishment of new partnerships, companies and mining claims. In 1843, the government offices in La Paz registered eight new mines, four of which specifically meant to exploit silver deposits (the others not identifying the mineral veins, but likely for silver as well), and which named eleven investors as the principals.⁷³ Though most of these operations would fail and fade quickly from the record, this would not be the only boom in the number of claim filings and mine openings, as 1857 would see a second flurry, as additional silver and now copper mines opened in San Antonio, Guadalupe, La Calentura, San Isidro, San Vicente and La Grulla.⁷⁴

⁷² Centro Estatal de Información, “*Estadísticas Históricas 1768-1879*,” 2005, 145. In fact, it appears that the labor force was likely considerably smaller. Frustratingly, the categories measured in the census do not add up to the total number of inhabitants, as it only identifies sixty-nine married men and twenty-four single men at San Antonio. Other categories appear to overlap (“adults of twelve years of age and over,” and “adults of fifteen years of age and over” being examples), but if all individuals identified as adults (over the age of twelve) and not specifically identified as women (who numbered seventy-two) are counted, then the workforce might have been as high as 168.

⁷³ Centro Estatal de Información, “*Estadísticas Históricas 1768-1879*,” 2005, 175. Two of the new mines listed Antonio Ruffo as a partner.

⁷⁴ Centro Estatal de Información, “*Estadísticas Históricas 1768-1879*,” 2005, 307. Silver and other metals such as copper and gold are often found in the same deposits. With the emergence of the second industrial revolution, demand for copper was on the increase.

All of this meant growth in the mining areas of the east cape and Sierra de la Laguna, the mountainous area immediately southeast of La Paz. By 1849, the number of inhabitants for the entire *municipio* of San Antonio had increased to 1,534, an addition of 218 over the above-cited figure for 1835. Over the same period the population of Todos Santos grew by only five individuals.⁷⁵ The growth in the *municipio* of San Antonio occurred at the same time that La Paz experienced its decline with the loss of its lucrative shipping designation and the wartime occupation. But the boom in the number of new mines did have one significant impact on specific towns within the administrative region. San Antonio itself temporarily logged a decline in population over its 1838 number, soon to be reversed by the opening of the new claim established there in 1857. A count of the inhabitants of the principal towns within the *municipio*, carried out that year, placed the populace in San Antonio at 359, fewer than the nearby town of San Bartolo which reported 427, but considerably more than the old site at Santa Anna which counted 102. All total, ten communities accounted for 1,753 people, an increase of 219 over the 1849 figure.⁷⁶ For the peninsula, this rate of growth was significant even though it represented ebbs and flows from one mining town to the next.

The 1850s marked a point of increase in production over the previous decades, although in comparison to the output a century earlier of the mines of Manuel de Ocio, they simply marked a return to historical levels. Reliable figures on production do not exist, but in 1857, a functionary in the Ignacio Comonfort government undertook a study of property and the economy of Baja California in light of the president's decision to suspend the land titles held by residents of the peninsula until they could prove title, or pay to legitimize the title for lands they claimed. This official, Ulises Urban Lassépas, published in 1859 a study of the region which

⁷⁵ Centro Estatal de Información, "*Estadísticas Históricas 1768-1879*," 2005, 209.

⁷⁶ Centro Estatal de Información, "*Estadísticas Históricas 1768-1879*," 2005, 307.

included estimates for the output of the mines. According to his estimates, in 1854 the southern mines exported twelve hundred *marcos* of silver (275.52 kilograms), and fifty *onzas* of placer gold (1.435 kilograms), and for each of the next years they produced two thousand *marcos* of silver (459.2 kg) and in 1855 and 1857, eighty *onzas* of gold (2.296 kg) with one hundred *onzas* shipped in 1856 (2.870 kg).⁷⁷ That would actually place the output of the San Antonio and neighboring mines below the level of the Ocio Santa Ana mines a century earlier, but by the nineteenth century a full fifty processing mills were in operation to extract the precious metals from ore. One positive development was the production of gold, but at the time of Lassépas's study, only the San Rafael mine contributed the more valuable metal.⁷⁸ That would change over the coming decades.

The next town to begin experiencing the flow of population and investment was El Triunfo, which recorded 175 inhabitants in that 1857 census. Over the next two decades, it would emerge as the new center of mining in the region, with San Antonio eventually slipping to secondary status. Even as soon as 1861, El Triunfo would have more mines in operation than neighboring San Antonio, although all would be in the hands of small proprietors, whereas most of the San Antonio mines would be in exploitation by larger companies (Compañía Mexicana operated the San Nicolás and San Joaquín mines in San Antonio, and Compañía Franco-americana operated El Nacimiento and Guasave). Well-known and monied *paceños* such as the Cota and Moreno families figured prominently in the El Triunfo mines.⁷⁹ Meanwhile Compañía Mexicana was funded by mainland Mexican investors such as Manuel Ocampo of Jalisco, Juan

⁷⁷ González Cruz 2002, 204.

⁷⁸ González Cruz 2002, 205.

⁷⁹ Centro Estatal de Información, “*Estadísticas Históricas 1768-1879*,” 2005, 351.

R. Müller of Mazatlán, and Fernando Escandrón of Veracruz, who ultimately took possession of seventeen mines south of La Paz.⁸⁰

This capital-intensive approach went hand in hand with the introduction of new techniques and equipment. Through the 1850s, processing the ore had followed simple, economical techniques that did not scale up particularly well. Building off of the old patio process, Baja Californian mines still used mills to grind ore for chemical processing. Most of the mining took place above ground, tracing veins of material along exposed layers, or in shallow mines that had been hand excavated. Capital and outside interest in the peninsular mines meant that modern equipment finally began to reach the region, in particular the use of steam power and dynamite. Symbolic of the dramatic changes would be the rising stacks of smelters and the descending shafts of the new mines. In 1863, the Compañía El Triunfo installed rails to transport ore up the shaft of the *Santa Fe* mine, and by the 1870s the Compañía Mexicana and the



Figure 4. Ruins at El Triunfo.

⁸⁰ González Cruz 2002, 288.

Compañía Hormiguera installed steam-powered pumps to remove groundwater from their mines.⁸¹ The changes in the mines led to changes in the workforce, too, and by 1862 the *municipio* of San Antonio counted 376 single men over the age of eighteen, primarily employed in mining towns. San Antonio itself reported ninety-one, San Bartolo eighty, El Rosario fifty-two and El Triunfo forty-one. A new development was the emergence of a growing community of foreign residents (*extranjeros*) in the mining district, as outside investment and the need for mining engineers grew, and skilled hard rock miners from other parts of North America and the Pacific rim moved in. The greatest raw growth came in Mexican laborers, but the southern region of the peninsula experienced its first significant influx of North American, European and Chinese immigrants with the mining boom (see Table 1).⁸²

By 1878, mining in the region experienced a new development, as the establishment of the Compañía El Progreso with capital from San Francisco in the U.S. set the stage for the largest-scale enterprise in the southernmost region. Although this predated the incentivization of foreign mining investment under the Porfirian regime by roughly a decade, El Progreso and its even larger, more lasting counterpart in the northern reach of the Baja California Sur territory, El Boleo of Santa Rosalía, would come to take advantage of favorable laws and tax breaks to dominate their respective districts. Formed in 1878 and initially based on the assets acquired from the dissolving Compañía Hormiguera, El Progreso expanded its holdings in San Antonio and El Triunfo to ultimately acquire 1,196 hectares (2955 acres or in excess of 4.6 square miles). On this land, by 1899 the company operated sixty-nine mines and in exchange for suspension of import duties on all goods destined for the mines and complete control of the resources they

⁸¹ González Cruz 2002, 289.

⁸² Altable 2004, 374–375. In a brief analysis of the surnames to be found in Baja California Sur during the nineteenth century, the author notes the growing number of surnames indicating immigrants with English, German, and Chinese heritage making their way to the mining regions.

Table 1. Population change in mining districts, 1857-68

	1854	1857	1862	1868
total population of <i>municipio</i> of San Antonio	...	1,753	...	3,771
population of town of San Antonio	...	359	...	866
population of town of El Triunfo	...	175	...	961
number of foreigners in <i>municipio</i> of San Antonio	5	...	21	47

Source: Centro Estatal de Información, “*Estadísticas Históricas 1768-1879*,” 2005, 266, 307, 408.

held, the company had contracted with the government to employ a minimum of five hundred workers. The scope of the company operations, however, consistently kept employment higher even before the 1897 contract, with a labor pool ranging from 660 to 1,040 during the decade from 1879-1889.⁸³ Before the establishment of El Progreso, employment in the entire *municipio* of San Antonio had numbered only 597 for 1875-76. That year, the value of silver produced in the *municipio* totaled Mex\$523,223.92, with other metals accounting for Mex\$80,000.⁸⁴ These were certainly not small sums, and during the period from 1872-1877, the Compañía Hormiguera had managed to export silver valued in total at \$2,098,778.75 in pesos.⁸⁵ But the scale of mining under El Progreso redefined the region from the 1880s on (Figure 5).

⁸³ González Cruz 2002, 291–295.

⁸⁴ Centro Estatal de Información, “*Estadísticas Históricas 1768-1879*,” 2005, 470.

⁸⁵ Centro Estatal de Información, “*Estadísticas Históricas 1768-1879*,” 2005, 478.



Figure 5. Smokestack at El Triunfo.

In 1889, a report from El Triunfo on the mining activity over the previous eleven years, the period of administration by El Progreso, that town alone accounted for Mex\$5,613,034.34 worth of silver. However, the same document provided an accounting for expenses and

infrastructure improvements that consumed nearly the entire value of the production.⁸⁶ In shifting to large-scale, modern industrial extraction, the investment in developing this century-old mining region proved considerable. By 1896, the government recorded the following statistics for the entire southern mining district, encompassing El Triunfo, San Antonio, and outlying sites over the previous year: 15,093 tons of ore processed at an average rate of 44.16 tons per day, 525,145.52 oz t of silver and 2,216.53 oz t of gold produced during the year at a rate of 1,458.73 and 6.15 oz t recovered daily, respectively. The total value of precious metals that year reached Mex\$739,287.53, but at a cost of Mex\$711,048.73 in expenses for a net profit of Mex\$28,238.80.⁸⁷ The scale of production increased through the 1880s and into the 1890s, with the volume of gold and silver flowing out of the region reaching new peaks, but labor and equipment costs remained high. The peak producing year for the region came in 1894 with 24.3 tons of precious metal extracted (mostly silver, although gold yields crept up while the industrial mines remained in business) at a value of Mex\$966,481. However, the next year, production dropped to 8.5 tons at Mex\$350,116 before recovering by more than doubling in 1896. From 1897 on, the value of the output of southern mines never exceeded Mex\$563,667 (reported in 1902) but averaged Mex\$439,377 between 1897 and 1906. In 1909, the mines only produced 4.3 tons of silver and gold at a value of Mex\$146,846 and investors had begun to withdraw their support, across the various companies.⁸⁸ 1911 saw 60 percent of the ninety-four mines extant in the region in a state of suspension or closure, and the following year the Compañía El Progreso

⁸⁶ Centro Estatal de Información, “*Estadísticas Históricas 1880-1928*,” 2003, 7. After subtracting the expenses from the value of the silver, a remainder of thirty pesos represented the profit. It is worth noting that the company maintained a line of credit (*cuenta de avío*) valued at Mex\$1,228,624.05, and that the company invested considerably in improving the facilities in El Triunfo, at a cost of Mex\$525,000. Likely this period was intended to revitalize the mines and prepare them for future increase in yields.

⁸⁷ Centro Estatal de Información, “*Estadísticas Históricas 1880-1928*,” 2003, 189.

⁸⁸ González Cruz 2002, 300-302.

sold its interests to the Compañía Minera del Triunfo, which would continue in operation until 1925.⁸⁹

Although the heyday of the industrial production from mines in the southern district was brief, it did make a dramatic mark on the region and upon La Paz. During the 1880s, the Compañía El Progreso built from El Triunfo an improved road to La Paz and a rail line nine miles long to connect its mines, bringing in two locomotives to haul material to the processing plants. The rail project they completed at a cost of fifty thousand pesos and the road at half that expense.⁹⁰ The rail line did not connect to La Paz, but the road improved transport and the economic activity and employment provided by the mines drew people to the region. In conjunction with the pearling industry, mining generated the growth in the region that the missions and ranches never could. The population growth alone demonstrated the importance of these activities. In 1893, the population of La Paz tallied 5,575, gaining acknowledgement as the only city in the region. El Triunfo, at that point approaching its peak, registered 4,057 and the other mining site of San Antonio reporting 1,021.⁹¹ In a half century, the entire *municipio* of San Antonio grew from just over one thousand five hundred residents to just over seven thousand.⁹² As mining declined, so did the population in the communities, with La Paz the only one showing a degree of resilience. El Triunfo's population slipped to 3,390 in 1900 and 2,341 in 1910, and then crashed during the twin disasters of the closing of the major mines and the Revolution, dropping to 884 in 1921.⁹³ The comparable figures for La Paz, 5,046 in 1900, 5,536 in 1910, and 7,480 in 1921 showed a brief dip followed by renewed growth.⁹⁴ After a few abortive attempts

⁸⁹ Ivanova 2002, 223.

⁹⁰ Centro Estatal de Información, “*Estadísticas Históricas 1880-1928*,” 2003, 7.

⁹¹ Centro Estatal de Información, “*Estadísticas Históricas 1880-1928*,” 2003, 149.

⁹² Centro Estatal de Información, “*Estadísticas Históricas 1768-1879*,” 2005, 307. Centro Estatal de Información, “*Estadísticas Históricas 1880-1928*,” 2003, 117.

⁹³ Altable 2004, 59, 62, 208, 215.

⁹⁴ INEGI 2013.

to revive the mines to the south, the small towns slipped into a state of decay and the focus of mineral extraction shifted entirely north, to the copper mines at Santa Rosalía.

Because these northern mines lay roughly 250 miles from La Paz, they did not have a direct impact on the development of the city. They did, however, contribute to a reorientation of the extractive industries and, by the middle of the twentieth century, an imperative to modernize the transportation links along the length of the peninsula, both of which contributed to the general orientation along the north-south axis. In that sense, they merit a brief examination. At the outset of the 1870s, a handful of speculative silver mines in the vicinity of Mulegé, an old mission town north of Loreto, uncovered significant deposits of copper. For the first decade, the small mines operated under basic conditions, using unimproved, outdated techniques but the richness of the copper ore yielded profits. With the rapid change brought by the second industrial revolution in North America and Europe, copper became a key commodity and the potential of the deposits attracted foreign capital. In 1885 control of all of the mines in the Santa Águeda district (surrounding Santa Rosalía) was assumed by the French controlled Compañía El Boleo.⁹⁵ From that point until the second half of the twentieth century, El Boleo would control the copper production in the region and realize tremendous profits, outstripping those of the silver mines to the south. In 1893, the mining district at Santa Rosalía reported 4,310 inhabitants, 253 more than El Triunfo at its peak that same year.⁹⁶ The following year, the district registered 4,597 residents, 2,173 of whom were men, and 247 of whom were European.⁹⁷ Compared to the southern region, Europeans played a greater role at El Boleo, but that comes as no surprise upon consideration of the massive investment and yields realized by the French company. According to the company's report to the Mexican government in 1896, it had

⁹⁵ González Cruz 2002, 292.

⁹⁶ Centro Estatal de Información, "*Estadísticas Históricas 1880-1928*," 2003, 149.

⁹⁷ Centro Estatal de Información, "*Estadísticas Históricas 1880-1928*," 2003, 169.

invested a total of \$12 million francs over its first eleven years in operation and had produced over thirteen tons of material in various forms over the previous fiscal year, with a monthly payroll of Mex\$17,517.96.⁹⁸ In 1898, the value of production from El Boleo reached Mex\$1.25 million, roughly twice that of all of the operating mines in the *municipio* of San Antonio.⁹⁹ And although the southern mines did make inroads toward improving the infrastructure of the area near La Paz, El Boleo more significantly transformed Santa Rosalía. By 1900, the French company had laid twenty-three miles of narrow gauge rail tracks to connect the mines and smelters, compared to the nine miles at El Triunfo, and boasted twenty-eight telephones in operation, compared to only five in San Antonio and six in La Paz.¹⁰⁰ By all measures, the impetus in mining had shifted north by the turn of the twentieth century, and even though it also experienced declines in population in the 1910 and 1921 censuses, to 3,807 and 3,263 respectively, after the end of the Revolution Santa Rosalía boomed with a population of 6,175 recorded in the census of 1930.¹⁰¹ At that point, only La Paz exceeded Santa Rosalía in terms of inhabitants, and that was largely due to the relative diversification of economic activity in the southern city.

La Paz and the Late-Nineteenth-Century Pearling Boom

That broadening of the economy beyond support of the mining sites to the south had one particular outlet that merits description before making the transition to the twentieth century foundations of tourism. Growth in La Paz had resumed in 1854 after the end of its second North American occupation, at the hands of filibusterer William Walker, with increased shipping and

⁹⁸ Centro Estatal de Información, “*Estadísticas Históricas 1880-1928*,” 2003, 188.

⁹⁹ Centro Estatal de Información, “*Estadísticas Históricas 1880-1928*,” 2003, 236.

¹⁰⁰ Centro Estatal de Información, “*Estadísticas Históricas 1880-1928*,” 2003, 264. The figure of twenty-three miles of track is converted from the thirty-seven kilometers reported in the source.

¹⁰¹ INEGI 2013.

the development of a local business community spurred in great part by the mining development to the south, but which began to invest in its own diversification and expansion into other activities.¹⁰² These investments often took the form of established commercial activities along the peninsula, such as ranching, and pearling, the latter of which by the mid-nineteenth century had begun to show recovery from the chronic over-exploitation of the late eighteenth century. This pattern of devastation of oyster beds followed by decades of slow recovery and then revival of widespread commercial pearling would repeat until the final decline of the fishery in the early twentieth century. At any rate, entrepreneurs from La Paz began seeking out other profitable economic activities into which they might invest capital and further develop markets for the goods they handled in the port. In this way, *paceño* businessmen and their families grew to exert great influence over the social and economic lives of *sudcalifornianos*, but they were no more than minor players on the national stage.

By the mid-nineteenth century a growing global demand and market for pearl and mother-of-pearl produced a frenzy of extraction. This massive commercial exploitation of the oyster beds saw the development of pearling companies and button factories centered in La Paz, which was centered in the richest pearling region of the Sea of Cortés. Recognizing the chaos that had resulted from unregulated pearling in the previous century, and also seeing a revenue stream, the Mexican government attempted to establish a network of local monopolies of extractive enterprises. Although the companies needed to acquire a concession from the government in order to work the beds - concessions that identified specific areas along the coast where they could dive - restrictions upon their enterprises were few, and their main challenges

¹⁰² Walker's brief sojourn in La Paz, during November of 1853, had little impact on the city itself, as the occupation during the 1846 to 1848 war with the United States produced a longer and more imposing *norteamericano* presence. That said, his abandonment of the city to occupy Ensenada in the far north in his attempt to wrest Sonora and Baja California from Mexico did spark considerable debate on both sides of the international border. A discussion of Walker's intentions and how they fit into larger trends in U.S. political developments can be found in Dunning 2001.

were illegal freelancers and meeting the output of their competitors. Concessions did come up for renewal and might be transferred, but unfortunately the imperative that emerged for the companies was to extract as many pearls from the beds as possible in as short an amount of time as practicable. And now that mother-of-pearl was also in high demand on global markets, the extraction of immature oysters to manufacture buttons and shell for inlays and other decorative pieces placed even further pressure on the finite resources of the coastline and islands.

The newly expanded pearling industry mirrored elements of the older mining economy. Feeding external markets, and often with the support of foreign investment, the companies nonetheless relied upon local elites such as the Ruffo family, to secure concessions and run the operations in La Paz. Families with their hands in the pearling industry often had other ties to *sureño* enterprises, and exerted powerful influence in such sparsely populated but potentially profitable areas. Antonio Ruffo and Miguel González, both *paceño* business magnates, acquired the first major pearling concession for the nearby islands of Espiritu Santo and Cerralvo in June of 1884.¹⁰³ Considered the richest oyster beds and those most accessible to La Paz, the Ruffo and González holdings represented a major boon to the area. Other concessionaires pursued licenses for islands and sections of the coastline extending up the Sea of Cortés and around along the coast of mainland Mexico, as far south as Acapulco. Nonetheless, La Paz remained the center of pearling and mother-of-pearl production for all of Mexico, as the extraction, processing and export industries grew to serve the global demand.

Coinciding with the extension of the oyster harvest and its transition to commercial scale came a technological development that both facilitated the change and at least in part spurred its intensification. Just as mining in the region underwent transformation in the 1860s as greater investment and newer technologies increased production, by the 1870s, the use of diving helmets

¹⁰³ Cariño & Monteforte 1999, 76.

and modern underwater breathing gear, passing air through hoses from the surface, came into use in the Sea of Cortés. This held the potential to transform pearling, which had remained largely the work of individual divers working from small skiffs anchored over the oyster beds. For centuries, this pattern, which did not deviate significantly from the indigenous harvest of oysters, had remained the most efficient means of harvest. Divers often had a stake in the production as they were often paid either a portion of their take, or by oyster delivered.¹⁰⁴ The introduction of specialized gear reoriented the relationship between diver and proprietor of the business. Divers remained specialized workers, in the sense that they acquired the necessary skill and strength to work under the massive bronze diving helmets and in canvas diving dress, but they did not have the resources to purchase and maintain their own gear. The proprietors invested in the equipment and upgraded the boats to carry the pumps and hose necessary to support the divers, and so the divers increasingly became wage laborers during this period. To be sure, the entrepreneurs with concessions to specific areas along the coastline did employ traditional divers as well, working in the old fashion, but the industry increasingly shifted to mechanization.¹⁰⁵ Again, this mirrored the shifts in the mining field from the traditional surface mining, which might benefit individuals working small claims on exposed deposits, to mechanized and hard rock mining, which increasingly required capital, exclusive rights to extraction on profitable claims, and a wage labor force to work the equipment.

One of the clear results of this reorganization of the pearling industry with the introduction of diving dress including helmets and pumped air, was the intensification of pearl

¹⁰⁴ There is a description from the colonial period describing this practice of payment in González Cruz 2002, 104. This form of compensation acknowledged the skill of the diver and encouraged production. *Armadas* of boats and divers often had relatively loose affiliations with the entrepreneurs like Manuel de Ocio who employed them, as the boats were often fishing canoes or launches pressed into service, and the divers specialized indigenous people or *mestizos* from coastal areas.

¹⁰⁵ Cariño & Monteforte 1999, 74.

and shell harvests. Divers using the new gear could remain on the sea floor for extended periods of time, methodically stripping the oyster beds of all shells, and working areas that had previously been too deep or near too strong a current for traditional divers to reach. Opportunity met with the economic imperative of justifying the expense of gear, and the tremendous demand of markets, especially in Europe. Pearl extraction peaked in the second half of the nineteenth century, especially in its last quarter. Edith González Cruz notes that statistics on the capitalization and production of the pearling monopolies are incomplete, likely because of the competitive nature of the industry. Nonetheless, she cites the *Compañía Perlífera de la Baja California* (CPBC) as beginning with a capitalization of one hundred thousand pesos, including five newly purchased steam-powered vessels. *La Mangara* began working its monopoly on Mex\$150,000, which covered the cost of paying for its concession, four steam powered vessels, numerous smaller launches, and twenty-four sets of pumps and diving gear.¹⁰⁶ These two companies emerged at different points in the monopoly era of concessions, in 1885 and 1897 respectively; covered different territories, with the CPBC purchasing the concession from Acapulco south to the Guatemalan border (ironic, considering the “Baja California” of its name), *La Mangara* counting the entire coastline of the Sea of Cortés and the Pacific coast of the mainland to the border with Guatemala (excluding areas under other concession agreements); but both counted *paceño* partners and yet the majority of the capital coming from U.S. investors.¹⁰⁷ Of the incomplete records of production, González Cruz notes that over an eight year period in the 1880s, Mex\$299,000 worth of pearls and Mex\$266,000 worth of shell were exported. During four years of the 1890s, Mex\$49,000 worth of pearls and Mex\$71,000 worth of shell were exported, a marked decline, and over five years of the first decade of the twentieth century,

¹⁰⁶ González Cruz 2002, 380.

¹⁰⁷ Cariño & Monteforte 1999, 82–91.

Mex\$215,000 in pearls and Mex\$177,000 in shell went to the market.¹⁰⁸ Although frustratingly incomplete, these figures do show two separate trends that bear noting: a precipitous decline from the 1880s to the 1890s, likely on the order of two-thirds of pearl production tailing off when totals are averaged across years, and slightly less than one-half of shell production lost (again, an indicator of over-extraction as shells propagate more quickly than they begin to produce pearls), and an equally vertiginous recovery in the twentieth century. In this case, the recovery is less due to natural processes and more due to the arrival on the scene of a new approach to pearl production.

During the 1880s, Gastón Vives, son of French parents who settled in La Paz as small entrepreneurs, left to study biology in Paris and developed an interest in aquaculture. Upon his father's death, Vives returned to La Paz and began to study the pearl oysters which were already in decline, noting in particular the type of seafloor substrate the juvenile oysters flourished on and the influence of water circulation and strength of current had on their development. By 1902, Vives was prepared to put his plan for establishing oyster "nurseries" into effect, acquiring a concession on San José and Espíritu Santo islands, just north of La Paz, with the stated goal of "establishing and developing the cultivation and exploitation of pearl oysters and of continuing the exploitation and cultivation of mother-of-pearl, oysters, fish, shrimp, lobster, crab, octopus and whales."¹⁰⁹ The scope of his plans certainly indicated no lack of hubris on the part of the middle-aged scientist and entrepreneur. The company established to support the undertaking, the *Compañía Criadora de Concha y Perla* (CCCP) began with a capitalization of three hundred

¹⁰⁸ González Cruz 2002, 380.

¹⁰⁹ Cariño & Monteforte 1999, 112. The quotation came from the 1902 contract with the government and read in Spanish: "establecer y desarrollar el cultivo y explotación de la concha-perla y el de continuar la explotación y cultivo de la concha nácar, ostiones, peces, camarón, langosta, jaiba, pulpos y cetáceos..."

thousand pesos, considerably more than the *armadores* and pearling enterprises that preceded it.¹¹⁰

By the late nineteenth century, the pearl and mother-of-pearl industry in La Paz had become crucial to the economic wellbeing of the region. Mining on the southern peninsula had entered its dramatic decline, and the small population and isolation from markets meant that other economic activities held little prospect for replacing local extractive industries. Pearling, and in particular Gastón Vives' efforts at aquaculture offered the only readily apparent alternative to support La Paz and its surrounding areas. To that end, the contract which established the CCCP's concession made specific mention of the requirement that oyster cultivation and "nurseries" be at the heart of the endeavor, and in order to foster this development, the duration of the concession was to be unprecedented: 30 years, with comparatively low yearly fees. The first years of the undertaking were spent both fostering the remaining depleted oyster populations on the islands, and developing the considerable infrastructure for cultivating oysters under controlled conditions. In this vein, Vives developed a process for collecting oyster larvae in their free-swimming form, incubating them and raising them in metal baskets until they reached juvenile, sessile form, and then transferring them either to extensive, complex *viveros* (normally greenhouses or nurseries, but in this case live-basins in which the oysters could be protected from predators and storm damage) built to purpose, or transplanting them to the sea bed. The CCCP went so far as to modify sandy seafloor to provide the rocky surface favored by pearl oysters, and in the case of the *viveros* to excavate channels

¹¹⁰ González Cruz 2002, 380. Although this source most clearly articulates the comparison with the other companies, Cariño & Monteforte 1999 provide more information on the nature of the backing and ownership of the CCCP. Vives was chartered as the general director of the company and provided 50 percent of the capital, but Antonio Ruffo who had previously held the concession on Espíritu Santo island, was the second most important investor. Ruffo held four thousand five hundred of the thirty thousand shares in the new company, based on his agreement to cede his claim on the exhausted oyster beds off the island (at a face value of ten pesos per share, this represented 15 percent of the company capitalization). Ruffo also invested 10 percent of the original capitalization before the stock offering in the form of a line of credit at his store, *La Perla*.

which they lined with rock at the company station on Espíritu Santo. To further protect the site, Vives oversaw the construction of a one kilometer long breakwater across the mouth of the bay at the pearling station, converting the area into a lagoon.¹¹¹

The sheer scope of the undertaking had dramatic impacts on La Paz. During the peak of the endeavor, from 1910-1914, the CCCP annually employed six hundred people, or roughly 10 percent of the population of the port city, most working a six month season on Espíritu Santo. Most of their work took the form of manual labor, and by this time the harvests of both shell and pearl reached their peak: the ideal point at which to exploit the creatures for both fell between three and five years of development. Allowing for the construction and expansion of cultivation, 1910 marked the beginning of a brief boom as mature oysters could now be extracted in quantities which exceeded those collected by the earlier pearling concessionaires. Over those four years, as many as ten million shells were collected and exported by the CCCP, and annually the company produced between two hundred and five hundred pearls. In addition, both products were of higher than average quality because cultivation leant itself to developing unstressed, healthy oysters and the shells of the CCCP were noted for their regular size and lack of blemishes.¹¹² With such a massive workforce, the significance of the pearling industry on the economic development of La Paz, and the revolutionary impact of the new technology meant that the symbol of a diving helmet became ubiquitous in La Paz. In particular, the Ruffo family adopted it and would continue to reference it in the logos for their commercial enterprises extending through the twentieth century: the department store *La Perla* (the Pearl) established in 1861 and located just off the bayfront *malecón*, and the chain of grocery stores *Centro Comercial*

¹¹¹ Cariño & Monteforte 1999, 115, 129, 134.

¹¹² Cariño & Monteforte 1999, 163, 169.

Californiano (Californian Shopping Center) prominently displayed three-port diving helmets.¹¹³

That the Ruffos should feel an affinity for pearling even in commerce outside of the industry is unsurprising, given the wealth that their own concessions and their partnership in the CCCP garnered them. Here lay one of the great crises of pearling, either through cultivation or the natural fishery: the immense wealth that it generated in La Paz accrued to a few individuals or families, and to foreign investors. Mexico of the second decade of the twentieth century was a nation in turmoil, with the collapse of the Porfirian regime in 1911 and the slide into the Mexican Revolution highlighting the inequities of the distribution of wealth. In this sense, the pearling industry resembled the mining industry that had grown in the north during the *porfiriato*: a collaboration between local elites, foreign capital, and a government anxious to promote development but unable to fund it itself. In the chaotic, populist environment of 1910s Mexico, the CCCP and organized pearling in general would face strident opposition.

That 1910-1914 peak of CCCP production coincided with the development in La Paz of an organized revolutionary movement. Gastón Vives, whose role in the local economy and society had become so important over the previous decade, held the office of municipal president up until his resignation in the early summer of 1911 in the face of a newly formed *maderista* movement in the city.¹¹⁴ For the next two years, the political contortions of Mexico as it broke into factions were mirrored in La Paz with one significant difference: prior to 1914 the city escaped most of the organized violence and the active military campaigns. That changed in the spring of that year, when the federal troops loyal to President Victoriano Huerta abandoned La Paz to pursue General Félix Ortega, who had been campaigning in the south against the Huerta

¹¹³ *La Perla* remains in business, but in a diminished state following a 2006 fire which destroyed the building. The three CCC stores in La Paz and one in Cabo San Lucas were sold to *Grupo Chedraui*, a supermarket chain from central Mexico in 2010.

¹¹⁴ *Maderistas* supported the new revolutionary government under Francisco Madero - Vives supported the disgraced and soon to be exiled government of Porfirio Díaz, under which he had received the pearling concession.

government. In response, Ortega supporter Colonel Camilo Gastélum captured the city with six hundred men and by the end of April, a revolutionary government was installed. Among the first actions of the new government were the revocation of monopolistic concessions, and the extension of diving permits to 117 small *armadores*. This alone dealt a blow to the CCCP, but the final stroke came from the brother of one of the new revolutionary governors and an old commercial rival of Vives and the CCCP, Colonel Miguel Cornejo. On July 18, 1914, Cornejo, en route to La Paz with his troops, made landing on Espíritu Santo Island and destroyed the aquaculture facilities, seizing any objects of value before continuing on to the city and seizing all assets of the CCCP and Gastón Vives. In a complaint filed by Vives in the aftermath, he lists the assets appropriated by Cornejo and places a value at Mex\$175,656.82, not including the value of the facilities destroyed on the island. The oyster beds that the company had worked to reestablish were quickly stripped over the next several years, with the private *armadores* reportedly joined in 1914 by soldiers of the Cornejo expedition, using diving gear seized from the CCCP.¹¹⁵ Despite the best efforts of Vives, neither the CCCP nor the massive oyster aquaculture that it pioneered would take hold again in the peninsula. After the revolution, small *armadores* were permitted to continue extracting pearl oysters with minimal regulation, but by the end of the 1920s their catch had so diminished that it became increasingly difficult for them to support their activities by the sale of pearl and mother-of-pearl. In the 1930s, the oyster seemingly disappeared from the Sea of Cortés, and in 1940 the Mexican government issued a ban on the fishery.¹¹⁶

¹¹⁵ Cariño & Monteforte 1999, 206–214.

¹¹⁶ Cariño & Monteforte 1999, 244–247. Cariño notes that the popular local story associated with the disappearance of pearl oysters, that Japanese oystermen, developing the cultured pearl industry in their home country poisoned the oysters of Baja California Sur. Cariño favors a combination of the decimation of wild oyster stocks, and the reduced inflow of water and silt from the Colorado River, dammed in 1936.

The loss of pearling dealt a massive blow to the region's economy, especially coming so soon after the apparent rescue of the fishery and the prognosis for a sustainable future. Considered in conjunction with the earlier decline in the southern mining economy centered at San Antonio and El Triunfo, the prognosis for the economic well-being of the city appeared grim. By the late 1920s, *paceños* could not help but see the looming crisis for this isolated, sparsely populated peninsula, the southern reaches of which had lost the twin economic activities of mining and pearling which had generated much of its development. At the end of the decade, enterprising *paceños* hit upon a novel new approach to revive the economy, but one which must have seemed improbable at the same time: tourism.

CHAPTER 2. FOUNDATIONS OF TOURISM IN LA PAZ, 1929-1954

By the late 1920s, the economic situation in La Paz must have appeared dire to the leading figures of the local government and business community. The decline in mining and pearling portended slower growth, with ranching, limited agriculture, and commerce within the city the only remaining engines of economic growth. Considering the precariousness of the first two by virtue of the climate, and the past decline in shipping when the city briefly lost its designation as a *puerto de altura* decades earlier, the shift of mining activity to the northern district around Santa Rosalía boded ill for the capital. It would take the emergence of a viable new form of economic activity, centered around leisure tourism, to provide La Paz with the means of continuing local growth and the prospect of maintaining its position as the principal port along the southern peninsula, despite the crashing extractive industries. However, for tourism to replace mining and pearling as the driving force in La Paz's economy, a critical problem of geography would have to be resolved. The fundamental impediment to the attracting tourists to La Paz would be the city's isolation.

The First Traces of a Hospitality Industry in La Paz

Although the origins of organized tourism in the southern peninsula developed in the late 1920s, the barest foundations may be traced back to the nineteenth century. Since at least the 1860s, La Paz boasted hotels to provide lodging for travelers both foreign and domestic. These commercial establishments differed from the rooms available within private houses and missions that offered informal lodging during the colonial and early federal period in that their primary function was providing shelter and food at daily rates. By 1863, travelers to the port reported the presence of the Hotel Americano and the Hotel del Progreso, with a third establishment, Hotel de

la Providencia, added the following year. Considering that the population of the town at that time was a mere 1,500, the indication is that travelers engaged in business in La Paz and its environs with regularity.¹¹⁷ The growth of mining in the countryside and increasing centralization of all other economic activities in La Paz contributed to a regular rhythm of the opening and closing of these small, short-lived establishments, often managed by families or small-scale entrepreneurs, and usually offering little more than basic lodging. One significant early exception to these characteristics was the Silver Garden Hotel, established in 1898 by the U.S. vice consul posted to La Paz, William Silver. Silver served several stints as vice consul from the 1880s to 1911 before being named to the Pro-Tourism Commission established by the territorial governor. That committee ultimately directed La Paz down the path toward organized hospitality infrastructure committed to leisure tourism, three decades after Silver founding the Silver Garden Hotel. In the meantime, the U.S. vice-consul was known as an active entrepreneur, with the 1899 edition of *Baja California Ilustrada* noting that he was:

attending to his growing enterprises from his office facing the sea, managing such businesses as customs broker; as owner of small launches he took charge of loading and unloading sail and steam ships. He also served as agent for national and international shipping services traveling to San Francisco, spoke English and Spanish well, and his active and progressive spirit had engaged him to the confidence of the general public.

The same publication described his new establishment as follows:

The Silver Garden Hotel is the only hotel that merits the term, directed by Mr. William Silver it is located in the most pleasant area of the town, and is surrounded by arbors, vines, and a variety of flowers and fruit trees. The service is of the finest quality with good English and Mexican food... it is well furnished, with tidy rooms and hot or cold baths available at any hour... The Silver Garden Hotel hosts the principal Mexican and foreign visitors.¹¹⁸

¹¹⁷ Davis 1998, 11.

¹¹⁸ Davis 1998, 19-20. “atendiendo sus progresistas negocios, situada su oficina frente al mar, se encarga de arreglar sus negocios como corredor de aduanas; es dueño de los pangos y se encarga del embarque y descarga de buques y vapores. También es agente de varios buques nacionales y extranjeros que viajan a San Francisco. Habla bien el inglés y el español y su espíritu activo y progresista lo hacen acreedor a la confianza general.” “El Silver Garden Hotel, es el único hotel que puede llamarse así, dirigido por el Sr. William Silver, está situado en la parte más fresca de la población, y está rodeado de enredaderas, viñas, y una variedad de flores y árboles frutales. El servicio es de

To be sure, lodging the likes of the Silver Garden Hotel, with its pleasant but fairly basic amenities, would not draw pleasure tourists to La Paz in and of itself, but it did set a standard for facilities for the business traveler that made stays in the port city more appealing. In the era of pearling and mining, a significant flow of foreign and national visitors made their way through the city and patronized the various lodging establishments.

By the early 1920s, the government and business community began taking steps to formalize the network of support for businesses in the region and the access of local residents to information and facilities. On February 21, 1922 the *Secretario de Gobernación* for the southern district of Baja California sent out a series of letters to the municipal presidents and local businesspersons throughout the area that would become Baja California Sur, requesting their support for a project in the hands of Victor G. Parodi. Parodi undertook the completion of a guide or directory for the entire district, encompassing all of the businesses and governmental services.¹¹⁹ By this point, local business communities had grown in the former mining, mission and agricultural settlements from San Ignacio to San José, but the challenging transportation routes meant that businesspeople and residents of other communities had little knowledge of those establishments. Although at its core this project was not specifically directed at tourists, it would prove a tremendous asset to travelers as it would include information on hotels, guest houses, restaurants and other services to fill their needs. Another development in La Paz in 1923 was the opening of the Casino de La Paz, a club offering recreational facilities for members and augmenting the entertainment options for both *paceños* and temporary residents of means. Boasting a gymnasium, bowling alley, skating surface, tennis and basketball courts as well as a

lo mejor, buena comida inglesa y mexicana... está bien amueblado, los cuartos son aseados, habiendo además baños calientes y fríos a cualquier hora... El Silver Garden Hotel aloja a los principales personas mexicanas y extranjeras.”

¹¹⁹ AHPLM V/V-784/E-106/L-2/2FF.

radio telephone capable of a four thousand mile range, the Casino became a centerpiece of the high society in the small city, counting among its members natives of the interior of Mexico, London, Paris, New York, Chicago, as well as the prominent citizens of La Paz.¹²⁰ Again, like the Silver Garden Hotel, the Casino was not sufficient a draw to generate tourism itself, but it served to make stays in La Paz more enjoyable and represented the foundations of home-grown institutions that would support tourism in the future. During this decade a series of small hotels would open (and in many cases also close) in the city, notably the Hotel Reforma on the *malecón*, and the Hotel Pacífico, serving working class clientele.¹²¹ As the 1930s loomed, the nation would take an increasingly organized approach to supporting tourism, although Baja California already lagged behind the central, metropolitan areas of Mexico, and relied primarily upon local support for the sector. In that context, a brief and speculative letter sent to the governor of the Territory of Southern Baja California sparked an immediate and galvanizing burst of activity that propelled La Paz down the path of promoting tourism as an alternative to the fading extractive industries.

On December 24, 1928, Roy B Sumner, the manager of the Pacific and Orient Dock company of Long Beach, California, drafted a one page letter addressed to “Amado Aguirre [*sic*], Governor of Lower California, So. Dist., La Paz, Bajo [*sic*] California, Mexico.” From this inauspicious start, Sumner dictated a diffident and speculative message with few specifics, but which held out two tantalizing prospects.

Dear Sir;

We have some people who are looking for a suitable point to establish a casino and hotel. The City of La Paz has been suggested to us as suitable for such an undertaking. We will

¹²⁰ Davis 1998, 23. The most notable force behind the Casino, Arthur C. Nahl, came to the region as a mining engineer and became the leading patron of athletics in La Paz. In the present day, the main public sports venue in the city of La Paz is the Estadio Arturo C. Nahl.

¹²¹ Davis 1998, 26.

appreciate any information or suggestions you may see fit to favor us with regarding such a project.

Sumner went on to propose the establishment of regular boat service along the Pacific coast of Mexico, using “to start with, one quite fast five hundred ton Diesel boat” and implying the prospect of expanding the operation should the opportunity present itself. Evidently the interests Sumner and his backers held for investment in Mexico extended beyond leisure tourism, to encompass shipping. Perhaps the boat would have been used to transport clients to the intended hotel and casino, but that said, this appears to have been a proposal also rooted in the domestic, coastal trade as Sumner suggested they would consider registering the boat under the Mexican flag. Furthermore, the inclusion of La Paz as a regular port of call was not assured as he requested “We would like to know something about the condition for trading and the cargoes that might be available in the District of which you are Governor.”¹²² Based on the letter, it is possible that the shipping concern might come to fruition without the tourism development moving forward. Apart from the fairly specific detail about the boat, the letter is short on precision and slightly problematic. It is not clear who Sumner represents in the hotel and casino interest and whether Pacific and Orient Dock is behind the shipping interest, as their letterhead lists their main concerns as handling the loading, unloading and storage of cargo at Long Beach. Perhaps the interest came out of the pre-crash economic boom of the United States in 1928, and the potential for opportunity in newly post-revolutionary Mexico, but the letter makes no real claim to concrete development. Despite its vagueness and noncommittal tone, the reaction in La Paz was decisive.

Archived alongside the Sumner letter is a translation of the English language letter in Spanish, with corrections for the errors in address, and notes in the margin from January 15,

¹²² AHPLM Expedientes, Reg Rev Doc 386, Vol 892, 24 Dic 1928, #1.

directing that the content of the letter be forwarded to the Casa Ruffo Hermanos, which operated the store La Perla, and Rocholl, Ruffo y Cia., which traded in hides. The marginalia specifically requested that they give their “valuable opinion” on the matter of the shipping service.¹²³ Within a week, the businessmen responded. In their letter dated January 18th, Ruffo Hermanos replied that several appropriate sites for the hotel and casino could be found in La Paz, pending more information on the project. As for the shipping service, they (the letter is signed “Ruffo Hermanos,” and so it is unclear precisely who drafted it) requested more information including which ports and on what schedule the service would take place, but expressed certainty that a shipping enterprise on a regular schedule with access to the major ports would find success.¹²⁴ Three days later, Rocholl, Ruffo y Cia. (again signed in name of the company and without an individual signature) expressed a very different opinion. On the matter of tourism, they noted that the season in La Paz to be very short, with the winter unsuited because of disagreeable northwest winds, and the late summer marked by heat and storms. By their estimation, the only months appealing to tourists would be March through July, and October to November because of the sport fishing and sailing. They had no recommendation on the site for a hotel or casino. With respect to shipping, they questioned the wisdom of a southern California company engaging in the trade because the existing shipping between La Paz and Long Beach was virtually nonexistent. Likewise, they requested more information on the proposed schedule and ships, but showed little optimism.¹²⁵ The contrast in outlook for tourism expressed by the two companies is surprising, considering that both companies were primarily controlled by members

¹²³ AHPLM Expedientes, Reg Rev Doc 386, Vol 892, 24 Dic 1928, #2. “*suplicándoles se sirvan ilustrar nuestro criterio con su valiosa opinión...*”

¹²⁴ AHPLM Expedientes, Reg Rev Doc 386, Vol 892, 24 Dic 1928, #4. “*Sin embargo, nos aventuramos a creer seguro el éxito a una empresa que establezca itinerario fijo y regular de vapores en esta costa, tocando forzosamente los Puertos principales.*”

¹²⁵ AHPLM Expedientes, Reg Rev Doc 386, Vol 892, 24 Dic 1928, #5. “*No hay mucho comercio entre La Paz y California, y el que hay es entre San Francisco y La Paz... las exportaciones de La Paz para California son casi nulas.*”

of the Ruffo family. More specifically, Antonio Ruffo Polastri served as patriarch of the Ruffos and oversaw all of the family businesses following the 1924 death of his father, Antonio Ruffo Santacruz.¹²⁶ Yet because the statements did not harmonize, and other family members as well as business partners played roles within the companies, it seems reasonable that the individual authors of the letters acted in the best interests of the particular companies. Whether the issue of the discordant letters was ever referred back to Antonio Ruffo Polastri is unclear in the archives, but the advice taken by the territorial governor is apparent. Upon receiving the two pieces of correspondence, the office of General Amado Aguirre replied to Sumner on January 28th with a Spanish language document incorporating elements of the Ruffo Hermanos response and ignoring the concerns from Rocholl, Ruffo y Cia.

The governor elaborated upon the best of the recommendations, showing a tendency toward boosterism. He cited the abundance of locations for the hotel and casino in La Paz and the surrounding areas, noting that with a little modification many of the sites would prove ideal and continuing that the city boasted a shorefront drive, the *malecón* (Figure 6), that offered access to watersports and magnificent views of the bay, and that it was blessed with a delightful climate year-round. In terms of the shipping enterprise, General Aguirre echoed the belief that with a regular schedule and landing at the principal ports, the business would find success. He went on to emphasize that La Paz did not produce the majority of what it consumed, and so grains, fabrics, food and consumer goods had to come by boat from Guaymas, Mazatlán or Manzanillo on the mainland coastline of Mexico.¹²⁷ The response of the governor by necessity emphasized the best characteristics of La Paz and a desire to bring the new businesses to the

¹²⁶ Velásquez Ramos 2009.

¹²⁷ AHPLM Expedientes, Reg Rev Doc 386, Vol 892, 24 Dic 1928, #3. “*en esta ciudad o sus cercanías existen lugares que son ideales para la edificación de un casino y un hotel propios para turistas. Por otra parte, pueden*



Figure 6. *Malecón* with *muelle fiscal* in contemporary La Paz.

region, newly beset by economic decline. What is curious was the ambivalence expressed by the management at Rocholl, Ruffo y Cia. Their dismissive approach to shipping and narrow vision of tourism suggests a lack of interest at best, and an outright hostility at worst. Considering that their business centered on trade in hides and leather, and that their markets did not run toward California but instead central Mexico, the diffidence regarding shipping connections with Long Beach is understandable. If anything, such transport links might bring competition in the form of tanned goods from U.S. producers, shipped by train to Southern California before making their way to the Mexican markets Rochol, Ruffo y Cia. depended upon. Ruffo Hermanos relied upon a retail establishment and they could be expected to see potential benefit from improved networks of trade. In the end, if it was in fact a reconsidered and concerted position of the Ruffo

encontrarse en la localidad varios locales que, mediante necesarias adaptaciones, servirían para el objeto indicado... gozándose durante las estaciones de invierno y verano, de un clima delicioso por lo templado.”

business interests which reached the governor and influenced his letter to Sumner, it was evidently in favor of new development. As for the insistence in the Rochol, Ruffo y Cia. letter that the tourist season in La Paz was inherently short, the truth lay between that statement and the governor's declaration that the city enjoyed a delicious, temperate climate year-round. August and September are indeed uncomfortably hot and the season for hurricanes on the southern peninsula. But fishing in the region peaks in the earlier summer months, and winter months are pleasant due to the northwest winds. At any rate, the report forwarded to Pacific and Orient Dock at the end of January 1929 did not bring new investment from the American company. Instead, it may have helped inspire a more local reaction.

Sumner's letter came at a point when a small group of *paceños*, especially those close to the governor, began to see the potential for tourism to lead the next phase of development for the capital of the southern peninsula. The challenge lay in promoting that tourism, not only in an isolated, provincial city but in a Mexico that had only in the past few years extracted itself from a bloody and chaotic revolution. To that end, the Mexican national and territorial governments took the first definitive step toward replacing the earlier extractive industries with the new economy centered around tourism. On February 27, 1929, Secretary General Daniel Galindo of the territorial government drafted a letter to the municipal delegation of La Paz under the heading: "regarding the organization of the local Pro-Tourism Commission."¹²⁸ In this document, Galindo noted that the national government had just established in the Federal District of Mexico a "*Comisión Mixta Pro-Turismo*" (Mixed Pro-Tourism Commission) and that it had directed the territory of the Southern District of Baja California to do the same. As such, the governor designated businessmen Jesús R. Nieto, W. Silver (William Silver, former vice consul

¹²⁸ AHPLM Expedientes, Reg Rev Doc 248, Vol 906, 27 de Feb 1929, #1. "*Sobre organización de la Comisión local Pro-Turismo.*"

for the U.S. delegation at La Paz and frequently identified in subsequent documents as Guillermo Silver), and Enrique Ruffo (of the Ruffo Hermanos, which had responded favorably to the Sumner letter), to serve as the Baja Sur committee.¹²⁹ Although this action was spurred by the central government in Mexico City and not the request for information from Long Beach, it could not have been more timely. In essence, Sumner appears to have helped create fertile ground for the establishment and growth of the Pro-Tourism Commission. On March 4th, José M. López Coronel, president of the municipal delegation of La Paz invited the designees to his office for their official appointment the following day, at which point they signed the document reporting the inauguration of the commission to the governor.¹³⁰ The initial establishment of the committee developed rapidly, but the work to which they were dedicated proved challenging in these first years.

Isolation and Baja Sur in the National Context

One of the key impediments to developing tourism proved to be a particularly long-lasting one: transportation. In the nineteenth century, North American tourism relied heavily upon rail networks as the infrastructure for moving visitors around the continent. Railways provided the means for people of modest personal finances to explore the countryside and engage with nature in meaningful and transformative ways.¹³¹ During the Porfirian era of the late nineteenth and early twentieth century, Mexico had seen an explosion in rail development, much of it tied into the U.S. rail network as the investors had sought to link Mexican resources to northern markets. After the enforced dormancy of the revolution, these rail networks provided

¹²⁹ AHPLM Expedientes, Reg Rev Doc 248, Vol 906, 27 de Feb 1929, #1.

¹³⁰ AHPLM Expedientes, Reg Rev Doc 248, Vol 906, 27 de Feb 1929, #2, 4.

¹³¹ Marguerite Shaffer describes the growth of such a system in the United States in *See America First: Tourism and National Identity, 1880-1940*. Shaffer and contributors pay special attention to the role of rail in making the U.S. West accessible to leisure travelers.

avenues for drawing the same tourists who might seek out Glacier or Yosemite to Veracruz or Mexico City. Despite the reputation in the U.S. it earned during the years of conflict, post-revolutionary Mexico held an attraction to the more adventurous of American tourists, and in the interwar period the means of reaching it involved rail. Often it also involved the creation of a cosmopolitan identity for the destination, with Mexico City occasionally called the Paris of the Americas and the nexus of a developing nightlife for holidaymakers. Veracruz built upon its ties to the Caribbean to play to the popularity of Cuba for American vacationers.¹³² By the 1930s and 1940s the means of reaching Mexico for Americans shifted to roads and automobiles, but in the earliest of those years, the only reliable routes connected large cities. Tourism beyond those areas involved great difficulty on poorly developed and maintained roads, often lacking even rudimentary pavement and rendered impassible by even minimal rain.¹³³ The worst of all of these conditions plagued transportation on the Baja California peninsula.

Throughout the colonial and national periods, Baja California operated in close connection to the sea. It was a source of economic development, the means of contact with the mainland, and the only efficient, reliable medium for transportation. The fact that virtually no site on the peninsula lay more than twenty miles from one of the two coasts made the sea critical for the movement of people and goods. The roads that existed often had benefitted from little improvement since the mission days, as populations remained so small and commerce moving upon them so limited. To make matters worse, the fact that few rivers flowed year-round in this desert meant that little effort was made to construct bridges or embankments to keep transport moving when the landscape was well-watered. Seasonal rains or hurricanes could render roads

¹³² Dina Berger explores these characteristics in *The Development of Mexico's Tourism Industry: Pyramids by Day, Martinis by Night*.

¹³³ Nicholas Dagen Bloom and the contributors to *Adventures into Mexico: American Tourism Beyond the Border* describe in a number of essays the challenges of the rudimentary roads.

impassible for days or even weeks, as water flowed from the mountains down arroyos known locally as *vados*, which were dry virtually all of the year and posed no real barrier until inundated. Even as late as 1936, the entire southern territory of the peninsula from Guerrero Negro to Cabo San Lucas counted only 1,826 kilometers of roads. Of those, 1,778 km were classified as *antiguos* (ancient or old), 11 km *con terracerías* (gravel), and 37 km *revistidos* (surfaced). Considering that the state itself extends less than 1,000 km north to south, that may seem like a considerable road network, but many of the roads were tracks connecting ranches and isolated communities. A route did make its way up the spine of the peninsula, connecting the south to the northern territory, and eventually extending to the U.S. border, but travel was arduous and not suitable for the average tourist. Of those 1,826 km of roads in the southern territory, only 31 km were designated as passable year round, the remaining 1,795 only in the dry season (Table 2).¹³⁴ Where the roads in much of the mainland might be in similar states of disrepair, rail could still provide some movement of goods and people, provided the local economy or resources had drawn investment and development. On the southern peninsula, rail remained only a development in the mining areas and exclusively for use transporting ore to smelters. To the present day, no rail line has linked the southern peninsula to the north.

Despite the dearth of land routes, Americans did find their way to La Paz in very small numbers.¹³⁵ Although far more made their way to the southern peninsula by sea than by land, a few intrepid adventurers did struggle through the desert. In 1907, a U.S. citizen by the name

¹³⁴ Centro Estatal de Información, “*Estadísticas Históricas 1929-1956*,” 2002, 117.

¹³⁵ For the sake of brevity and utility, the term “American” will be used to represent U.S. citizens, in the context of Mexican tourism. It is understood that the term can be problematic, considering that it is most broadly reflective of all inhabitants of the Americas, and not a particular country, but it is the nearest approximation of the widely used Mexican expression *norteamericanos*, or “North Americans” as descriptive of U.S. citizens. America will not be used as a substitute for the United States, however, as U.S. presents a more succinct alternative.

Table 2. Kilometers of roads in Mexico, 1936

	Baja California Sur	Pacific North Region	Mexico in total
total roads	1,826	11,501	58,620
“ancient” roads	1,775	6,467	25,186
improved “ancient” roads	...	3,678	15,881
gravel roads	11	916	10,531
paved roads	37	376	4,741
asphalt roads	...	64	2,281
passable year round	31	4,780	20,555
passable in dry season	1,795	6,721	38,065

Source: Centro Estatal de Información, “*Estadísticas Históricas 1929-1956*,” 2002, 117.

Note: The Pacific North region consists of the Territory of Baja California Sur, and the States of Baja California (Norte), Sonora, Sinaloa, and Nayarit.

Arthur North endured the long and arduous journey with a pack mule. An adventurer by nature, North did not envision his journey as the start of a tourism movement to the south, but he did

report positive impressions of the towns that he visited along the route and published his account in the form of a travelogue in 1910. He described what he considered a welcoming and good-natured population in the ranches along the route, “notwithstanding their impoverished condition.”¹³⁶ North brought news with him of the earthquake and fire which had recently struck San Francisco, and noted what he reported as heartfelt sympathy on the part of Baja Californians so isolated in the countryside that they could not have known a city even remotely of the scale and activity of the ruined metropolis. Describing the hardships of travel by mule across landscapes that included isolated mountain tracks, formidable deserts and very few signs of development, North’s account of La Paz upon his ultimate arrival was colored by both the excitement of visiting what was clearly the gem of the peninsula, and the peculiar nostalgia of the tourist who believes the corrupting influence of development has ruined it.

The hundreds of palm trees, the blossoming gardens, the streets lined with red-flowered trees... and the low, flat-roofed adobes give to La Paz a delightful picturesqueness, lying, as it does, hard by the beautiful harbor. In this and in its historic associations lay, for me, the greatest charm of the little city. Here, whites first set foot in the Californias; here Cortez attempted to plant a settlement full seventy-five years ere the foundation of Jamestown; here swaggering buccaneers congregated; here landed Alexander Selkirk, the inspiration for Robinson Crusoe; here were quartered American troops during the Mexican War; here came Walker with his tall, young filibusters.¹³⁷

Yet despite waxing lyrical about the city, North also noted that he preferred the countryside to the capital city. “It aspires after the ways of larger cities, however, and loses, thereby, the quaint medievalism that makes delightful such pueblos as San Ignacio and Comondú.”¹³⁸ That medievalism undoubtedly referred in part to his perceptions of the isolated, sleepy towns of the hinterland, and likely also to the gentility of the peninsular population, but it might also have been a perception enhanced by the ancient and backward form of transportation that North

¹³⁶ North 1910, 231.

¹³⁷ North 1910, 238–239.

¹³⁸ North 1910, 238.

employed. So long as the means of traveling the length of Baja California remained so rooted in the past, nostalgia would remain the impression captured by the few intrepid visitors.

The establishment of an improved road connection to the north was, therefore, an early objective of the development-and-improvement-minded leaders of La Paz. Taking as a principle that sea transport held little prospect for bringing significant numbers of tourists to the region, the Pro-Tourism Commission set to work promoting land routes.¹³⁹ On November 16, 1929, William Silver of the commission wrote a letter to the office of the territorial governor inquiring about the rumor of a transpeninsular road and asking for two copies of the maps so that he might forward one to the Automobile Club of Southern California.¹⁴⁰ Six days later, Silver received a response from the office of the governor and his two copies of the map demonstrating that the plan was indeed in the works. The prospect of such a road offered to open the peninsula for the first time to easy access to the north, and became intrinsically linked to tourism as a key sector of the economy. Notwithstanding that importance, boosters would be continually frustrated over the next several decades as the project made few appreciable gains until the 1960s. Indeed, it would be air travel that would bring the first major flush of tourists to the region, and the transpeninsular route would not open until the 1970s heyday of *paceño* tourism.

Major investment on the part of the federal government was not in the cards for the southern territory of Baja California during the 1930s and 1940s. For investment in infrastructure to bear fruit for a Mexican nation with limited resources, it would have to be in an area of significant population. In those first years of transition into a tourist economy, La Paz

¹³⁹ For decades, private yachts would continue to ply the coast and serve as one of the primary means of reaching an isolated Baja California Sur, until private and later passenger planes became more practical. Still, the distance from U.S. ports meant that sailing a small craft to La Paz represented a significant commitment in time.

¹⁴⁰ AHPLM Expedientes, Reg Rev Doc 331, Vol 908, 16 de Nov 1929, #1. "*Tengo informes que el Gobierno de su digno cargo, tiene planos del camino transpeninsular de este Distrito y como miembro del Comité Pro-Turismo, mucho estimaré de Vd. obsequiarme dos para remitir uno al Club de Automobiles del Sur de California que me han pedido.*"

would be left to its own devices for very basic reasons. To begin with, Mexico struggled to right its economy in the aftermath of the revolution and during the global economic crisis of the 1930s. By the 1940s, the reinvigoration of the economy and the nationalization of the oil industry promised better times in Mexico, but the imperative to invest in such a peripheral and unpopulated area barely registered in a nation still striving to modernize its core. The population of the entirety of Mexico in 1930 stood at 16,553,000, but only 975,000 lived in the Pacific North region, and a minuscule 42,000 of them in what later became the state of Baja California Sur. Not only were the raw figures low, but the population density even further suggested the true imperative lay in investing elsewhere. The overall population density of Mexico in 1930 was 8.41 inhabitants per square kilometer, but in the Pacific North that density dropped to 2.36 inhabitants, and in southern Baja California it shrank further to .65 per square kilometer.¹⁴¹ La Paz itself recorded only 8,166 inhabitants in the 1930 census, almost 20 percent of the state population, but hardly merited the massive investment of an improved road traversing the peninsula for more than 1,000 kilometers.¹⁴²

Nonetheless, the national government and the territorial governors that it placed in La Paz would show increasing signs of their awareness of the need for support of the economy, and a desire to bring regions lagging behind closer to the national standard in terms of development and economic activity. Officially gaining recognition as the Southern Territory of Baja California in 1931 (previously it was known as the Southern District of Baja California - the transition came as the result of the growth in border cities such as Tijuana and Mexicali and the incipient statehood of the northern peninsula, completed 21 years later), this was one of the

¹⁴¹ Centro Estatal de Información, “*Estadísticas Históricas 1929-1956*,” 2002, 11. The *Pacífico Norte* zone included the states of Sinaloa, Sonora and Nayarit as well as the territories of Baja California Norte and Sur. The northern end of the peninsula would not gain statehood until 1953, and Baja California Sur would become a state in 1974, the last territory to do so.

¹⁴² INEGI 2013.

remaining regions in Mexico not to attain full statehood by this date (the others being the northern half of the peninsula and Quintana Roo on the Yucatán peninsula - both peripheral areas to the federal state). The year before receiving territorial status, the national government also recognized the growing potential for tourism to reshape the economy in all of Mexico, and on March 8, 1930, under the newly installed administration of President Pascual Ortiz Rubio, the *Ley Orgánica de la Comisión Nacional de Turismo y su Reglamento* established a formal National Tourism Commission to replace the Mixed Pro-Tourism Commission that had been established only a year before. In the 1930s, the government of Mexico began to take seriously the process of building a tourism infrastructure.

Although the population of La Paz stabilized after the Revolution and began a rapid upswing in the 1930s, the town still lagged behind mainland towns like Acapulco and Puerto Vallarta on the mainland, in terms of tourism development. Isolation remained a problem, as did the landscape when compared to those eminent tourist attractions. Both of the mainland resorts counted on major cities in the interior that formed axes of transport, both for visitors and the goods that they consumed: the Mexico City - Acapulco corridor developed following the 1931 completion of the highway connecting the cities and with early beachfront hotel establishments funded by Mexican and international investors starting in 1933 with El Mirador hotel built by Carlos Barnard; the Guadalajara - Puerto Vallarta corridor trailed by about a decade but the beach town had already begun to attract visitors.¹⁴³ Both of these mainland resorts could be found on the shores of expansive bays on the Pacific coast, and although La Paz also boasted a bay on the Sea of Cortés, the nature of its sheltered position behind the large sand spit of *el mogote* meant that it was shallow and placid, suited primarily to the small ships that traded in the town. Acapulco also boasted the dramatic mountains and cliffs for which it became famous, but

¹⁴³ Acerenza 2006, 95

La Paz in the 1930s was little more than a sleepy hamlet. To be sure, the relative proximity of La Paz to the cities of U.S. California when compared to Acapulco in particular meant that San Franciscans and Angelinos would be among the first to enjoy Baja tourism, provided that their travels did not initially take them to the interior cities.¹⁴⁴ For Americans not along the Pacific Rim, Acapulco and later Vallarta proved much more accessible via rail, road and commercial air routes.

The autumn of 1936 serves as an illustration of the tiny role Baja California still played in tourism in the larger context of Mexico. Despite the economic woes faced by virtually the entire world, tourism to Mexico experienced an upswing as it was marketed as both inexpensive and exotic, an alternative to travel in Europe. In August, the entire nation registered 17,442 entries of visitors to the various states, territories and the federal district. 13,921 were foreign tourists, and the remainder national tourists. The southern peninsula tallied a total of twelve entries - four by foreign tourists - and northern Baja California (including Tijuana, Ensenada and Mexicali) recorded 169 total.¹⁴⁵ September saw a major drop to 11,116 total visitors in the republic, but only eight foreign tourists in La Paz (no nationals).¹⁴⁶ October and November saw 9,847 and 9,632 respectively, with ten and twenty in southern Baja California, both times half of them

¹⁴⁴ This relationship was not unique to tourism. As late as the 1990s, transportation and commerce in La Paz oriented north to the U.S. border rather than across to the Mexican mainland - wholesalers and retailers found it more cost-effective to transport goods by land and as a result many U.S. brands could be found in *paceño* supermarkets. As an illustration, in 1995 one La Paz grocery store carried Mountain Dew soda, a product which was not produced in Mexico at the time and which gave the author some satisfaction when he discovered it along with Dad's Root Beer.

¹⁴⁵ Secretaria de la Economía Nacional, agosto de 1936. Day trippers then and now did not need to register, and therefore would not have been counted in the northern territory of the peninsula. Because each entity within the republic was responsible for reporting tourist movements, many of the figures both within months and in the subsequent months represent repeat entries for the same tourists as they crossed boundaries. One other point worth noting is that the separation of national from foreign tourists makes clear that both forms of tourism were seasonal. The peak during this period for foreign tourists was August, with a slow but steady decline through December. National tourism remained fairly constant from August through October and November before ticking upward in December.

¹⁴⁶ Secretaria de la Economía Nacional, septiembre de 1936.

foreign.¹⁴⁷ December provided an interesting demonstration of the relative lack of influence La Paz exerted on both Mexico's foreign and domestic tourism industry at the time, with 12,876 travelers registered in the country (8,774 foreign), and twelve to the territory, (eight of them foreign).¹⁴⁸ That roughly corresponded to one-tenth-of-one percent of tourists selecting the entirety of the southern section of Baja California for a destination. Such paltry activity could not replace the extractive industries foundering in the hinterland around La Paz. It would take decisive action on the part of *paceños* to build tourism infrastructure and increase participation in this economic sector. They found an ally in the newly-appointed territorial governor.

First Steps Toward an Organized Tourism Sector in La Paz

Rafael Pedrajo Barrios took responsibility for governing Baja California Sur in 1938 and found the region not only poor and lacking in the systems such as effective education and public works, but lagging behind the mainland in the post-revolutionary recovery. Under the presidency of Lázaro Cárdenas (1934-1940), the nation accelerated a process of development that targeted rural areas and attempted to institutionalize the revolution by continuing the land reforms and public works that might knit into the national fabric peripheral areas that had missed out on previous development. The southern territory of the peninsula did not receive major new funding to that end under Cárdenas and Pedrajo, but it did benefit from the establishment of a free trade zone (*zona libre*) that held out the potential for future growth and the attraction of merchants from the mainland who might purchase imported goods in the port of La Paz. In the short run, the *zona libre* did not transform the local economy, but it was a step toward the future, with the benefit to the Cárdenas regime that it came at a negligible cost to the federal

¹⁴⁷ Secretaria de la Economía Nacional, octubre de 1936, noviembre de 1936.

¹⁴⁸ Secretaria de la Economía Nacional, diciembre de 1936.

government, and it reflected an aura of progressivism on the new governor. Pedrajo undertook a plan to expand the role of the state in supporting education across the region and in encouraging economic development, but as a new arrival on the peninsula, one of the qualities of life there that impressed him was its natural beauty. The new governor became an advocate for building the first rudiments of an infrastructure directed specifically at leisure tourists as a way of sparking the local economy and threw his support behind an effort to engage the local businessmen to that end. Following a series of meetings and calls for investors, the partners chartered the *Sociedad Hotel Perla* and undertook the planning, capitalization and construction of a modern hotel in the mold of those which had cropped up in Acapulco. This hotel would need to offer the modern conveniences that leisure visitors demanded, such as private bathrooms, restaurant and bar, but also to serve as the centerpiece to the development that the directors envisioned. They selected a site directly on the bayfront *malecón*, close to the *muelle fiscal*, or municipal pier, and the business district.¹⁴⁹ The name Hotel Perla was selected early on, and although it was located near the venerable store La Perla, and the Ruffo family provided significant capital for the project, the name appealed primarily out of a sense of local pride and not to correspond to the nearby establishment. The importance of the pearling industry to the local economy remained at the fore of people's minds, an intrinsic element of the character of La Paz (to be memorialized a decade later in John Steinbeck's novel *The Pearl* - Steinbeck traveled the Sea of Cortés in the early 1940s). Additionally, to call an object *una perla* roughly equated in the local parlance to calling something "a gem" in colloquial English. This particular gem needed to attract visitors to the peninsula.

¹⁴⁹ The term *muelle fiscal* is used here because it is less clumsy than the English language alternatives, and it emphasizes the centrality of the structure. This is a pier that is administered by the municipal government but which is for use by commercial vessels. The *muelle fiscal* would be associated with the harbormaster and the site for payment of any customs duties, and would have been a key contact point between La Paz and the outside world.

Although previous hotel projects had generally been on small scales and were underwritten by a single family or entrepreneur, Hotel Perla represented a major investment and risk. Initial estimates for the project placed the cost of the construction at seventy-five thousand pesos, but by the time the directors added in demolition of existing properties on the site and finishing touches like furnishings, the estimates rose to Mex\$130,000.¹⁵⁰ Such an investment might bankrupt the local entrepreneurs, who at any rate could not guarantee the success of the endeavor as it depended upon increased numbers of tourists who were currently in very scarce supply in La Paz. The solution lay in organizing a pool of investors and distributing shares in the project based on their individual outlays. Ultimately, 106 investors stepped forward to fund the construction of Hotel Perla, their names a veritable Who's Who of La Paz society, and of the outlying towns. Although thirty-nine investors purchased only a single share at its ten peso cost, and a further fourteen bought two shares, several of the wealthy businessmen who operated at the center of *paceño* commerce saw fit to make significant investments. The single greatest private patron of the project, Isidro Enrique Isáis, purchased 2,020 shares or slightly more than 15 percent of those available. The next largest investors were three Ruffos, Antonio, Roberto and Enrique, who split one thousand shares between them (Antonio receiving the additional share to set his total at 334). Enrique Ayala purchased 223 at Mex\$2,230, three additional investors purchased two hundred shares each, and two purchased one hundred shares. The remainder of names listed generally accounted for ten to forty shares, indicating the wide support that the project had in the city. That said, the government of the territory also played a major role and demonstrated its support of the construction by investing the greatest portion of the capital:

¹⁵⁰ [http://www.measuringworth.com/datasets/exchangeglobal/result.php?year_source=1938&year_result=1940&countryE\[\]=Mexico](http://www.measuringworth.com/datasets/exchangeglobal/result.php?year_source=1938&year_result=1940&countryE[]=Mexico) accessed February 18, 2013. The exchange rate in 1938 averaged 4.52 Mexican pesos per U.S. dollar placing the estimated full cost at US\$28,761.06. In 2011 terms (the most recent available), that equated to US\$376,000.

Mex\$54,220 or nearly 42 percent of the cost. The governor himself contributed through his wife, Concepción González de Pedrajo, who was identified as one of the one-hundred-share investors.¹⁵¹

The Hotel Perla, when completed in 1940, represented the ultimate in modern accommodation and stood as the pride of the tourism boosters in La Paz, but its success was not assured. Although neither the United States nor Mexico had yet been drawn into the Second World War, tourism faced uncertain times in the region and the problem of transportation had still not been resolved. Rafael Pedrajo, like his predecessors, could see the need for a road to connect La Paz to the north, but the resources needed for such a massive undertaking still eluded the government of the territory. Hotel Perla built up a small clientele for its twenty-nine rooms, and over the years the shares traded among investors until the majority were held by the Ruffo and Castro families - the government shares had been converted to support the Hospital Salvatierra in 1941 by the Pedrajo government before the governor was transferred out of office later that year.¹⁵² The principal draw for foreign tourists to the region, sport fishing, kept the hotel afloat and led to the emergence of other, less grand accommodations.

Although La Paz had long outstripped the rest of the peninsula in terms of population and economic development, it was not the only site which held appeal to foreign visitors pursuing leisure tourism. The southern extreme of the peninsula, San José del Cabo in particular, presented a legitimate competitor in the arena of sport fishing. All of the primary species favored by non-commercial deep sea fishermen, marlin, sailfish, swordfish, tuna and dorado, are to be found in the waters surrounding Baja California Sur, but because the billfish move north with the warming of surface waters they arrive earlier and linger longer near Los Cabos.

¹⁵¹ Davis 1998, 36 *cuadro 1*.

¹⁵² Davis 1998, 38.

Furthermore, the position at the tip of the peninsula means that fishermen based at San José can take advantage of both Pacific and Sea of Cortés waters. Finally, for tourists who arrived in the region by yacht or as passengers on ships, San José was an intermediate stop on the way to La Paz, which lay north in the inland sea. On April 1, 1939 as workers constructed the Hotel Perla in La Paz, in San José Mrs. Juana Ruiz Cazassus petitioned the governor for approval to convert her house at #24 Calle Doblado to a *casa de asistencia* or boarding house, based on an application that she filed for a permit on January 1, 1939. The governor approved the petition on April 15th, and signed the permit on August 1, 1939, and authorized a similar permit to continue operating a hotel to Catalina Ceseño Montaña.¹⁵³ Lodging in this area lagged behind La Paz in terms of scale and amenities even prior to the opening of Hotel Perla, but the cape region already showed signs of increasing activity and so long as access to La Paz was limited, San José presented a viable alternative in Baja California.

More to the point, even in this early stage of the developing tourism infrastructure, it was apparent that the territorial capital's advantages in expanding the new industry were linked to its size, more diverse economy, and relative prosperity compared to other sites along the southern half of Baja California. Unlike the mining and pearling booms, the natural resources to be exploited in this new extractive industry were not concentrated in particular locales along the seabed or in the mountains, but rather swam freely all along the coastline. Success in tourism would lie in building the supporting infrastructure and more effectively competing to draw in the visitors, which would require the nexus of entrepreneurial and political support.

The installation of Francisco J. Múgica as the new governor in 1941 held great promise for supporters of development in the peninsula, and his five years in office reaffirmed the path undertaken to build tourism infrastructure. Múgica himself must have seemed the ideal figure

¹⁵³ AHPLM 1939.

for leading the territory to the boosters in La Paz. A former revolutionary, he had served twice as governor of states in the interior, Tabasco and Michoacán, before rising to power with his great patron, President Lázaro Cárdenas. Their Michoacán connection and subsequent friendship led to Múgica's appointment as Secretary of the National Economy and later as Secretary of Communication and Public Works for the federal republic. His arrival in La Paz demonstrated a downward arc in terms of Múgica's political career, but the appointment of such an able and experienced politician and leader, particularly one versed in the national economy and development projects, represented a great opportunity for the peninsula's supporters. While the new governor did not bring with him the budget necessary to transform the region, his expertise and the residual influence of his reputation gave weight to his observations on the needs of the *sureños*. Observing the isolation and economic stagnation that limited regional growth, Múgica renewed calls for the construction of a transpeninsular highway, and encouraged capital improvement projects on the peninsula. In order to lend weight to his analysis and to draw in a political ally, the new governor called upon Ulises Irigoyen, former railroad director and president of the National Chamber of Commerce to travel along the primitive roads in the territory and consider how the communities might be linked together better in the regional economy. Certainly Múgica expected Irigoyen's support for the highway project, which he received in due course, but the businessman also noted the strategic and military importance of the peninsula and urged federal funding to extend the development initiated under Cárdenas to Baja California Sur. Irigoyen also reaffirmed the importance of the *zona libre* in future development of La Paz.¹⁵⁴ Irigoyen and Múgica had both served as technocrats in the previous

¹⁵⁴ González Cruz 2002, 495–496. Even as late as this period, Mexican concern over the perceived U.S. interest in Baja California contributed to an imperative to establish a permanent hold on the peninsula. Transportation networks that could serve military interests fulfilled such a goal, and although the alliance with the U.S. remained strong during the war, Mexican strategic interests played a role.

presidential administration, but their influence with the government under Manuel Ávila Camacho had waned dramatically, and although the recommendations gave Múgica fodder for his campaign to win federal support, he made little progress despite repeated trips to Mexico City to lobby the administration. This failure to gain support likely lay in two sources: the rising tide of war which caused the government to rein in its civil expenditures, and the political fortunes of Múgica.¹⁵⁵ Prior to the election in 1940, he had stood as the “precandidate” to replace Cárdenas, a close personal friend whose policies he would certainly continue.¹⁵⁶ As Cárdenas’s reforms grew increasingly controversial, Múgica found his candidacy slipping away and the more conservative Ávila Camacho selected to take the presidency for the PRM.¹⁵⁷

In La Paz, Francisco Múgica’s six years in office paralleled that of the president in the Federal District, and despite moderate increases in funding for the territorial budget, the only means he had to advance development came by trimming other expenditures. Despite that, he did succeed in improving the roads connecting the towns of the southern peninsula, and those of the northern end of the territory, although the networks were not linked by improved roads and so the development remained stalled on that front. The governor did not focus specifically on tourism as the engine of the economy, but private tourism projects grew under his administration

¹⁵⁵ María Altable proposes this in her chapter “La ampliación de la política nacional de desarrollo en Baja California Sur. Alcances y limitaciones (1940-1959)” in *Historia General de Baja California Sur* (González Cruz 2002). Although World War Two did not dramatically affect the lives of most Mexicans, the lingering effects of the recent Revolution and the unstable world situation naturally made the government cautious in its spending on non-essential projects.

¹⁵⁶ In the post-revolutionary political environment in Mexico, to be the candidate of the *Partido de la Revolución Mexicana* (PRM, later renamed by Ávila Camacho as the *Partido Revolucionario Institucional* or PRI) meant certain victory in the election as the party held control of the political system, leading to the emergence of the term *el dedazo* or “the pointing of the finger”: literally to indicate the next president of the republic. This system originated in the 1920s under the Calles presidency and continued until the end of the Ernesto Zedillo six-year presidential term, or *sexenio*, in the year 2000. It relied upon both the unmatched power of the president, and the selection of viable candidates adapting to the changing political context.

¹⁵⁷ González Cruz 2002, 497. Altable refers to Múgica’s state following the election and his appointment to the peripheral and politically isolating post in the territory as “*en calidad de desterrado*,” or “in a state of exile.” It is worth noting that both Pedraza and Múgica later served as administrators of the prison on the *Islas Mariás*, sixty miles off the coast and even more isolating.

as he emphasized major infrastructure projects including transportation. In 1941, *Aeronaves de México* (Aeroméxico) initiated twice-weekly service to La Paz via Mazatlán, tying the mainland into an air taxi service that reached the towns of the peninsula and leading to a slowly growing commercial air presence.¹⁵⁸ In the absence of effective and efficient land routes, aviation showed promise for providing the means of bringing tourists to the emerging facilities.

With the commercial aviation links starting to connect the territorial capital to other cities, in the 1940s and 50s the number of hotels seeking permits in La Paz and orienting toward the tourist trade was on the uptick. By 1944, The Hotel Central was operating under the ownership of Luis Salas Solersi, at the corner of Calle 5 de Mayo and Belisario Domínguez at the edge of the plaza in La Paz, two blocks from the *malecón* and roughly five blocks from Hotel Perla.¹⁵⁹ Solersi clearly viewed that establishment as his main rival, and in the summer of 1944 he sought to secure permission to sell beer to his clients in the restaurant attached to the hotel. It is equally clear through the correspondence in the archive that Solersi recognized that he could not support his business on tourists alone, and that the regulations regarding sales of alcohol in the 1940s centered on limiting public drunkenness by restricting access to drink. In his initial request to the office of governor Múgica, the hotelier describes in maudlin terms the

difficulty of sustaining (the hotel) given the high costs of the times, and desiring to expand in so far as it is possible, to request... the necessary permits to serve during lunchtime and exclusively to clients and members one or two beers, as has been permitted at other establishments like the Restaurant Alegría...¹⁶⁰

¹⁵⁸ Davis 1998, 39.

¹⁵⁹ On this point the usually reliable Estela Davis is in error, as in *El Alojamiento en Baja California Sur* she cites Solerci [*sic*] as opening the Hotel Central in 1946. Documents in the collection of the *Archivo Histórico Pablo L Martínez* indicate that the hotel was already in operation by April of 1944, when Solersi petitioned the territorial government for a license to sell beer. Variations on spelling of Solersi's name appear in the documents, and it appears that Davis erroneously based her observations on a later document in the *Archivo General del Estado* with the proprietor's name misspelled. In this dissertation, the spelling of Solersi as he submitted it in his petitions to the territorial governor is used.

¹⁶⁰ AHPLM Expedientes, AGE Doc.285.2 7743 Caja 24 2 de 3. "*el cual se sostiene muy difícilmente dada la carestía de la vida en los actuales momentos, y deseando ampliar en lo que se puede el negocio, solicita de usted...*

Hand-penciled notes in the margin and the subsequent response dated three days later on April 17, 1944 insisted that permission could not be granted without Solersi precisely defining what hours constitute lunchtime, so it could be determined whether he ever was in violation of the permit, and on the 21st of April Solersi responded with a list of mealtimes including breakfast from 7 to 9am, lunch from 1 to 3pm, and supper from 7 to 10pm. Marginalia on this document note that the police should be informed of the times, and on May 4, 1944 the government authorized his permit to serve beer only to clients and members during all three daily meals. By July 14th, Solersi petitioned again to have the dinner period extended to 11pm, which was approved five days later with the specific instruction that beer be served only to patrons who were being served food. A subsequent request to be granted a waiver for a particular party on August 5, 1944 that would have allowed him to serve beer and fortified wines or liquors (*vinos generosos*) beyond the 11pm cutoff was rejected on the grounds that no such permits had ever been granted before despite Solersi's protestation the Hotel Perla had received such a variance. The next record in the file shows the January 1945 renewal of the beer license under the same terms.¹⁶¹

The struggles of Luis Salas Solersi illustrate two problems facing hoteliers in La Paz at this time: tourism was not enough to support all of their establishments, so they had to branch out and serve local diners — the Hotel Perla had a restaurant that served beer as well — and the laws maintained by the government held the potential to impede leisure activities on the part of guests. In a way, the legal and administrative structures of government had not yet caught up to the changing context accelerated by tourism. By the end of 1946, Solersi had sold the Hotel Central

el permiso necesario para servir durante las horas de Comida y exclusivamente a mis abonados y clientes una o dos cervezas, como se las ha concedido a los demás establecimiento como son al Restaurant Alegría..."

¹⁶¹ AHPLM Expedientes, AGE Doc.285.2 7743 Caja 24 2 de 3.

to Nicolás Martínez Villalva, who renewed the beer license for 1947 but who by 1950 faced serious threats to his business on the basis of the legal codes and bureaucratic process. On January 4, 1950, Cuauhtemoc Hidalgo of the territorial Secretaría General issued a statement calling for the immediate closure of the establishment of Sr. Martínez on the basis of its proximity to the secondary school and its violation of Article 3 of the Regulations on Intoxicating Beverages (*Reglamento de Bebidas Embriagantes*). Being less than twenty meters from the school, the hotel restaurant violated the new law. A police report dated on January 5th, 1950 noted that the restaurant and bar had stayed open until 2:15 am the previous night despite the owner having received notice of the mandated closure of his establishment. The policeman found in the bar five patrons whom he named, two officers whom he did not, and the Rieke Brothers' orchestra. According to the report, when interviewed Mr. Martínez Villalva claimed to be unaware of whether the previous day's closure affected the bar, the restaurant, or both. Such a flippant response clearly did not sit well with the authorities, as at 9:50 on the morning of the 5th, the police commandant, Manuel Soto Ibarra personally carried out the closure of the bar, noting in his report to the governor that he specifically indicated it to be the part of the business which served intoxicating beverages (beer).¹⁶² Martínez could no longer claim ignorance of the exact nature of the restriction, but it is worth noting that despite the passage of the ordinance in which his business operated in violation, the beer license had been issued in previous years and the presence of the school had not caused undue concern earlier. Plus, if the petitions of Sr. Solorsi in the past were to be believed, the sale of alcohol to clients played a crucial role in the survival of this particular business.

The closure of the bar at Hotel Central could not have lasted long, because although the archives do not indicate when the moratorium on beer sales at Martínez's establishment was

¹⁶² AHPLM Expedientes, AGE Doc.285.2 7743 Caja 24 2 de 3.

lifted, it clearly was no longer in place by the end of 1952. On December 16 of that year, Martínez petitioned the Secretary General of the Government in the state to permit him the sale of alcoholic punches during the winter season, through the beer license which he held in the bar of the Hotel Central. The following April 1st, Martínez made a further petition of the government which showed the changing nature of his clientele and the continued conflicts with the territorial bureaucracy over regulations which hindered his profitability. In this letter, the businessman stated that a year previously, the government had prohibited the Hotel Central from playing music within the establishment, based on the proximity of the secondary school. The interim saw a dramatic decline in his clientele, many of whom opted for other venues in which to divert themselves where music could be enjoyed. Martínez specifically noted that tourists sought out his establishment because his restaurant served typical regional dishes, but that when they learned upon requesting it that the Hotel Central could not provide music, they too abandoned Martínez's restaurant and bar.¹⁶³ Estela Davis corroborates the reputation of the kitchen at the Hotel Central for its regional cuisine in her *Alojamiento en Baja California Sur*, recalling the “breast meat and soup of sea turtle, seasoned with wild local oregano and Baja Californian wines; scallop salad.”¹⁶⁴ Martínez's request proposed that the restaurant would only play music in hours that the school was not in session, to avoid disruptions to the students, and he noted that he was current with his tax debt (clearly Martínez's hope was to also to avoid disruptions from the authorities). The Secretary General's curt response, issued on April 18th, granted permission to Martínez to play music only on Sundays, and referenced the governor's support for the limited permit.¹⁶⁵ For Nicholas Martínez Villalva, the government of the southern territory would not

¹⁶³ AHPLM Expedientes, AGE Doc.285.2 7743 Caja 24 2 de 3.

¹⁶⁴ Davis 1998, 41. “*pecho y sopa de cahuama aromatizado con orégano de los montes peninsulares y vinos sudcalifornianos* as well as menudo, pozole, and *ensalada de callos*”

¹⁶⁵ AHPLM Expedientes, AGE Doc.285.2 7743 Caja 24 2 de 3.

make more than minimal accommodations to support the tourism trade. Indeed, for other entrepreneurs in the period, government regulations posed barriers to their businesses, too. The government in Baja California Sur was still in the early phase of adapting to a tourism economy, and at times it responded in an *ad hoc* fashion, lacking the policies and infrastructure to deal with contingencies.

Immigration Policies and Attracting the “Right Kind” of Tourist

No place was this clearer in the 1940s than in the immigration system, which struggled with inefficiencies, poor communication, and an uncertainty in how to deal with tourists of any stripe, but especially those who did not meet the expected behaviors of foreigners. The Americans who made their way to La Paz for recreation or leisure tourism in the 1940s and 1950s often fit the mold of relatively affluent travelers arriving in private boats, planes, or aboard the limited commercial air and sea services. To be sure, more adventurous sorts made their way by land along the rudimentary roads of the peninsula, but they were fewer in number and typically traveled with clear means to support themselves and to return to the U.S. Business travelers still made their way to the region, especially to Santa Rosalía, the remaining mines in the south, and the emerging salt works at Guerrero Negro, and to traditionalists among the bureaucracy, especially those with little exposure to the concept of leisure tourism, they represented the expected face of foreign visitors. In April of 1940, the final year of the Cárdenas presidency, the federal Secretary of Gobernación found it necessary to direct a letter specifically to the authorities in the territories of Baja California Norte and Sur, instructing them to stop impeding the movement of foreign tourists and foreign residents of Mexico by requiring special permits for their travel and in the case of foreign residents of the interior, demanding financial

statements before authorizing on the peninsula. According to the central government, the simple act of engaging in recreational tourism was sufficient to justify the movement of U.S. citizens in Mexico, and apparently the bureaucrats in the territories had at times failed to recognize that, as the letter also explicitly requested that the governors on the peninsula be directly informed of the policies.¹⁶⁶ These early tourism experiences indicate the rocky start of the industry in the region, but immigration officials may have had cause to be leery of foreign visitors.

Although visitors had been making stops on the peninsula for decades, and notwithstanding the development of a rudimentary infrastructure to support them, the immigration officers continued to come across undesirable figures who entered Mexico as tourists but who engaged in activities that the government would not countenance. In these cases, the limited tools at their disposal and the isolation that characterized Baja California made it difficult to deal with such unusual challenges. The best documented and most unusual of these circumstances surrounded Gladys Sparks, a U.S. citizen traveling the peninsula.¹⁶⁷ The first mention of Sparks in the records placed her at Cabo San Lucas on March 10, 1945, but states that as recently as three days earlier she had been in Ensenada, Baja California (Norte) where she received from *licenciado* Braulio Maldonado, delegate in the government, a letter of support identifying her as having legally entered Mexico on visa 721992 as a tourist planning to travel to Santa Rosalía for recreation. The document in the archive includes a transcription of the document signed by Maldonado, who further noted that Sparks traveled unaccompanied, and requested that she not be impeded by officials in her travels, a further indication that an atypical traveler might receive unwanted attention from territorial functionaries. Clearly, Maldonado

¹⁶⁶ AGEBCS loose-bound memoranda from Secretaría de Gobernación, 1940

¹⁶⁷ Sparks was identified by a number of variations on her name, including non-standard spelling and the inversion of first and middle names in the government documents. I refer to her as Gladys Sparks even though many of the documents use Elsie Sparks because in one of the papers she signed her own name, Gladys Elsie Sparks, over the typewritten form “Elsa Sparks Gladys.”

held Sparks to be a simple leisure tourist who was traveling southward along the peninsula and treated her accordingly. However, the nature of the document transcribing Maldonado's permit suggests that immigration officials at the southern extreme of the peninsula had reason to question Sparks' intentions. To begin with, Enrique Martínez Mendoza, the subdelegate in Cabo San Lucas who documented Sparks' presence and unusual letter of recommendation, made reference at two points in his half-page report that the official seal and stamp on Sparks' letter appeared to be authentic, and Martínez attested that his transcription was a faithful copy.¹⁶⁸ Martínez's vigor in pursuing the matter might seem unwarranted if not for several apparent peculiarities, namely that Sparks' documentation placed her entering via Ensenada on the 7th, but present in Cabo San Lucas only three days later. Such a journey would be difficult to achieve in three days without resorting to air travel, and would only have been logical if completed by sea, as Santa Rosalía lay between Ensenada and Cabo San Lucas, closer to the middle of the peninsula than at its tip. If flying or traveling by land, Sparks would have passed by Santa Rosalía, and it would only be in sailing from Ensenada on the Pacific coast to the copper-mining town on the Sea of Cortés coast that she would have had cause to transit Cabo San Lucas.¹⁶⁹ Martínez's interest in Sparks continued, and might have borne out the need to reign in over-zealous officials harassing tourists, were it not for peculiarities that continued to emerge in the case.

A month later, on April 10, 1945, Martínez outlined the details he had gathered from Sparks for his immediate superior, and for the governor of the territory to whom he forwarded a copy. Here, he reaffirmed the letter from the delegate in Ensenada, adding that Sparks also

¹⁶⁸ More precisely, Martínez described in detail the seal and the text surrounding it at the beginning of his report, and the text accompanying the dated stamp at the end of it. This precision, accompanied by the statement "Es copia fiel tomada del original que CERTIFICO" - "This is a faithful copy taken from the original which I CERTIFY" indicates that Martínez had reason to doubt the authenticity of the document or the account supplied by Sparks.

¹⁶⁹ AGE. Doc. 334.73 Caja 17 2 de 3. 1945 Expediente (Extranjera Gladys Elsie Saar de Sparks) Document # 22.

carried the visa with the dated stamp of the Secretaría de Gobernación Oficial de Población in Ensenada, the immigration office that had granted her the visa, signed by Mr. Miguel Navarro and stating the purpose of her visit as recreation in Santa Rosalía, valid until September 6th of that year. Navarro's document also stated that Sparks' only means of support were US\$250 that she carried with her. Martínez forwarded the details of Sparks' birth certificate, establishing her place of birth as Cleveland, Ohio, on December 13, 1920. Finally, and most interestingly, Martínez reported on Sparks' account of her arrival in Cabo San Lucas. She declared to the subdelegate that she had traveled the peninsula by land, arriving in Santa Rosalía by truck, continuing to Mulegé in the mail car, and then continuing on to La Paz by another truck. From La Paz to San José del Cabo, Martínez was able to confirm her claim that she traveled in a red truck, and he further noted that the last leg of her journey from San José to San Lucas she made accompanied by officers in the U.S. Marines.¹⁷⁰ Martínez's reports indicate that he had begun an investigation into Sparks and that he felt discomfited enough to document the results with his superiors. However, up to this point he made no statement regarding his intentions.¹⁷¹ Eight days later, a second report filed this time by an army officer stationed in Todos Santos but clearly echoing the investigation of Martínez provided the impetus for action.

On April 18, 1945, Brigadier General Gregorio Morales Sanchez, commander of the Third Military District and stationed in La Paz, directed a letter to the General Secretary of the

¹⁷⁰ Martínez's fixation on the means of Sparks' travel indicates the intensity of his misgivings, and the statement regarding the Marines perhaps one of his particular suspicions. The Second World War was winding down, and Mexico and the U.S. were allies in the war effort. However, a pair of earlier filibuster expeditions to Baja California, most notably almost a century earlier by William Walker, had left Baja Californians sensitive to perceived U.S. geopolitical designs on the region. Martínez may have been imagining foreign operatives at work in his patch. At any rate, he did uncover two peculiarities in Sparks' travels: first, that she misrepresented her intentions when she continued on beyond Santa Rosalía after passing through by land, and second that she seemed to be relying upon the good will and support of locals to move her between towns. Another possible explanation that accounted for Martínez's attention was the irregularity of a woman traveling unaccompanied and without ties to the area. Such a traveller must have raised suspicions, and when considered alongside the inconsistencies in her story, Martínez may well have suspected that she was engaged in prostitution or other illegal activities.

¹⁷¹ AGE. Doc. 334.73 Caja 17 2 de 3. 1945 Expediente (Extranjera Gladys Elsie Saar de Sparks) Document # 21.

Territorial Government. Apart from a three line introduction in which the general stated that the following information had been reported to him by an infantry captain stationed in Todos Santos, and a two line conclusion stating that the information was presented to inform the general secretary, the remainder of the text is reputedly a verbatim report from the captain recounting his encounter with Gladys Sparks during a trip to Cabo San Lucas. The captain claimed to have met Sparks on the 9th of April, and noting that she was a foreigner and “appeared suspicious,” he began to investigate the details of her documentation to confirm her identity. From that point on, the captain’s report was very nearly a verbatim compilation of the previous two documents from Enrique Martínez Mendoza. Clearly, the subdelegate shared information or himself pursued another avenue to bring attention to the irregularities in Sparks’ account.¹⁷² In this case, the added weight of the army officers’ reports yielded results. Penciled into the margin of the general’s letter is the following statement: “Her expulsion from the country has already been requested, based on demonstrating that she entered deceiving the immigration authorities on the northern frontier of the territory.”¹⁷³ The order to deport was executed quickly, as indicated by a telegram sent from the subdelegate in Cabo San Lucas the following day. Sparks resisted the deportation order and, according to the telegram, at 2:30 pm on April 19th she fled into the countryside, leading to a general search that Martínez joined at 8:30 pm and with the help of six assistants he managed to locate her at 3:30 am. That morning he personally placed her under the authority of the immigration chief in San José, who interned her under supervision in the Hotel

¹⁷² The captain’s statement on Spark’s passport and immigration documents differs from Martínez’s statement from April 10 in only a handful of words, most of which were simply transposed (“... asimismo especifica dicha tarjeta que como capital único que trae consigo...” compared to “... asi mismo especifica dicha tarjeta que como único capital que consigo trae...”). Clearly there was a single author behind the two reports, and although the captain’s account claims to come from the day before Martínez filed his report, the subdelegate seems the more likely agent. The description of the Maldonado document from Ensenada was similarly executed.

¹⁷³ AGE. Doc. 334.73 Caja 17 2 de 3. 1945 Expediente (Extranjera Gladys Elsie Saar de Sparks) Document # 19. “Que ya se solicitó su expulsión del país por haberse demostrado que entró sorprendiendo a las autoridades de migración de la frontera norte de nuestro territorio.”

Central, pending expulsion on the next available ship.¹⁷⁴ From that point, the legal matters proceeded quickly. On April 20, Francisco S. Ceseña Montaña, the immigration officer in San José held a hearing before two witnesses in which he interviewed Sparks and determined that she was penniless and living in a state of destitution (“... tener ni un solo centavo”), a violation of the requirements for tourist status. As a result, he stated that he would comply with the order of the governor, Francisco Múgica, to turn her over to the captain of the motor launch Gracioso, that he might deliver her to immigration authorities in Ensenada with instructions for them to return her to the U.S. border. Sparks signed the document in the presence of Ceseña and the witnesses.¹⁷⁵ On April 26, Ceseña filed a report outlining his steps to fulfill the instructions from the territorial government, including the confiscation of Sparks’ travel visa (form 11) and the instructions to the captain of the Gracioso.¹⁷⁶

That might have been the end of the strange case of Gladys Elsie Sparks were it not for the ad hoc nature of the immigration services in Baja California and the evolving relationship with tourism. Clearly, a destitute Sparks, now a vagrant rather than a tourist, was not eligible for a visa to remain within Mexico. But her arrival at the border at Tijuana and differing expectations of U.S. visitors allowed her to return to the peninsula and travel south again. On July 5, 1945, she reappeared in Santa Rosalía, this time found by the police wandering on foot, her only possessions the clothes she wore, on the road between the mining town and Mulegé. Sparks was arrested because when asked, she could not produce immigration documents, claiming that she had lost them as she traveled down from Tijuana.¹⁷⁷ As in Cabo San Lucas, she claimed to be a leisure tourist. The July 8 report filed by immigration official Pedro Condés

¹⁷⁴ AGE. Doc. 334.73 Caja 17 2 de 3. 1945 Expediente (Extranjera Gladys Elsie Saar de Sparks) Document # 18.

¹⁷⁵ AGE. Doc. 334.73 Caja 17 2 de 3. 1945 Expediente (Extranjera Gladys Elsie Saar de Sparks) Document # 17.

¹⁷⁶ AGE. Doc. 334.73 Caja 17 2 de 3. 1945 Expediente (Extranjera Gladys Elsie Saar de Sparks) Document # 15.

¹⁷⁷ AGE. Doc. 334.73 Caja 17 2 de 3. 1945 Expediente (Extranjera Gladys Elsie Saar de Sparks) Document # 7.

de la Torre, shed considerably more light on this unusual traveler, as she was not unfamiliar to the officials in Santa Rosalía. To begin with, they identified her as Gladys Elsie Saar de Sparks, calling into question the birth certificate that had been cited by Martínez, Maldonado, and the other officials in the southern and northern ends of the peninsula. The use of “de” in Mexican naming conventions indicates that her maiden name was Saar, which should have appeared on her birth certificate, and that she had married a man with the surname Sparks. Condés de la Torre referenced a previous time that she had been arrested in Santa Rosalía, February 15, 1945, when she had also been found to lack immigration documents and the funds to support her travel. In that case, he sent her to Guaymas, Sonora, on the mainland coast of the Sea of Cortés, where she was delivered to the U.S. Consulate, where she was denied official support, but where the consul personally gave her enough money to return to the nearest U.S. border. It was likely from Guaymas that she crossed back to the peninsula and made her way to Cabo San Lucas by March 10. Enrique Martínez Mendoza’s suspicions about the form of her travel and the legality of her documents when Sparks reached the southern cape appear to have been well-founded. Indeed, Condés de la Torre stated that on both occasions that she was arrested in Santa Rosalía, her only official documents were her birth certificate and a “Protestant Bible.” He filled in further gaps by stating that on May 4th, 1945, the immigration offices in Tijuana had completed Sparks’ deportation by delivering her to U.S. immigration officials.

Clearly the official in Santa Rosalía had tired of dealing with this nuisance vagrant, as he complained that she remained vague and variable in her responses to questions, stating that she had family in Cleveland, Ohio, and then denying such an assertion, stating that “one can only deduce that she has dedicated herself only to wandering and living off of charity.”¹⁷⁸ He then noted that she had been found in violation of immigration law and fined one hundred pesos,

¹⁷⁸ “... por lo que se deduce que únicamente se dedica a vagabundear deprecando la caridad.”

which she clearly did not have as she declared herself insolvent. Condés de la Torre stated that her sentence had been commuted to fifteen-day imprisonment to be followed by immediate deportation which he estimated to cost the state eighty pesos in transportation, food and photographs related to the criminal proceedings. He went on to note that the immigration office in Tijuana was responsible for permitting Sparks to reenter the territory despite the fact that they had just deported her.¹⁷⁹ Several steps remained in dealing with Sparks, and in these matters the territorial government and Condés de la Torre proved very efficient. On July 16, the office of the general secretary in La Paz sent a letter to the national head of immigration, the Director of Population in Mexico City, outlining the basics of Sparks' violations of immigration law and asking him to demand increased vigilance from the offices in Ensenada and Tijuana.¹⁸⁰ By this point, preparations for her deportation were well underway, and Condés de la Torre increased his correspondence with interested parties. In the days after her arrest, he made arrangements to hold the Panamanian-registered steamer Santa Agueda in the port with instructions to the captain to deliver Sparks to Ensenada. When, on July 15 a soldier from the local army base arrived to request transfer of Sparks so that she could be flown north on the next available plane, the immigration official refused, later citing that he had not received authorization to release the prisoner to the soldiers, but one can also imagine his relish in carrying out the jail term and sending Sparks on the slower ocean voyage.¹⁸¹ As Sparks neared the end of her fifteen day jail sentence, on July 23, the local public health official in Santa Rosalía completed a physical examination which confirmed that Sparks was in the fifth month of pregnancy, which would have roughly corresponded with her previous visit to Santa Rosalía and environs.¹⁸² This did not

¹⁷⁹ AGE. Doc. 334.73 Caja 17 2 de 3. 1945 Expediente (Extranjera Gladys Elsie Saar de Sparks) Document # 13.

¹⁸⁰ AGE. Doc. 334.73 Caja 17 2 de 3. 1945 Expediente (Extranjera Gladys Elsie Saar de Sparks) Document # 3.

¹⁸¹ AGE. Doc. 334.73 Caja 17 2 de 3. 1945 Expediente (Extranjera Gladys Elsie Saar de Sparks) Document # 2.

¹⁸² AGE. Doc. 334.73 Caja 17 2 de 3. 1945 Expediente (Extranjera Gladys Elsie Saar de Sparks) Document # 12.

delay the deportation proceedings, and a flurry of letters on July 25, 1945 to the territorial governor, immigration offices in La Paz and Ensenada, and an agreement to transport Sparks between Condés de la Torre and captain Cerríño of the Santa Agueda left the immigration official's office.¹⁸³ By July 26, he was able to report to his superiors in Mexico City that Sparks had sailed on the ship for deportation.¹⁸⁴ The final document relating to Gladys Elsie Saar de Sparks came on August 13, 1945 when the head of the immigration department in Mexico City specifically instructed the territorial officials that Sparks never be permitted to illegally enter the country again.¹⁸⁵

In the matter of Gladys Sparks, the immigration authorities in Mexico encountered an unexpected problem: a North American visitor who neither met the characteristics of tourist nor business visitor. In this case, Sparks appears to have been a vagrant, who entered Mexico on the pretext of tourism, but who quickly overstayed her welcome and the ability to support herself. The tone of the letters and telegrams, their insistence on treating Sparks differently than other visitors, and the concern over her destitution indicates that in this time the presence of such a disruptive figure was new to the officials. In particular, she must have presented a problem in that she was an unaccompanied woman who appears to have been in either considerable distress or a state of mental disorder. Other individuals such as John Hilton had traveled the peninsula by land from the US and did not fit the mold of typical tourist, but they would have been recognizable as adventure tourists today, and would have carried the means to support themselves by fishing or trading with inhabitants of the ranches.¹⁸⁶ Sparks had no such apparent means at her disposal. By the time of the final document in the file, she was approaching

¹⁸³ AGE. Doc. 334.73 Caja 17 2 de 3. 1945 Expediente (Extranjera Gladys Elsie Saar de Sparks) Document # 4, 6, 11.

¹⁸⁴ AGE. Doc. 334.73 Caja 17 2 de 3. 1945 Expediente (Extranjera Gladys Elsie Saar de Sparks) Document # 5.

¹⁸⁵ AGE. Doc. 334.73 Caja 17 2 de 3. 1945 Expediente (Extranjera Gladys Elsie Saar de Sparks) Document # 1.

¹⁸⁶ Hilton 1977.

childbirth and on her way back to the US. The response of the government to her repeated success at entering the country illegally and confounding their efforts was ad hoc and largely ineffectual. The mechanisms for dealing with tourism had not yet been set in place and in particular the considerations of how to deal with problems needed to be ironed out. By 1949, immigration officials circulated descriptions of *personae non grata* to be stopped at the border, and it is apparent that Sparks was not alone in challenging officials and representing a small group of U.S. citizens who lived on the fringes of the tourist economy and who took advantage of the system. Two such individuals identified in the immigration circulars, singer and dancer Claudia Meyenberg of Montevideo, Minnesota and James Ross Martin, an apparent fraudster, on the basis of his fifteen aliases, showed that the difficulties remained.¹⁸⁷

If Gladys Sparks presented a problem, she also demonstrated a need for more organized and official forms of dealing with tourists and foreigners traveling in Baja California Sur. By the 1950s the tourism industry had begun to take off in the region, albeit in a relatively simplified state. The majority of the arrivals came to engage in sport fishing and arrived at either the few hotels and guest houses in La Paz, San Jose, and other towns, or they arrived at the burgeoning fishing camps which sprung up near La Paz or on the East Cape of the southern section of the peninsula. These camps catered to a mostly male clientele which sought basic accommodation, access to guides and fishing launches, and basic bar and restaurant facilities. Visitors to the fishing camps increasingly represented middle and upper class American tourists who desired a uniquely Mexican experience, but which would place them in the role of *patrón* or elite. Accounts produced by these travelers extolled the leisurely life to be enjoyed, with every whim catered to and at a price that could not be replicated in the US. Rod Rodríguez's Rancho Las Cruces represented the pinnacle of such establishments, with the remainder trading some of

¹⁸⁷ Reg. Rev. Vol. 932 Exp. SN Gobernación (27 de Agosto de 1949).

the comforts and seclusion of that resort for easy access for tourists. In line with the fishing and sailing lifestyle modeled by celebrity visitors to the Pacific coast of Mexico, like John Huston and John Wayne, these visitors constructed an overtly masculine experience in the outdoors, made possible by the arrival of commercial aviation. Now, visitors did not require personal yachts or planes to enjoy this lifestyle, nor the week or more that traveling by sea on commercial passenger vessels would have required. If traveling with spouses or children, they might stay in one of the La Paz hotels to allow their companions the run of the small town, while the sportsmen hired launches to take them out day-fishing. In the fishing camps, they could rent a bungalow, and companions who did not care to fish would be limited to sunbathing or other leisure activities. At night the bars might have bands for entertainment, but little more in terms of recreation.

The scope of this growing tourist activity can be glimpsed in the records kept by the General Secretary of the Government in La Paz which recorded the arrivals and departures of foreigners through the port city. In 1950, the numbers remained low, relative to other destinations in Mexico, but they demonstrated the nature of visitors: overwhelmingly from the U.S., the majority from western states, and generally professionals or otherwise middle-class. Despite the arrival of commercial aviation and the continuation of passenger shipping, La Paz regularly recorded no transits of foreigners on a given day. Taking Saturday December 9, 1950 as an example of a fairly busy day, sixteen international arrivals logged in, as did seven foreign departures. Ten of the twenty-three travelers were married couples, and with the exception of two pairs arriving from Oregon, the remaining twelve arrivals hailed from points in California. The departures all listed as their destination Tijuana, B.C., presumably as they all flew out on the same commercial flight. As the arrivals registered with immigration officials, their occupations

were recorded as well as their points of origin, tallying three contractors (*contratistas*), three housewives, three business owners (*propietarios*), two farmers, one businessman (*comerciante*), one business agent, a stock broker (*corredor*), a chemist, and a film actor.¹⁸⁸ The Wednesday, December 13, 1950 log showed that five of the above arrivals departed for Tijuana after four days of recreation in La Paz. For the most part, these documents tediously recorded the movements of visitors, with the arrival of a film actor one of the few points of interest. With the advent of commercial aviation, the vast majority of departures left for Tijuana, followed distantly by Mazatlán and in 1950 with only a handful traveling to Topolobampo, both of those less frequent destinations in Sinaloa on the mainland side of the Sea of Cortés.

La Paz remained a lesser destination for tourists during the early years of the 1950s, compared to the border states and Mexico City. Using 1951 as an example, and focusing on the peak leisure tourism months of the spring and early summer which led into the sport fishing season, visitors to Mexico hovered around thirty thousand per month, while visitors to Baja California Sur scarcely passed two hundred. In March, 206 arrived in Baja Sur out of 34,925 visiting Mexico. 16,119 were received in Mexico City. For April, 210 landed in Baja Sur, 12,132 in Mexico City, and 28,779 overall. And in May of 1951, a total of 28,551 “foreign tourists resident outside of the country” visited Mexico, with 161 arriving in Baja California Sur, 12,387 in Mexico City, 6,354 in Nuevo Leon, 4,236 in Sonora, and 2,167 in Chihuahua. Still, the numbers of foreign tourists to La Paz dwarfed that of Mexican national tourists visiting the peninsula. In March, five Mexican national tourists were recorded, declining to two for April,

¹⁸⁸ AHPLM. Ramo Regímenes Revolucionarios. “Movimiento de Extranjeros, Día 9 de diciembre de 1950.” The actor was listed as Eugene Pallett, almost certainly a misspelling of Palette, a notable character actor perhaps most famous for his role as Friar Tuck, opposite Errol Flynn in “The Adventures of Robin Hood” 1938.

and none in May.¹⁸⁹ The fundamental impediment to attracting national tourists to La Paz was its isolation. The final link, air transportation, was firmly established in La Paz and began to expand in the early to mid-1950s. From the first irregular routes of the 1930s to the first commercial air concession granted to Líneas Aéreas Mineras, S.A. (LAMSA) in 1940, La Paz began to transition to regular air service as the terminus for the La Paz - Mazatlán - Durango - Torreón route. Upon the granting of a route between Mazatlán and La Paz to Aeronaves de México S.A. (AMSA, later Aeroméxico), LAMSA dropped its flights to La Paz, creating an opportunity for AMSA to expand service to Santa Rosalía, Loreto and Mulegé when passengers permitted, and opening the door to regional airlines and air taxi services such as Trans Mar de Cortés, Líneas Aéreas del Pacífico, and Servicios Aéreos de La Paz (later Aero California), all based on the peninsula and emerging by the late 1940s and early 1950s. Servicios Aéreos in particular, as an air taxi, linked the capital to the dirt airstrips of fishing camps and towns of the southern cape region.¹⁹⁰ In 1950, AMSA opened service along the route La Paz - Mazatlán - Tepic - Mexico City three days a week, and Líneas Aéreas del Pacífico opened a regular service to Tijuana with stops in Santa Rosalía and Ensenada. The next year, AMSA added a route which substituted Culiacán for Tepic further expanding air connections. Trans Mar de Cortés, for its part, began flying from La Paz, Santa Rosalía, Loreto, Guaymas and Puerto Cortés in 1951, before adding direct flights between La Paz and Tijuana, and flights with additional layovers

¹⁸⁹ AHPLM. Ramo Regímenes Revolucionarios. Departamento Técnico - Oficina de Informaciones, Dirección General de Estadística, Secretaría de Economía. "Migración: Entrada y salida de nacionales y extranjeros en el país por entidades federativas y calidades, Marzo, Abril, Mayo de 1951." Nuevo Leon, Chihuahua and Sonora are all states bordering the U.S. and popular among day-trippers. Instead of specifying Mexico City, the document registered arrivals to the "DF" or Federal District, the political entity of the capital. Other tourist sites which should have been drawing more tourists than La Paz, Mazatlán (Sinaloa), Puerto Vallarta (Jalisco) and Acapulco (Guerrero), did not show massive numbers either, but in the case of Acapulco in particular the numbers would have been masked by the transfer of most tourists through Mexico City, as they would likely have then continued to the resort by land routes. Sinaloa recorded 253 visitors during the month, Guerrero 199, and Jalisco was not represented. Quintana Roo, site of the later tourist development of Cancun recorded sixteen visitors in March, none in April, and a single tourist in May of 1951.

¹⁹⁰ Davis 1998, 39.

from La Paz - Loreto - Santa Rosalía - Guaymas - Hermosillo - Tijuana in 1952.¹⁹¹ In 1955, AMSA again increased its commitment to running routes through La Paz, by that time flying four days a week between La Paz and Mazatlán, adding twice weekly service to La Paz - Culiacán - Guadalajara - Mexico City, and opening a new route for them: Tijuana - La Paz - Acapulco.¹⁹² Aviation finally made it possible to start reducing the isolation of the peninsula, and the destinations served by commercial flights demonstrated the growing links between both international tourists, and an increasingly mobile *sureño* population. Tijuana served both constituencies, but flights to the interior held greater promise for residents of the peninsula traveling for work or other purposes. Meanwhile, the growing number of connections to Mazatlán and Acapulco indicated the role that La Paz increasingly might play in the emergence of the Mexican tourism resort complexes of the Pacific coast. Travelers could now move between more than one beach destination, perhaps enjoying the more established sand-and-sun sites on the mainland and then stopping over in La Paz for sport fishing before returning to Tijuana, the border, or connections through Mexico City. Soon, that nexus of transportation and lodging infrastructure would grow even more dynamic. Still, while air travel to the peninsula was equally accessible to affluent Mexicans as it was to Americans, and some of the very routes linking California to La Paz continued on to the mainland, Mexican tourists seeking sport fishing or sand-and-sun vacations needed look no further than Acapulco and the emergent resort area of Mazatlán on the mainland coast of the Sea of Cortés. It would take other incentives to draw national tourists, which the government would develop in the 1960s and 1970s. In the meantime, the early 1950s saw the continued growth of the small, but increasingly diverse hotel offering in

¹⁹¹ Davis 1998, 46, 52

¹⁹² Davis 1998, 56.

La Paz and its environs, first with the opening of a new competitor to the Hotel Perla, and then later with a luxury resort close to La Paz but angling for a different sort of clientele.

The Early Organic Expansion of the Tourism Complex at La Paz

In October 1950, Casto Verdayes Piñera filed for permits to open a new hotel and cantina near the beginning of the malecón.¹⁹³ Within a few years of its completion, the Hotel Los Arcos rivaled the Hotel Perla in terms of size and amenities, but unlike the now ten-year-old Hotel Perla, the new project would be funded not by an appeal to the moneyed elite of the city to buy shares of the investment (and risk), but as a privately-financed project. Even though the volume of tourism to La Paz was dwarfed by that flooding to the mainland resorts, the potential of drawing a portion of that business made the case for the new hotel, and Hotel Perla provided a model for building full-service accommodations on the peninsula. Both hotels demonstrated a characteristic that would be considered a major deficiency in a contemporary resort in the region: the lack of a beach for sunbathing and water activities. Locating the hotels on the malecón placed them at the heart of the small city, and insured that guests could enjoy the limited but expanding opportunities for entertainment that La Paz offered, but it also placed them across the street from the waterfront, and with a low stone and concrete breakwater at the water's edge (Figure 7). During low tide, a small beach emerged that could be used for bathing, but which was entirely sheltered from wave action as was the rest of the bay. At high tide, the sand was submerged and water lapped the low wall. Regular hurricanes made the seawall a necessary protection for the town as erosion proved a concern, and the street tracing the shoreline of the bay remained important. The nearest swimming beaches could be found further around the bay, in areas that currently are also protected by seawall, although the more desirable and pristine

¹⁹³ AGE. Doc. 285.1 Caja 31. 1 de 3. 1950 Permiso a Casto Verdayes Piñera. Hotel en la Ciudad



Figure 7. Bay of La Paz with Hotel Los Arcos (white building) in background.

beaches were to be found further out on the road to the commercial port at Pichilingue, beyond the entrance to the Bay of La Paz. El Coromuel, Caimancito and Punta Prieta all offered larger, more isolated beaches, none of which were developed during the 1940s and 1950s for tourism. Although currently El Coromuel is the site of a water park and is located at the absolute extreme of the walkway tracing the malecón, Playa Caimancito is an accessible sunbathing beach, and Punta Prieta has been lost to the PEMEX refinery on the Pichilingue road, all are considered to be very close to La Paz in comparison to the most popular beaches at the time of writing, of Balandra and El Tecolote. In 1950, all of these beaches would have been less accessible and even in the cases of Caimancito and Punta Prieta, required either access to a car or a boat to reach them. What would have made Hotel Perla and Los Arcos desirable to tourists of that day was access to the small, open fishing boats or *pangas*, tied up at the sea wall and available for hire. The sport fishery remained the largest draw to La Paz, as well as the south cape, in this period.

Because the new Hotel Los Arcos was undertaken with less capital and a single proprietor, it presented a more humble start. In 1951 it opened with only 12 rooms, although it did include a full restaurant and cantina.¹⁹⁴ Again, *paceño* hotels could rely upon a local clientele for their dining and entertainment spots, as a means of supplementing revenue. And again, the local government played a major role in regulating such establishments. In the same file as Verdayes' application for a hotel permit, which required a one hundred peso license fee, is the contemporaneous application for a license to sell *bebidas embriagantes*, alcoholic beverages. The government's specific interests and concerns can be gleaned from the nature of these two applications and its vigilance over these two categories of commercial activity. The license to serve beer cost two thousand pesos or twenty times the fee for the hotel permit.¹⁹⁵ This was a government which was beginning to value tourism, but not at the cost of exposing its citizens to corrupting influences, or at least, not without forcing entrepreneurs to pay dearly for the right to do so. Taken in tandem, the interactions between the civil administration, Verdayes and Martínez indicate a general trend to regulate aspects of the tourism economy that might prove unsavory or threaten the *status quo* in the local community. *Paceños* might be necessary as clients supporting the restaurants and bars, but the authorities worried that unregulated, hotel bars might contribute to public drunkenness and disorder. Verdayes received his license, but at a price that ironically must have compelled him and all hotel and bar owners to expand sales of beer and alcohol to local patrons in order to recoup the expense.

It was not only in the capital city that hoteliers who desired to serve alcohol to patrons found the government oversight excessively costly. On May 22, 1951, Abelardo Luis "Rod" Rodríguez Montijo received notice from the Secretary General of the Territory that his request to

¹⁹⁴ Davis 1998, 44.

¹⁹⁵ AGE. Doc. 285.1 Caja 31. 1 de 3. 1950 Permiso a Casto Verdayes Piñera. Hotel en la Ciudad.

establish a hotel and cantina at Las Cruces had been granted.¹⁹⁶ This site, roughly twenty miles east of La Paz and on the other side of the cape of land that separates the Bay of La Paz from Bay of La Ventana was far removed from the regular traffic of the city (Figure 8). Indeed, Rancho Las Cruces counted as its neighbors little more than a handful of agricultural ranches isolated from the capital, as its original development as a pearling station had failed decades before. What it offered for tourists was a fly-in fishing resort that would eventually come to cater to high-end guests ranging from Dwight Eisenhower and Richard Nixon to Bing Crosby and Desi Arnaz, the later pair soon building vacation homes on the site. The hotel opened with

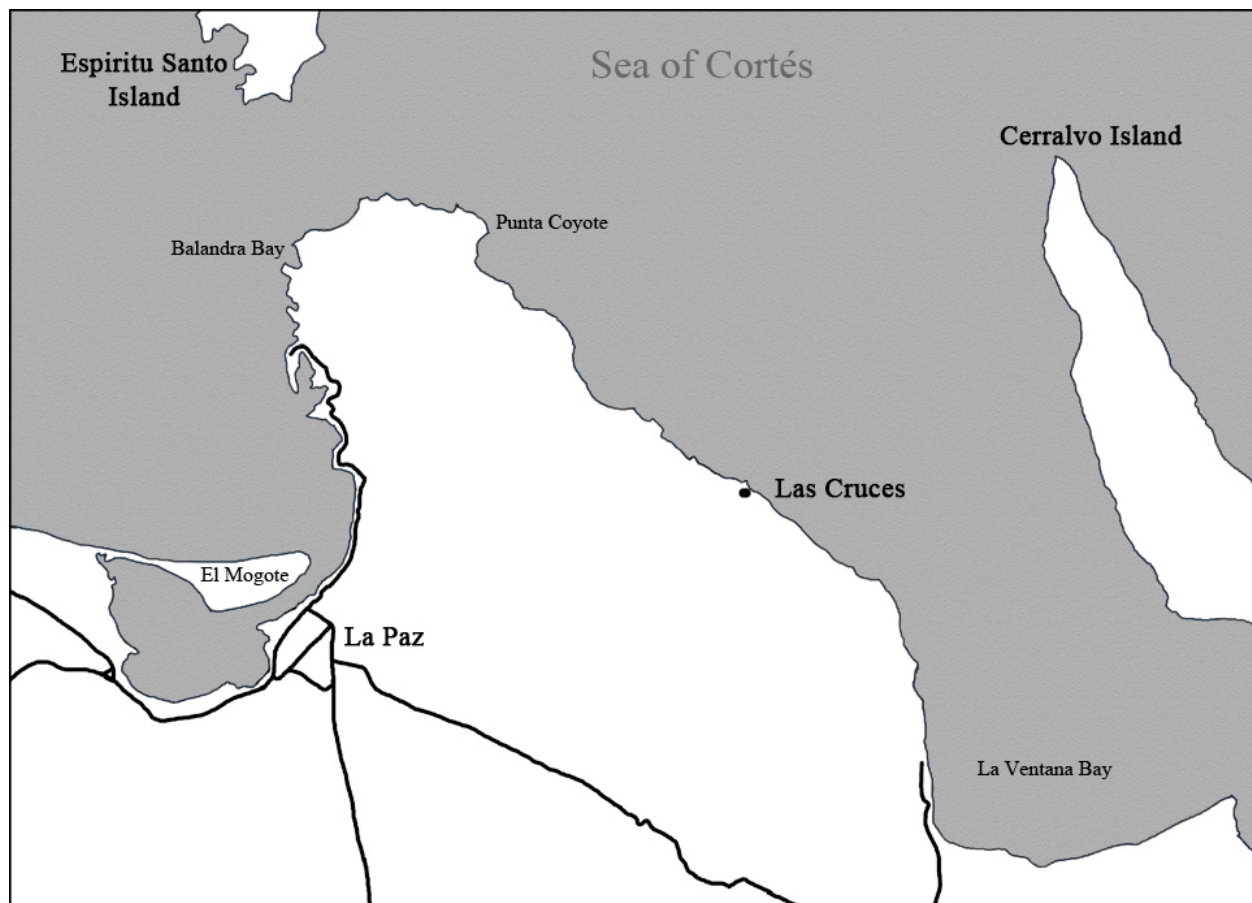


Figure 8. Sites of the La Paz tourism complex: La Paz and Las Cruces (Adapted from Baja Almanac Publishers 2003).

¹⁹⁶ AGE. Doc. 285.2 Caja 31. 2 de 3. 1951 Hoteles en Las Cruces.

eighteen rooms, ten single rooms in the main structure, and four double *cabañas*, and although hotel staff lived on site, there would be no regular *sureño* foot traffic or clientele to support the restaurant and bar.¹⁹⁷ Still, the territorial government maintained the high fees for permits, exacting two thousand pesos for the liquor license, but reducing the hotel permit to seventy-five pesos.¹⁹⁸ In his correspondence upon renewing the liquor license the following year, Rodríguez made an argument for reducing the yearly renewal fee from the Mex\$150 required by the government to Mex\$25 per month of operation, owing to the fact that he claimed the yearly fee was excessive and the hotel was only open for four months per year, serving only tourists.¹⁹⁹ The tone of the letter was curt, and frankly imperious: Rodríguez attempted to dictate to the government of the territory the terms that he felt justified in paying, stating “I am entirely willing to pay my taxes, which I will do as soon as my petition is resolved.”²⁰⁰ This confidence might have had basis in his personal connection to the territorial governor, Agustín Olachea Aviles, who reportedly introduced the American-born Rodríguez to Baja California Sur with the intent of encouraging him to invest in building tourism infrastructure and to whom this particular letter was addressed. Or the apparent comfort he felt in dictating terms may have come from the fact that his father had served a two-year term as interim President of the Republic from 1932-1934, immediately preceding Lázaro Cárdenas in that position.²⁰¹ At any rate, two days later he had his response from the General Treasurer of the Territory, that on the order of the governor the fee

¹⁹⁷ Davis 1998, 49.

¹⁹⁸ AGE. Doc. 285.2 Caja 31. 2 de 3. 1951 Hoteles en Las Cruces. Documents dated May 29, 1951.

¹⁹⁹ AGE. Doc. 285.2 Caja 31. 2 de 3. 1951 Hoteles en Las Cruces. Documents dated January 14, 1952. Rodríguez stated in reaction to the Mex\$150 fee “... a mi juicio se me hace que dicha cuenta es excesiva, por otra parte mis actividades en dicho negocio fue únicamente por cuatro meses del año que terminó, pues mis clientes es [*sic*] turismo... Por las razones anteriores estimo de justicia - se me rectifique dicha cuota a la cantidad de \$25.00 mensuales...”

²⁰⁰ AGE. Doc. 285.2 Caja 31. 2 de 3. 1951 Hoteles en Las Cruces. Documents dated January 14, 1952. “...estoy enteramente conforme a pagar mis impuestos, que haré en el acto que se resuelva mi petición.”

²⁰¹ Koehn 2006.

would be reduced to twenty-five pesos per month from May to December, the same period that his establishment was open the previous year.²⁰² It is worth note that the government accepted Rodríguez's argument at face value, but did not accept that he had only operated for four months, demonstrating an awareness of his business and acceding to his request to charge monthly taxes by expanding the term to eight months - extracting a total fee of Mex\$200 instead of the Mex\$150 originally required! Rod Rodríguez and his partner William "Bud" Parr would continue to operate the Rancho Las Cruces through the 1950s, but ultimately made their largest mark in the middle of that decade with the development of the first significant tourist hotel in the Los Cabos region, the Hotel Palmilla near San José del Cabo. From that point on, Rodríguez and Parr would be major figures in tourism development in the region.

As entrepreneurs drove the expansion of hotel development and built the foundations of the tourism industry that would revive the regional economy in the second half of the twentieth century, adventurous American sportsmen increasingly looked to Baja Sur as a potential destination. The first rudimentary travel guides to Baja California emerged in the 1950s, with one of the notable early examples being *Baja California: Hunting, Fishing and Travel in Lower California* (1953) by Ralph Hancock, Ray Haller, Mike McMahan and Frank Alvarado. The authors adapted the travelogue style of previous Americans writing of their visits, such as North's 1907 account, by including information to guide future travelers to the towns along the length of the peninsula. Emphasizing the opportunities for sportsmen, as well as the relaxing lifestyle in Baja California, they nonetheless lamented that the economical living that American expats enjoyed was being driven up by "free-spending American tourists," the same people who might choose to rely upon the book.²⁰³ Hancock and the others clearly viewed themselves as a

²⁰² AGE. Doc. 285.2 Caja 31. 2 de 3. 1951 Hoteles en Las Cruces. Documents dated January 16, 1952.

²⁰³ Hancock, et al 1953, 11.

different type of traveler, and indeed their journey was in a modified Jeep Willys truck that they had converted to carry a *panga*, or small fiberglass boat, a large icebox refrigerator, and other equipment for living in the countryside. They drove down the length of the peninsula, hunting, fishing, visiting sites of interest and compiling a virtual photoessay of the trip with their beloved truck, christened “*la Burrita*,” a frequent element in photographs.

In reporting on the tourism prospects in La Paz, the authors noted that there was in the early 1950s an apparent resurgence in the pearling industry, but that it remained small and that they found it “doubtful that the total income from the pearls exceeds the new and growing tourist business which the advent of air transportation has brought to La Paz.” In point of fact, that renewed attempt at pearling did fail and ever since La Paz has been without that traditional economic activity. Hancock and the others commented that locals seemed to be increasingly aware of the benefits of tourism over the older economic activities and that the city boasted seven new hotels, among them Hotel Perla, Los Arcos, the new Hotel Misión, the *quintas* or guest houses Dorita, Palma and González, and apartments at the La Paz Courts, Apartamentos Rosalva, and Apartamentos Viosca. For travelers who eschewed the rigorous land route, the guidebook noted that airfare from Tijuana to La Paz ran \$70.95 US roundtrip, and the flights took five hours.²⁰⁴ The authors recommended that sportsmen living in California who wanted to visit Mexico in their vehicles but avoid the rough *brechas*, or dirt tracks, of the peninsula, might opt to drive on paved roads around the northern end of the Sea of Cortés from Nogales, AZ, to Guaymas, Sonora. Then they could ship their cars by ferry to La Paz for approximately \$35 US, or they could leave the vehicles in Guaymas and fly to La Paz for \$27 US roundtrip. Roundtrip flights between La Paz and Mazatlán cost roughly \$18 US roundtrip in 1953.²⁰⁵ Finally, and one

²⁰⁴ Hancock, et al 1953, 147.

²⁰⁵ Hancock, et al 1953, 177.

must believe somewhat disapprovingly, Hancock and the others outlined the option that Rod Rodríguez's Rancho Las Cruces offered to well-heeled travelers. For \$235 for five days, and \$380 US for eight days, the luxury resort offered an all-inclusive vacation including direct flight from Long Beach, CA.²⁰⁶ Increasingly, Rancho Las Cruces developed as an exclusive, high-end resort that offered the privacy that isolation conferred, along with rates that kept all but the wealthy at bay. By way of comparison, Hancock noted that the most expensive and newest hotel in La Paz at the time of writing, the Hotel Misión de La Paz, charged \$2.90 for a single room and \$4.65 US for a double room per night.²⁰⁷

It becomes clear that by 1955, La Paz and the entire region had begun to undergo a transformation and orient increasingly toward tourism, with the physical infrastructure of lodging, restaurants, bars and transportation growing rapidly and finally beginning to bear out the vision of pioneers like the former governor Pedrajo, patron of the investment project to build the Hotel Perla, or William Silver and the hoteliers closer to the turn of the century. Mid-century La Paz held out the promise of sustained and even accelerating development propelled by the engine of tourism, and the proof was in the explosion of new hotel projects. In May of 1953, the Hotel Yeneká opened off the malecón, two blocks from La Paz' central plaza and cathedral. Although opening with only six rooms, it became known for the quality of its homestyle cooking in the kitchen of Vicente Gloria, and started as a fixture for peninsular business travelers but quickly gained a reputation among budget-minded foreign visitors, eventually adopting a trademark folk-art aesthetic in its decor and signage.²⁰⁸ The Hotel Misión, founded by American Larry Brookel and consisting of ten rooms located on the malecón a block from Hotel Perla, was purchased by Mexican partners in 1954 and by the end of the decade promoted itself on the basis

²⁰⁶ Hancock, et al 1953, 176.

²⁰⁷ Hancock, et al 1953, 175.

²⁰⁸ Davis 1998, 52–53.

of its restaurant, bar, and being located “20 meters from the sea.”²⁰⁹ The June 1954 publication *California Sur, Revista de Economía* (Economic Review) described the lodging capacity of towns throughout the territory, noting that La Paz could host five hundred people, by far the largest tourism development in the state, with thirteen establishments listed.²¹⁰ Todos Santos reported rooms for twenty persons in the Hotel California, established in 1950, San José could host thirty people in the Hotel Central and Casa de Huéspedes Ojeda. Rancho Las Cruces could host forty, and Loreto and Santa Rosalía each had a capacity of fifty guests. Visitors to Santa Rosalía could check into the Hotel Central or Hotel Francés, which traded on the unique charms of the Franco-Mexican mining settlement.²¹¹ Buildings in Santa Rosalía developed a distinctive local flair because ore-carriers plying the Pacific route would return to Santa Rosalía with cargos of lumber from the Pacific Northwest of the US. In this desert region of adobe and later concrete construction, mine administrators lived in wood frame houses overlooking the arroyo in which the town is built, and the Hotel Francés mimicked this form. With the closure of the copper mines and smelters at Santa Rosalía’s El Boleo Company in 1954, tourism became a lifeline for that community as well, although the location and climate of the town certainly conspired against drawing large numbers of foreign visitors.²¹² Several decades ahead of Santa Rosalía, the dire

²⁰⁹ Davis 1998, 55–56.

²¹⁰ These consisted of Hotel Perla, Hotel Los Arcos, Hotel Paloma, Hotel San Diego, Hotel Quinta Dorita, Hotel Central, Casa Arámuro, Casa Padilla, Casa Aragón, Quinta Inés, Apartamentos Rosalba, Casa Canseco and Casa Mendoza. Despite that considerable list, not all were included, as Hotel Misión and Hotel Yeneká which were in operation that year were omitted, and two of the *quintas* mentioned in the Hancock book were not cited.

²¹¹ Davis 1998, 55.

²¹² This preference for living in wood frame houses, unique in the region and typical of the foreign mine officers, was certainly evidence of prestige and nostalgia for France in a region with relatively few trees of sufficient size to produce board lumber. It was also famously uncomfortable, as wood frame houses did little to regulate the temperature within the structures. Adobe may have appeared humble and rustic, but the thicker, denser walls heated more slowly and dissipated heat in the evenings, protecting inhabitants from the worst of weather conditions. In a town locally renowned as uncomfortably hot - even in comparison to other desert towns - the denizens of wood frame houses could only attempt to find relief sitting on verandas. Another example of how foreign mine employees tried to create familiarity in the Baja California desert could be found in local bakeries, which produced passible recreations of baguettes and French pastries. To this day, Santa Rosalía is regionally known for its baked goods and its pre-fabricated cast iron church, shipped over from France and often mistakenly attributed to Gustav Eiffel.

economic plight that La Paz found itself in during the 1920s, following the collapse of traditional extractive industries had been reversed, and the prospects for a future economic base in tourism held great promise.

CHAPTER 3. BOOSTERS, BUILDERS, AND TOURISM PLANNING 1954-1967

In order to fulfill that considerable promise to revive the region's economy, the tourism industry along the peninsula would require several important developments: massive investment to fund infrastructure, the coordination of political and entrepreneurial efforts, and the cultivation of a clientele among foreign and domestic travelers. During the period from the middle 1950s through 1970, La Paz effectively moved to a position where all three of those conditions were put in place through the concerted efforts of the territorial government and the business community. While other sites along the peninsula pursued similar shifts toward tourism, most notably at Loreto to the north and to the south at both the coastline from San José del Cabo to Cabo San Lucas and the coast at Los Barriles and Buena Vista, none of these areas rivaled La Paz in terms of size or coordination. Yet for all the advantages that the comparatively early entry of La Paz into the tourism industry on the peninsula offered, that process of transforming the economy remained a costly and difficult one. In order to achieve that end, the isolation that had been reduced by the development of commercial aviation would need to be further diminished. The most significant first step in that direction would be the strengthening of transportation links between La Paz and the place of origin for its visitors.

Growing Federal Support and the Emergence of San José del Cabo

Stirrings of tourist projects along the length of the peninsula represented progress, but their ultimate survival depended upon extending the transportation network. 1954 saw the beginning of a new phase of development for La Paz, and the first major step toward realizing an old dream: the construction of a transpeninsular highway. While calls within the state to build that land link dated back to the 1920s and had received additional support from Governor

Música and Ulises Irigoyen in the interim, that year the government finally initiated work on the segment between La Paz and Santo Domingo.²¹³ Although the ever-increasing air links held the potential to bring in as many tourists as the region's expanding hotel infrastructure could handle, air transport alone would not be sufficient to meet the rest of the regional development needs, such as construction materials, consumer goods and food to support changing patterns of consumption. The solution had always been in sea transport, but by the mid-twentieth century, both Mexico and the United States had begun to replace rail and seaborne cargo delivery with highways and trucks. The speed, convenience and ability to scale up or scale down the flow of goods with little anticipation meant that motorized freight increasingly became the mode of choice. But apart from reasonably good roads connecting the major cities of the northern state of Baja California, (Tijuana, Ensenada, and Mexicali), the residents of the peninsula still relied on rudimentary tracks through the countryside, punctuated by graded dirt roads near the significant towns. It would be nearly two further decades before the southern peninsula connected to the north and ultimately to the border with the United States, but clearly, that way lay the future.

That such a future might further orient the entirety of the peninsula toward the north and the U.S. border rather than the interior of Mexico might have been divined by an observer examining the air links and the role that La Paz played for travelers moving both directions along those routes. Most of the flights in the mid-1950s connected southern California or the border city of Tijuana to Puerto Vallarta or Mexico City, often with one or more intermediary stops

²¹³ Davis 1998, 56. The current transpeninsular highway does not pass through the Valley of Santo Domingo, one of the agricultural settlements near the Pacific coast and Bahía Magdalena. Instead, it turns northeastward at Ciudad Insurgentes, before reaching Santo Domingo, and crosses to the Sea of Cortés side, at Liguí. Just to the north along the Sea of Cortés are the tourist development at Nopoló and the town of Loreto. However, in the 1950s the ranches at Santo Domingo and the fishing and canning facilities at Bahía Magdalena were more economically important to La Paz than the old colonial capital at Loreto, thus the priority for road-building favored the Pacific coast in that context.

such as La Paz, Mazatlán, or even smaller sites such as Loreto.²¹⁴ Recognizing that the bulk of visitors to La Paz were not Mexican citizens but rather U.S. tourists, La Paz became either a specific destination for sport-fishing tourists, or a layover visit for Americans either transiting to the interior, for sand-and-sun tourism on the mainland coast, or for cultural tourism in the capital. For those layover visitors, their time in La Paz might come on either the southbound or northbound leg of their trips, but the effective orientation of economic interest for La Paz was northward, toward the United States. Mexican travelers on the routes were more likely to transit La Paz on their way to the border and either business or pleasure visits to Tijuana, Los Angeles or San Francisco.²¹⁵ Sport fishing for such national tourists would have been more easily accessible in the years of the 1950s and 1960s at the major mainland sites of Acapulco, Mazatlán or Vallarta, and Tijuana overshadowed La Paz in another key draw for travelers: the duty free zone. In 1939, President Lázaro Cárdenas established in Baja California a *zona libre* or free trade zone to encourage economic development and the trade in imported goods. At that point, the implications were that the entire peninsula comprised the zone, but in effect because of its position on the border and the economic influence that it was already beginning to exert on the region, Tijuana became the focal point of this commerce. In essence, La Paz was slow to benefit from the duty free status because cargoes needed to be shipped down the coastline, and apart from air, travel networks to bring consumers to La Paz were rudimentary. It would be decades later in the early 1970s, once those alternate transport systems took hold and Baja California Sur gained both official recognition as a state and specific designation as its own free trade zone, that significant numbers of Mexican citizens turned to La Paz as a commercial hub. By that time, the

²¹⁴ Davis 1998, 52, 59.

²¹⁵ Routes transiting La Paz would have been less convenient to residents of the interior who journeyed to places in the U.S. not along the Pacific coast, as most other points in the mountain, central and eastern United States would have been more accessible via Monterrey.

demand was for purchase of imported electronics and consumer goods such as cameras for resale or personal use, as well as to engage in a few attempts at setting up *maquiladoras* or factories producing for international companies desiring to employ inexpensive labor and export the finished goods, often to the U.S.²¹⁶ But in 1954, that element of economic potential also oriented to the north.

The establishment of the duty free zone demonstrated that the government in Mexico City continued to take economic development of coastal areas seriously, and in particular sought to incentivize the expansion of tourism. Leaders also recognized that as a government, the federal republic was uniquely positioned to invest in the large-scale and coordinated infrastructure development that was beyond the reach of most individuals and indeed of many of the state and local entities which stood to benefit. To that end, the federal government established the *Fondo de Garantía y Fomento de Turismo* (FOGATUR) in December of 1956. The objective of this agency, unlike its predecessors dating back to the 1920s, including the *Comisión Mixta Pro-Turismo*, extended beyond the promotion of tourist potential to the direct financial support of projects building infrastructure. This first significant step toward managed growth would, within two decades, become a major characteristic of the Mexican government's promotion of tourism, but for the moment it most fully represented an acknowledgment that economic development, especially in coastal areas, would be best served by helping secure funding for large projects that might facilitate tourism but not necessarily generate tourism dollars themselves. FOGATUR might fund electrical, water and sewer infrastructure improvements, upgraded transportation facilities and roads, and improve the prospects of private development. But in Baja California Sur, it would remain a minor influence for the first years of its existence.

²¹⁶ González Cruz 2002, 549.

The second half of the 1950s yielded for La Paz a continuation of local hotel and tourism development, and it also saw the first major efforts to expand development to the south around San José del Cabo and Cabo San Lucas, initially by some of the same entrepreneurs active in La Paz. This new tourism complex to the south did not represent an immediate threat to the larger hospitality infrastructure in the territorial capital, but it did portend a future in which the most luxurious and profitable of the resorts would be found at the southern extreme of the peninsula. A substantive step toward building this new tourism complex was the opening in 1956 of the first major effort at a resort hotel near San José del Cabo, the Hotel Punta Palmilla (Figure 9). Although La Paz retained the bulk of tourist arrivals, not least because it operated the main commercial airport in the region, Punta Palmilla demonstrated the potential for increased

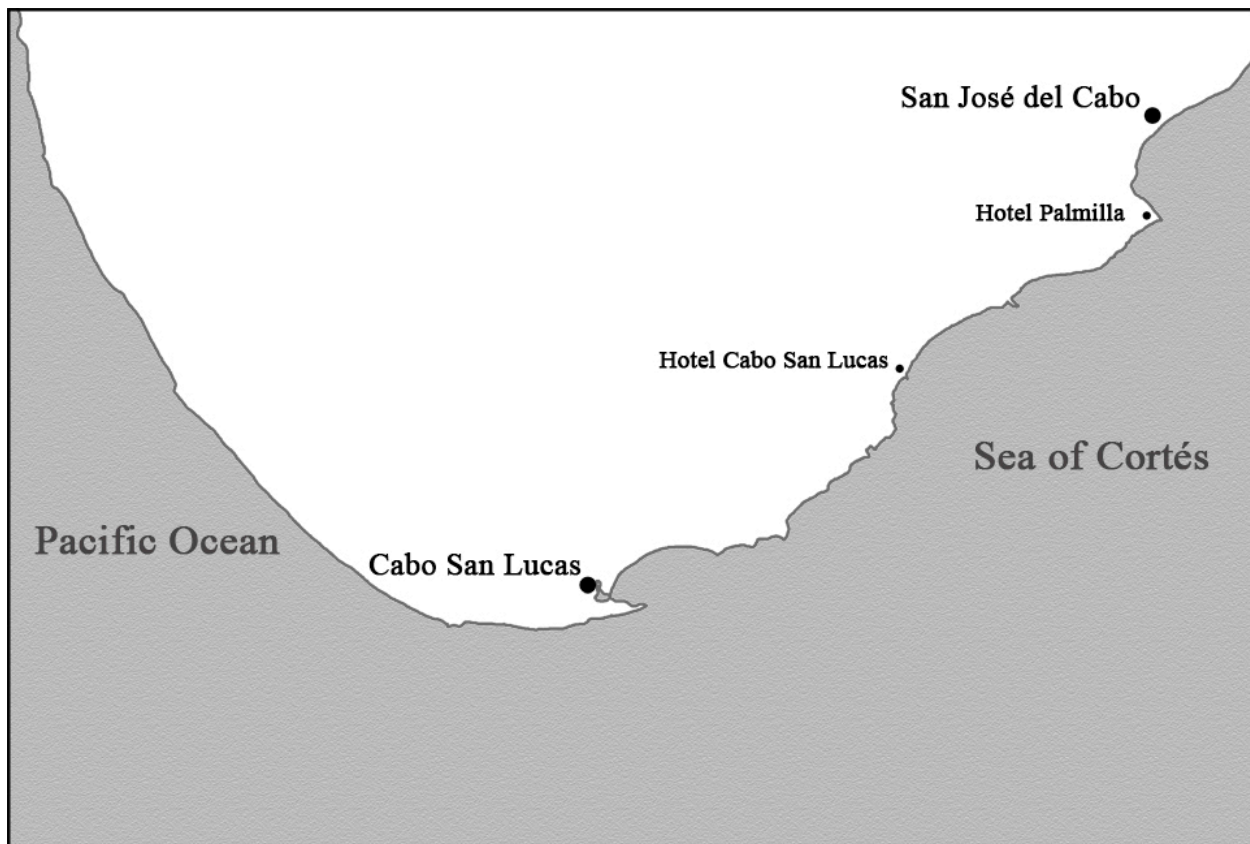


Figure 9. First luxury resorts in Los Cabos (Adapted from Baja Almanac Publishers 2003).

development outside of La Paz, and it boasted a dirt runway capable of accepting private planes and air taxis, making it accessible for tourists with means. The success of the resort in terms of developing a clientele and satisfying their desire to fish the excellent waters off the capes further illustrated the capacity of the region to appeal to the growing number of visitors without restricting them to a small geographic area. Finally, the resort showed the flexibility and willingness of the hotel impresarios from the La Paz area to expand their interests elsewhere. The partners who backed the San José undertaking, Abelardo “Rod” Rodríguez and William “Bud” Parr, both held interests nearer the capital, but both saw great potential at the southernmost tip of the peninsula. In the case of Rodríguez, Palmilla and his Rancho Las Cruces shared guests and the new site at least initially offered similar charms of an isolated fishing camp with the amenities of a resort. Indeed, the new resort was often referred to in newspaper and magazine articles of the time as the Las Cruces Palmilla.²¹⁷ In this case, clients might fly or sail in, whereas in the original Las Cruces, La Paz lay close enough that guests might cross to the resort by surface roads from the city. Parr’s interest in Punta Palmilla was slightly complicated by the fact that as a non-citizen, he could not technically own land within fifty kilometers of the coastline, essentially making the entire peninsula off-limits for him in terms of personal investment.²¹⁸ To that end, he became involved in the construction and promotion of resorts, and a partner in the investment, if not an outright co-owner.

²¹⁷ Sports Illustrated December 15, 1958.

²¹⁸ Article 27 of the Mexican Constitution of 1917 prohibits the direct ownership of land within one hundred kilometers of the national borders, and fifty kilometers of the sea by foreign nationals. Such a restriction as a response to the widespread foreign land-ownership and exploitation prior to the Mexican Revolution is understandable, so for Parr and other Americans in the early phase of tourism, they could only invest through Mexican partners, spouses or children. As investment grew in the 1970s and the development of mass tourism poles such as Cancun became the policy of the government, a means of incentivizing foreign investment and effective control of beachfront land became desirable. Then, the expedient of the *fideicomiso* or real estate trust was developed. If a foreign national or corporation wished to develop property in the restricted zone, it could enter into a financial trust in which a bank would serve as the fiduciary agent and broker the payment, thereafter holding the title to the land while the foreign party enjoyed full use of the land. Currently, the term of such real estate

Although many later accounts of the emergence of the Palmilla and the later resort at the Hotel Cabo San Lucas emphasized Parr's central role, the December 15, 1958 article "Winter Haven at Land's End" in *Sports Illustrated* exclusively focused on Rodríguez's ownership. The article also described an appeal to the San José area that no longer draws tourists, but which drew sportsmen of the 1950s to the area: hunting upland game birds such as dove and quail. Ralph Hancock and companions described waterfowl hunting further north on the peninsula, especially near Guerrero Negro and the Bahía Magdalena, but the dry, scrubby brush surrounding the low mountains of the cape provided gentlemen hunters like Rodríguez and his guests a respite from fishing. The *Sports Illustrated* author waxed eloquent about the sporting options.

At Las Cruces Palmilla, hunters are amazed at the abundance of game in the seemingly barren land. In the hills just behind the hotel, the hunter need only kick at the clumps of mesquite to flush coveys of quail... In the blue Pacific, the skin-diver quite often comes upon the rare large, golden cabrilla... (but) of all the game that lies just barely hidden in the dry hills or below the water surface, it is the abundance of billfish... that draws visitors to the land's end of Baja California.²¹⁹

For sportsmen, the basic appeals of the waters and lands around the resorts were abundance and accessibility. By this period, an expanding and affluent American middle class looked abroad for "unspoiled" nature and wildlife to support outdoor pursuits. The fact that many of the men had experiences overseas during the recent war, and that the film and television industries increasingly constructed images of masculinity that emphasized outdoor activities and athletic vigor made rural Mexico particularly appealing, or at least less challenging as a destination than it may have seemed before the war. Photographs of celebrities such as John Wayne, Gary Cooper, Kirk Douglas, and Bing Crosby deep sea fishing and relaxing beachside in Mexico appeared in popular magazines, and contributed to the allure of the exotic, but also convenient

fideicomisos is fifty years, with the option to renew for a further fifty years. In the early 1950s, "Bud" Parr could not benefit from this legal accommodation.

²¹⁹ *Sports Illustrated* December 15, 1958.

Pacific destinations. In an interview published in the November 17, 2000, Los Angeles Times, Mark Parr, son of the hotel developer, recalled the laid-back atmosphere and the presence of those golden era celebrities, but he especially noted the bounty of local fish. “I remember running home (in the boat) and we would have to go around all of the sailfish and turtles... Turtles were hazardous, there were so many of them.” Massive groupers and smaller billfish frequented the harbor in San José and could be caught with ease before fishing pressures reduced them, and pollution drove them offshore. Even as late as the turn of the 1970s to the 1980s, Mark Parr remembered the abundance immediately available. He recounted days as manager of the Hotel Hacienda Beach Resort:

being able to take off for lunch, run down to my house and put on pair of swimming trunks, grab my fins and mask and go right out here in front of the hotel... in less than 20 minutes I'd (spear) a pompano or sierra, throw it to the cook, go take a shower, and by the time I came back that thing was already on a plate.²²⁰

While allowing for a degree of exaggeration, the recurring themes of accounts from the early days of San José and the region emphasized the fishing opportunities and ease of access.

In retrospect, Matt's father, “Bud” Parr, not only emerged as one of the founding figures of La Paz and especially Los Cabos tourism development, he also became one of the most colorful characters in a period replete with unusual figures. He relished being a magnet for media coverage, using it skillfully to craft a narrative and laid-back attitude that attracted sport fishermen and later the casual visitors to Punta Palmilla and other sites on the southern cape. When describing the early days of building in Baja California Sur, he spoke of subsisting on “turtle eggs and burro meat,” relishing the image of a hard-scrabble existence, which he reinforced by describing a previous stint in the OSS during the Second World War.²²¹ In another of Mark Parr's recollections, his father, Bud, saw him shoot a buzzard with a .22 rifle for no

²²⁰ Thomas 2000.

²²¹ Miami News May 8, 1965.

purpose other than entertainment. The father, a hunter but also a conservationist forced his son to cook and eat the buzzard to teach him a lesson.²²² Bud Parr's fishing tales ranged from the day he and John Wayne skipped out on Wayne's guests to fish for marlin, ending up fifty miles to sea and long overdue, to being slashed across the neck and arm by the bill of a striped marlin, "tail-walking" as he struggled to land it.²²³ In all of the stories, Parr comes across as larger than life and the undisputed hero, either by dint of physical prowess, strong conviction, or wile. Bud Parr ultimately found his way to circumvent the prohibition on foreigners owning land near the coast, when his youngest son, Mitch, was born in Baja California and thus registered as a Mexican citizen. In full observance of the letter of the law, if not its spirit, the infant Mitch Parr legally purchased ten thousand acres of land to build the Hotel Cabo San Lucas, which opened in 1962, and Bud Parr was hired as the hotel manager.²²⁴

As an indication of the growing influence that the limited, luxurious resorts at San José were having on the conscious of American sport fishermen and leisure tourists of affluence, *Sports Illustrated* began to feature numerous articles about the region. The magazine paid particular attention to Rod Rodríguez and Bud Parr as the entrepreneurial faces of this high-end tourist destination. Although La Paz almost always received some degree of mention in those articles, the only time that it took top billing away from the hunting and fishing resorts at San José was in a 1957 article which described sailing down the length of the Sea of Cortés to the Pacific resorts of southwestern Mexico. There, San José was overlooked completely as the author sailed directly from La Paz to Mazatlán, but as a sailor, his interests extended mainly to the port, the Ruffo's general store, bars and the basic sights.²²⁵ The advantage for La Paz

²²² Thomas 2000.

²²³ Olsen January 18, 1965.

²²⁴ Miami News May 8, 1965 and Olsen January 18, 1965.

²²⁵ Bowen January 28, 1957.

remained in its size and the diversity of commercial activity, but San José had already begun to mount a significant challenge to the *paceño* tourism complex.

The State of Hotels in La Paz at the End of the 1950s

For La Paz, increasing numbers of tourists and the successes of the luxurious resorts at Hacienda Las Cruces and Punta Palmilla inspired the establishment of the first attempt at a luxury hotel in the vicinity of the city itself. The Hotel Los Cocos, opened in 1957 with eighteen rooms and a gourmet restaurant, attempted to draw well-heeled guests who might find the Hotels Perla and Los Arcos too basic or too closely located to the commercial center of town and working docks. Los Cocos, located two kilometers southwest (away from the bay's entrance) from the other principal hotels, was sited on land previously owned by Gastón Vives, of the collapsed periculture enterprise. This location offered an ambiance that the older establishments could not match. Fronting the bayside *malecón*, a key public thoroughfare across from which lay a vestigial beach, those hotels relied upon accessibility and their clients making use of services such as the local *pangas* or small fishing launches available for hire. Los Cocos fronted a large beach, as the access road approached from the inland side, and was surrounded by a grove of mature coconut palms. Bridging the gap between the convenience of the town hotels and the environment and amenities of the high-end resort, Los Cocos built a clientele among the growing numbers of visitors seeking sand-and-sun in addition to fishing, and among locals who frequented the fashionable restaurant and rented the facilities for social events.²²⁶ This first luxury beach hotel, although small, signified a new aspect of tourism in La Paz itself, but the

²²⁶ Davis 1998, 57–59. The location of the hotel ultimately proved its undoing, however, as in 1974 it was purchased and razed in order to build a new, luxury high-rise development, the Hotel Presidente. By that point, La Paz had begun to grow southwest along the margin of the bay and toward both the transpeninsular highway northbound, and the recently-built Gral. Marquez de Leon airport which replaced the centrally-located old airport, increasingly consumed with residential development.

model for this tourism had already been tested at Rancho Las Cruces and to the far south of the peninsula.

The expansion of tourism in La Paz outstripped the growth taking place further north or south on the peninsula, a point made clear when the Pro-Tourism Committee of La Paz, itself established in 1929 under the auspices of the National Chamber of Commerce, undertook a survey of the hotels in operation in the territory in 1959.²²⁷ Ignoring the numerous guesthouses and lodgings available in towns throughout the southern peninsula, the committee identified twenty-two establishments in either the AA (tourist) or commercial classes, totaling 304 rooms. In addition to class and the town in which they were located, hotels were associated with a figure detailing the total investment in pesos, and their rates in U.S. dollars — clearly the expectation was that patrons of hotels or those using the document would be oriented toward paying or calculating their expenses based on United States currency. The hotel with the largest number of rooms and the greatest level of investment was easily the Hotel Perla in La Paz, reporting sixty rooms and a staggering five million pesos committed to the establishment. Los Arcos in La Paz trailed with thirty two rooms and a more reasonable nine hundred thousand pesos invested, and of the three hotels in Baja California Sur boasting eighteen rooms each, two could also be found in or around La Paz: the Hotel Los Cocos and Hacienda Las Cruces, the former reporting Mex\$1,200,000 and the latter with one million pesos invested. The largest establishment outside of La Paz, the Hotel Palmilla opened in 1956 in San José del Cabo, also counted eighteen rooms, with an investment of Mex\$1,500,000, and owners who were also behind the Hacienda Las Cruces. None of the other hotels listed approached the million peso level, nor recorded more than twelve rooms, although they were reported in towns strung all along the Sea of Cortés coast, from Santa Rosalía in the north (two commercial hotels with a total of fourteen rooms) to San

²²⁷ Gobierno del Estado De Baja California Sur 1959. Held in the AGEBCS.

José in the south (the Palmilla and a small commercial hotel reporting twenty seven combined rooms). It bears note that only two of the hotels identified in the territory could be found on the Pacific coast, the nine room, seventy-five thousand peso Hotel Michel in Santo Domingo, and the five room, hundred thousand peso Hotel California in Todos Santos.²²⁸ Apart from the three La Paz hotels listed above, the Hotel Misión and Hotel Guaycura rounded out the AA establishments, and the hotels Yeneká, Moyron, Tarango California, Casa Palencia and La Paz Courts accounted for the five commercial establishments in the capital. All told, 176 of the 304 rooms could be found in the capital, not including the nearby eighteen at Hacienda Las Cruces. In terms of investment, of the Mex\$13,455,000 spent building the hotels, Mex\$9,189,000 went into La Paz, with a further one million pesos invested into the neighboring Hacienda Las Cruces.²²⁹ The clear leader in tourism development on the southern peninsula could be found in the small city, and the entirety of those advances were locally-funded.

Rates for the hotels tell an interesting story about the changing nature of tourism, especially in relation to the emergence of luxury resorts, which were expanding in the mid-1950s. Commercial class hotels consistently charged, according to the committee's report, between one and three dollars per night, regardless of where they were located. The least expensive AA class hotels, the Hotel Misión in La Paz at \$2.80 to \$5 for one to three persons and the Club Mulegé in the small northern town of the same name at \$2.80 to \$7, both had relatively

²²⁸ Estela Davis seems to use a version of the 1959 Pro-Tourism Committee document in her *Alojamiento en Baja California Sur* (1998), but it appears that she edited the content before incorporating it as a table on page sixty-three of her work. The original organized the hotels by class, and then generally clustered like hotels by town, with several placed out of order. It also identified the Hotel Michel as located in Santo Domingo and not Ciudad Constitución as Davis did (Constitución is on the road from La Paz to Santo Domingo). She also corrected the spelling of Hotel Misión from the original, and rounded up the lowest rates for both that hotel and the Club Mulegé. Finally, she omitted two of the commercial hotels in La Paz, and broke down the tourist class hotels into classes AA and A. That said, Davis did identify the document as coming from the same archive and produced by the same committee, and her figures for investment, number of rooms and rates otherwise match precisely. It is not clear why she would modify the information, unless she believed she was making it more easily comprehended. Otherwise, it is possible that she accessed the statistics from a different version of the report, perhaps filtered through another researcher or a secondary account.

²²⁹ AGEBCS Vol 18 document 18-11, 1959.

high rates of investment, Mex\$600,000 and Mex\$300,000 respectively. Beyond that, the Hotel Guaycura, the venerable Hotel Perla, and the newer Hotel Los Arcos all reported rates of \$8 per night, with Los Arcos extending up to \$25 for its top rate with three occupants. In essence, the two key hotels in setting off the tourism development process in La Paz had already been relegated to second-tier status. The Hotel Los Cocos charged \$15 to \$25 for one or two occupants, and the remaining four hotels on the list all reported a flat rate of \$25 per night. Tellingly, of these only the Hacienda Las Cruces could be found in the vicinity of La Paz. The others, the Palmilla in San José del Cabo, the Hotel Buena Vista in its eponymous town, and the Club Deportivo de Vuelos in Loreto ranged along the southern half of the territory. What the \$25 per night destinations shared was that they were all resorts with amenities catering to exclusive clientele, and they all were isolated enough to need private airstrips. Los Cocos and Los Arcos bordered on that rarified rate scale, but they did not quite command the same degree of exclusivity of the sixty ultra-premium rooms in 1959 Baja California Sur.²³⁰ La Paz remained the center for tourism development in terms of the volume of rooms and the economic impact of investment, but it was not the site of the most lucrative tourism endeavors, a trait that would become critical to the decline of La Paz by the 1980s rise of the Los Cabos tourism pole.

Boosters, Concerted Tourism Planning and Courting the American Tourist

In the meantime, to most observers La Paz represented the *sine qua non* of tourism on the peninsula. The president of the La Paz office of the National Chamber of Commerce, Guillermo Escudero Lujan, continued the work of promoting tourism by seeding promotional stories with U.S. journalists and working on a draft version of a Tourist Guide for Baja California Sur. In the spring of 1957, Associated Press staff writer Albert W. Wiese completed an article that found

²³⁰ AGEBCS Vol 18 document 18-11, 1959.

broad distribution entitled “Lower California Town Sees Big Future as Resort.” Wiese noted the enduring appeal of sport fishing as a draw to American tourists, but emphasized an effort to shift to sand-and-sun tourism as an alternative draw. Naming only the Hotel Los Arcos and the new Los Cocos in the article, he referenced two of the lodgings least tied to fishing (although neither discouraged sportsmen), while emphasizing the growing air connections and continuing isolation of the region as it still lacked consistent road links to the U.S. In the article, Escudero himself “said the very fact that the town can not be reached easily makes living pleasant. He said the natives continue to be friendly to tourists and that thefts are virtually unknown. ‘It’s because we are just like living on an island,’ he said.”²³¹ Wiese continued the article with an anecdote describing signs in the Hotel Los Arcos encouraging guests to leave their doors unlocked as never had a personal belonging been stolen from a room by staff, and then mentioned that the management at Los Cocos had dispensed with door locks on guest rooms entirely. The upshot of the article is an impression of La Paz as a picturesque, simple community on the cusp of a tourism boom in 1957. By the time of Escudero’s 1961 draft for a tourism guidebook, the story remained much the same.

The *Guia Turística de Baja California Sur* presented a brief description of the appeals of the region, followed by a list of available accommodations and services, a table outlining the increasing number of visitors arriving by air, and a few recommendations for future projects. Escudero described the attraction as “The environment that one breathes in in Baja California Sur is exquisitely calm and one must note that it has one of the lowest indices for criminal delinquency in the Republic.”²³² As in the Wiese article, Escudero was anxious to point out the

²³¹ Wiese 1957.

²³² Escudero 1961, 4. This source is held in the collection of published materials at the Archivo Historico Pablo L. Martínez in La Paz, and it has the front matter of a traditional published book, but the item itself is a sheaf of twenty one typewritten pages, stapled together and marked with annotations in pen, most of which are editorial comments.



Figure 10. Bay of La Paz, looking west from the vicinity of Hotel Perla.

lack of crime and violence in the region and its tranquil people as an analogue to the tranquil weather that was already drawing American visitors. In reference to the chronic issue of transportation, the draft guide book noted that only La Paz, Santa Rosalía and San Lucas provided access for large ships to dock, and Escudero stated that only 150 kilometers of roads around La Paz had been paved. The unidentified editor whose handwritten annotations studied the text corrected that figure to two hundred, and wrote next to it the year, 1961. Nonetheless, Escudero asserted that “despite all of these adverse factors, Baja California Sur has great tourism prospects as might be seen in the large investments that are being made in specific points within the territory and which add up to dozens of millions of pesos.”²³³ That such development

Despite the treatment in the archive, this clearly is the draft of a guide which does not appear to have been published for wide distribution. Another indication that it did not fulfill its role as tour guide is that the document appears solely in Spanish.

²³³ Escudero 1961, 4–5. “A pesar de todos estos factores adversos expuestos, Baja California Sur tiene un gran porvenir turístico como se puede apreciar por las grandes inversiones que se están haciendo en distintos lugares de este Territorio en este renglón y que suman docenas de millones de pesos.”

predated the establishment of mass transportation infrastructure beyond the airport at La Paz and the packed-earth airstrips of the other sites demonstrated the growing potential, and the author incorporated a table outlining the nearly-continuous and impressive growth of air traffic to the territorial capital on the key regional airline (see Table 3). Trans Mar de Cortés began flying routes out of its headquarters in La Paz in 1948, and expanded beyond cargo to transport passengers in 1949. Although national carrier Aeronaves de México (Aeroméxico) would come

Table 3. Trans Mar de Cortés passengers per year on all routes

year	number of passengers
1949	984
1950	1,836
1951	3,352
1952	7,885
1953	15,666
1954	18,007
1955	21,907
1956	27,321
1957	29,313
1958	31,334
1959	26,674
1960	22,875
1961	16,990 (as of September)

Source: Escudero 1961, 19, 20.

Note: Trans Mar de Cortés ceased operation in 1962, shortly after the opening of Aero California, another regional airline centered in La Paz, and in the face of growing connections through Aeronaves de México.

to rival and eventually outcompete Trans Mar de Cortés, the late-1950s proved to be a heyday for the regional airline, and when Escudero wrote, it still boasted impressive number of travelers each year. According to him, 70 percent of all Trans Mar de Cortés passengers came from California.

The rise in tourism traffic clearly paralleled the development of hotels, serving as both a result of the infrastructure, and an engine to support the growth of new hotel establishments. Through the 1950s, the link to sport fishing was unmistakable, but as in the Wiese newspaper article, Escudero desired to expand the tourism offering to other draws.

The principle objective of U.S. tourism that visits Baja California is sport fishing, as it is well known that it is world-class here... the second objective that one looks for is the calm that prevails in the social climate of Baja California, as the hospitality that one enjoys is excellent and the ambience is absolutely native and is not yet contaminated by the commercialism that has affected other places in the Republic, and thus there exists an ambience of absolute calm.²³⁴

This is precisely the sort of local environment that appeals to sand-and-sun tourists, the growing category of U.S. visitors who over the previous decade had begun finding their way to Acapulco and Puerto Vallarta, and who now might be drawn to Baja California Sur. Clearly, the mass tourism that would be needed to serve as the engine for regional development must be built on a more diverse base than outdoor sports alone could support. It is interesting to note that the issue of calm resurfaced, as by 1961 the growing numbers of American tourists visiting Mexico and the increasing efforts of boosters to increase the country's appeal made it less intimidating to cautious visitors.²³⁵ Instead, the emphasis of Escudero's description shifted to the authenticity of

²³⁴ Escudero 1961, 5. "El principal objetivo del turismo norteamericano que visita Baja California es la pesca deportiva, pues es bien sabido que ésta tiene fama mundial... El segundo objetivo que se busca es la Calma que impera en el clima social de Baja California, pues la hospitalidad de que se disfruta es excelente y el ambiente es netamente nativo y aun todavía no está contaminado por el comercialismo que ha afectuado a otros lugares de la República y desde luego existe un ambiente de calma absoluta."

²³⁵ 1961 marked the opening on Broadway in New York City of Tennessee Williams' play *The Night of the Iguana*, set near Acapulco and filmed in 1963 in Puerto Vallarta. The plot is built around the personal conflict of a defrocked minister and the tour group of Baptist women he leads as a down-on-his-luck, degenerate tour guide.

experiences tourists might have in La Paz, in contrast to more established centers on the mainland coasts of Mexico.

Paradoxically, that authenticity by nature ran counter to the increased investment and development that Escudero and other boosters called for. Apart from the highway, which would dramatically reshape the flow of visitors to the region, the draft guidebook called for the completion of a graded-road tourist loop of the southern tip of the peninsula, from La Paz to San José, around to Todos Santos and back up to La Paz. Such a project in 1961 held the potential to knit the southern cape even more closely to the territorial capital and its jet-capable airport.²³⁶ Establishing such a ground route around the coast of the peninsula's tip would have reduced reliance on air taxis and made the fishing resorts accessible to even more guests. The geography of the region made the loop more practical than individual roads to La Paz because the massif of the Sierra de la Laguna to the south of the capital posed a barrier to transport. Ultimately, this loop was completed, the eastern half a segment of the transpeninsular highway and the western half later upgraded to pavement as the *via corta* or short cut between the tourism complex around Los Cabos, and the capital city. Ironically, it now serves to better knit La Paz into the developments around Los Cabos and their much busier modern airport outside of San José.

Finally, true to its intended purpose as a guidebook, Escudero's document compiled a list of lodgings with short descriptions including rates, and the accessibility of launches for rent to fishermen. He claimed a total of 152 rooms in La Paz hotels, most of which he cited as being along the bay front and with prices starting at sixty-five pesos for the "American plan" which included food. The capital city also boasted a diving shop which could rent equipment, and a

²³⁶ Most regional airlines continued to use propeller-driven planes at this point, Trans Mar de Cortés notably flew DC-3 airliners, and Aeronaves de México as late as 1962 had only just placed its first order for a jet-driven DC-8, the rest of its fleet being props and turboprops. <http://www.flightglobal.com/pdfarchive/view/1962/1962%20-%200553.html> The airstrips extant at resorts and sites from Loreto to the Cabos region were packed-earth and supported prop planes of various sizes.

range of boats for rent, from sixteen foot launches which would carry two passengers and included a local boatman for Mex\$31.25 per hour, up to four passenger sea-going launches with local guide for Mex\$437.50 per day.²³⁷ All of the other resorts that Escudero described in the guide charged significantly higher rates, but offered exclusivity and isolation for better-heeled clients. Down the east cape coast at Los Barriles and Buenavista, the Hotel Bahía de las Palmas and Rancho Buena Vista charged Mex\$125 and Mex\$156.25 respectively for all-inclusive lodgings, and Mex\$312.50 and Mex\$250 respectively for small boats, Mex\$531.25 and Mex\$481.25 respectively for large boats. At both resorts, boat rentals came with bait and tackle, but at Rancho Buena Vista a local pilot for the launches ran an additional Mex\$37.50 per hour.²³⁸ The most expensive options were the Hotel Las Cruces near La Paz, and the related Hotel Las Cruces Palmilla outside of San José. At the first, rooms with meals cost Mex\$225, and deep-water four-person launches cost Mex\$687.50 per day and included a crew. At Las Cruces Palmilla, rates were Mex\$250 and up for inclusive lodging, and four-passenger launches at Mex\$625 per day. While Escudero wrote, a new luxury hotel near San José at Punta Chileno was under construction.²³⁹ The 1960s represented a potential turning point for tourism in the region, and saw a blossoming of Mexican interest in divining how the industry might be tapped more efficiently and effectively. The agents of that organized, rational approach were the boosters, of whom the most important for La Paz in this period were Escudero and Leopoldo Olachea.

²³⁷ Escudero 1961, 11. As the exchange rate between Mexican pesos and U.S. dollars averaged 12.491 in 1961 (<http://measuringworth.com/m/datasets/exchangeglobal/>), the starting rate for “American plan” lodgings equated to \$5.20 per day, and small launches ran \$2.50 per hour, large ones \$35 per day.

²³⁸ Escudero 1961, 13–14. Bahía de las Palmas costs equaled \$10 for lodging, \$25 for small and \$42.50 for large launches per day. Rancho Buena Vista costs ran \$12.50 for lodging, \$20 and \$38.50 per day for boats, as well as \$3 per hour for a boatman.

²³⁹ Escudero 1961, 13, 18. At Las Cruces rates equated to \$18 for lodging and \$55 per day for a boat, at Palmilla \$20 for lodging and \$50 per day for a launch. Clearly these were luxury resort prices in comparison to La Paz.

One of the key figures on the Pro-Tourism Committee of La Paz, appointed to the group by the National Tourism Commission, Leopoldo Olachea Rojo began his own series of observations regarding the future of tourism on the peninsula.²⁴⁰ Ultimately, he conveyed those findings to the General Secretary of the territorial government in the 1966 document *Sugerencias para la Proyección Turística del Territorio de Baja California* (Suggestions for Tourist Planning in the Territory of Baja California). This densely-written five page report outlined Olachea's analysis of the existing conditions, and proposals for the continued development of the region's tourist economy. At the core of his argument lay the assertion that the absolute future of the economy in Baja California Sur, its engine for development, resided in the foment of tourism.

The tourism industry increasingly represents in our country a genuine economic source of revenues that tends toward strengthening our currency, and in this territory, a true promise for the future well-being... Growing tourism in Baja California Sur becomes a transcendental labor for the betterment of our public economy, and through the greater affluence of visitors, all branches of our commercial endeavors are strengthened economically, and this economy, logically and consequently, comes to benefit the general population by improving their condition. Effectively, with regard to the flows arriving from abroad, tourism represents a consistent infusion of currency, if we take into account likewise that there is no revenue better distributed than that of the tourist, with spending directed toward business, transport, fuel consumption, hotels, restaurants, leisure activities, etc., we must ultimately accept that the interest of Mexico is to grow tourism from each day to the next...²⁴¹

Olachea clearly served as a booster for tourism to the area. He also counseled that to grow tourism required fostering travelers who looked for excitement and adventure in a safe setting (sportspersons looking to fish, but who would not consider traveling to a Mexico beset by

²⁴⁰ Davis 1998, 60.

²⁴¹ AGEBCS Vol 18 document 18-40, 1966. "...la industria turística viene representando en nuestro país una verdadera fuente económica de ingresos que tienden a robustecer nuestras divisas, y en el Territorio, una verdadera promesa de bienestar para el futuro... Incrementar el turismo en Baja California Sur, viene a ser una tarea transcendental, en bien de nuestra economía popular ya que a la mejor afluencia de visitantes, todas nuestras ramas de comercio robustecen en el factor económico, y esta economía, lógica y consecuentemente, viene a beneficiar, como dejamos asentado arriba, la población general. En efecto, por lo que se refiere a las corrientes que llegan del exterior, el turismo representa una afluencia constante de divisas, si tenemos en cuenta por otra parte, que no hay ningún dinero mejor distribuido que el del turista, con derramas hacia el comercio, los transportes, el consumo de combustible, los hoteles, los restaurantes, las diversiones etc., concluiremos por aceptar que el interés de México, es incrementar día a día la industria del turismo..."

revolution or *bandidos*, for example), the awareness that Mexico offered both the experiences they desired and the amenities that would appeal to their want of comfort and relaxation. To Olachea, tourism could be the panacea for all the chronic ills of underdevelopment in Baja California Sur: weak transportation infrastructure, localized economies, small and isolated populations, and after the collapses of mining and pearling, activities to attract outside capital.

To put this treatment into effect, Olachea prescribed a series of necessary actions, beginning with “an intense, attractive and convincing advertising campaign,” and continuing through “a network of communication and transport that allows for easy, secure and comfortable arrivals” for visitors, accompanied with “lodging in which they will find comfort, a welcoming atmosphere, and the refined ministrations they would avail themselves of if they were in their own homes.”²⁴² In working toward these goals, he called for the establishment of a tourism office that could be the center of a concerted effort to “create, conserve, expand and improve the trends in tourism in our jurisdiction; one of its principal functions will be to put an end to the inconveniences of tourism, orienting it toward a path that brings actual benefit to the community.” Ultimately, Olachea believed that the promotion of tourism should become the essential element in the entire planning of the territorial government.²⁴³

Olachea did find significant shortcomings in the tourist offerings in La Paz in 1966. In particular, he noted a flaw in the transportation network that he considered a major detraction against bringing visitors in to the capital: the lack of a direct Aeronaves de México service between Los Angeles and La Paz. He cited a figure of 90 percent of tourists in Baja California

²⁴² AGEBCS Vol 18 document 18-40, 1966. “*En suma, para encauzar sobre este lugar mayores corrientes turísticas, se necesita en primer término, de una intensa atractiva y convincente propaganda; en segundo lugar, de una red de comunicaciones y de transporte que les permita llegar fácilmente, con seguridad y comodidad a los lugares que se propongan visitar, y finalmente un alojamiento en el que encuentren el confort, la atmósfera acogedora y las refinadas atenciones de que se dispondrían, si estuvieran en su propia casa.*”

²⁴³ AGEBCS Vol 18 document 18-40, 1966. “*...crear, conservar, aumentar y mejorar corrientes turísticas en nuestra jurisdicción; una de sus funciones principales será la de poner coto a los inconvenientes del turismo, orientándolo por un camino que deje efectivos beneficios a la colectividad.*”

Sur arriving by air, but noted that many who might consider La Paz as a destination were encouraged by the airline to continue on to Mexico City, typically the gateway to Acapulco or even to Puerto Vallarta. This was the effect of the company prioritizing travelers continuing the entire run of the flight, and not reserving a fixed number of seats for travelers from Los Angeles to La Paz. Olachea associated the lack of dedicated flights to La Paz as the cause of what he saw as a “stagnation” (*estancamiento*) of the hotel sector in La Paz in the preceding years, a point that the 1969 report on the economy examined below seems to bear out. Lacking regular air service that they could then use to entice more visitors, hotel owners faced limits to their ability to expand. He did note that direct private air service had served La Paz tourism well, but the implication was that without a commitment from Aeronaves de México to establish more reliable, dedicated round-trip flights between Los Angeles and La Paz, preferably on a daily basis and including intermediary stops along the peninsula, tourism might reach a limit to growth.²⁴⁴

Leopoldo Olachea articulated a vision of a *sureño* tourism in danger of stalling, but other voices of the period cited measurable advances made in that sector of the economy, and indications that such growth would continue. Although documenting the state of the economy three years later in 1969, Gustavo Martínez Cabañas made extensive reference to statistics tallying the period 1960 to 1967, roughly contemporaneous to when Olachea submitted his boosterish but also precautionary report. Martínez clearly favored a more optimistic outlook, likely influenced by the fact that his *Baja California Sur: Estudio Económico* (Baja California Sur: Economic Study) was an officially sanctioned outline, published by the territorial government. In this text, he referred to tourism as “one of the fundamental pillars upon which the economy of the territory rests,” and which experienced extraordinary growth during the

²⁴⁴ AGEBCS Vol 18 document 18-40, 1966.

decade of the 1960s. Martínez cited the growth in numbers of international tourists, culminating in 1967 with fifty-six thousand foreigners visiting the territory. Although he noted that figure accounted for only .2 percent of the foreign tourist arrivals nationwide, he claimed that the higher cost that tourists focusing on fishing and hunting were willing to support meant that they contributed an average *per capita* expenditure equivalent to .4 percent of the national figure. In essence, Baja California Sur tourists were more profitable than tourists traveling to other destinations. Martínez noted that the average stay of these tourists ran four days, and contributed to the local economy an expenditure of five hundred pesos per day, and so in his calculation infused Mex\$112,000,000 in the territorial economy over the course of the year.²⁴⁵ Importantly, Martínez too noted that increased and effective advertisement campaigns could be expected to grow the number of tourists and would be key to the territorial economy, and further require the expansion of tourism related services. He also stressed that ground transportation on the peninsula seriously lagged behind the national trends, noting that the average throughout the republic in 1969 accounted for 17.7 kilometers of paved roads for every 1,000 square kilometers of land mass, but that in Baja California Sur the ratio was 5.3 kilometers of paved roads for every 1,000 square kilometers. For that year, the territorial government reported 378.8 kilometers of paved roads, 22 percent of the total roadways, 265.5 kilometers of gravel roads (*caminos revestidos*) for 15.4 percent of the total, twenty kilometers or 1.2 percent of roads designated as

²⁴⁵ Martínez Cabañas 1969, 116. The author based that final assertion on the occupancy rate of class AA, A and B hotels, which was .4 percent of the national total. Although he references a number of other figures to support the claims that tourists on the peninsula made a greater impact than their numbers might suggest, despite the clear assertion that the numbers were impressive in and of themselves, Martínez did not precisely document his sources and it appears that he was pulling information from a variety of statistical sources. Because of that shortcoming, I am primarily using Martínez as a contemporary and contrasting voice to Olachea, echoing some observations from the 1966 source, but rebutting others. The Mex\$500 per day estimate in 1967 dollars would have corresponded to \$40 at an average exchange rate over the duration of the year of 12.491 old Mexican pesos to the U.S. dollar. Mex\$112,000,000 would have corresponded to \$8,966,456 in dollars at the average exchange rate over the year of 1967.

earthen (*tierra*), and the vast majority of 1,057.9 kilometers or 61.4 percent reported as dirt tracks (*brechas*).²⁴⁶

Interestingly, the interim between the 1959 Pro-Tourism Committee survey of hotels on the peninsula, and the 1969 Martínez report, saw two key divergent trends that would hold portent for the future. The first was the rise of several key tourism developments outside of La Paz, most notably around the south cape of the peninsula. The 1959 survey identified a total of twenty-two tourist class hotels throughout the territory, with 304 rooms, 176 of them in La Paz.²⁴⁷ Martínez compiled a table identifying nineteen tourist class hotels throughout the territory, with five of them in La Paz accounting for 177 rooms, virtually identical to the 1959 sum and demonstrating a degree of that stagnation that Olachea referenced. To be sure, several of the establishments during that interim closed while others opened or declined from tourist to commercial status, but the one redeeming element of Martínez's accounting in terms of growth was the noting of suites as a separate category. La Paz counted thirty-nine suites in addition to the standard hotel rooms, although the extant suites in 1959 likely were accounted for in the higher rate lodgings (Martínez did not record individual rates). What he did report in terms of cost of lodging was that of the 429 total rooms, not suites, reported in the territory, 379 or 88 percent were priced at or above Mex\$125 per night, roughly \$10 in U.S. currency. That compared to an average of \$1 to \$8 for regular rooms a decade earlier. Unlike the 1959 survey, La Paz no longer reported the majority of hotel rooms in the territory, although it still boasted the largest number of lodgings in a single destination. Mulegé accounted for sixty-two rooms and eleven suites, far to the north of the capital, while Buenavista, southeast and down the coast from Las Cruces registered fifty rooms and two suites. Barely trailing in terms of regular rooms, San

²⁴⁶ Martínez Cabañas 1969, 121.

²⁴⁷ AGEBCS Vol 18 document 18-11, 1959.

José reported forty-nine rooms, but a staggering forty-two suites in its two luxury hotels, exceeding the number of suites in the capital. Cabo San Lucas finally had its first hotel with thirty-one regular rooms, and the south cape sites of Los Barriles, La Rivera, and Santiago registered an additional thirty-four rooms. Tabulating all of the lodgings in the south cape (Buenavista, Los Barriles, La Rivera, Santiago, San José and Cabo San Lucas), the extent of their progress against La Paz became evident. They made up seven of the nineteen tourist class establishments, accounting for 164 rooms to the 177 in La Paz, and forty-four suites to the thirty-nine in the capital.²⁴⁸ The tourist economy catering to high-end international visitors had already begun to tilt toward the southern region. The second major development that Martínez referenced identified a new trend in tourism in La Paz, which held the potential to radically reshape the nature of the *paceña* tourist economy.

Expanding Transportation Links and Tourism Capacity

What Martínez noted, though only in passing, was the rise of a new tourism originating from the interior of Mexico with La Paz as its specific destination, although not solely in terms of its sand, sun, and sporting offering. These individuals traveled to La Paz using a new element of the transportation infrastructure that had been established with the goal of enhancing connections with mainland Mexico: the ferries. Even had reliable ground routes up the peninsula been established, they would have done little to knit the economy of Baja California Sur into the productive heartland of Mexico because by land the only connection would have required tracing the entire peninsula to virtually the U.S. border, then looping around the head of the Sea of

²⁴⁸ Martínez Cabañas 1969, 117. Loreto and Mulegé in the far north reported a total of seven hotels with eighty-eight rooms and twelve suites, further indicating that the hold La Paz previously enjoyed on international visitors was slipping. All of these northern and southern areas continued to serve sportsmen primarily, while tourism in La Paz began the shift toward national tourists.

Cortés and traveling at least an equal distance down the coastline of Sonora, Sinaloa, and Nayarit. By land, Portland, Oregon was closer to La Paz than Guadalajara, Mexico. But as the crow flies, Guadalajara lay closer to La Paz than Tijuana. The car transport ferries, with capabilities of moving trucks and passengers as well, held tremendous potential for the peninsula when they began service to La Paz in 1964, especially with the popular Mazatlán-La Paz route inaugurated on November 9 of that year. In conjunction with the continuance of the duty free zone established by the Cárdenas administration two decades earlier, La Paz became an attractive destination for domestic travelers looking to mix coastal tourism with purchase of imported goods such as cameras and watches. This mix of duty free goods and inexpensive accessibility also saw the emergence of the *fayuquero*, an entrepreneur purchasing inexpensive imported goods in bulk to carry back to the interior and resell.²⁴⁹ Although most of the *fayuqueros* were primarily entrepreneurs and not leisure tourists, their contribution to supporting the tourist infrastructure in terms of lodging, dining and transport helped maintain the economy in La Paz at a time when competition for international tourist dollars was evenly split with other destinations on the peninsula. And for once, La Paz enjoyed a concrete advantage over Acapulco, Puerto Vallarta or Mazatlán in attracting domestic travelers.

This advantage played a role in the figures cited by Martínez. For 1967, he noted that 60 percent of the national tourists arriving in La Paz did so aboard ferries, while the remainder did so by plane. U.S. tourists reversed the trend, with 60.9 percent arriving by commercial flight, either from the U.S. or departing from sites within Mexico, a further 9.6 percent arriving by private plane, and the remainder arriving by sea. Of those, only 3.9 percent arrived on private

²⁴⁹ Davis 1998, 71. Estela Davis makes reference to the *fayuqueros* and the influence of the ferries, as well as noting the date for the initiation of the Mazatlán-La Paz route, but this information is widely reported in discussions of the history of La Paz. Davis does note that the offering of commercial class lodgings expanded in response to the rise of the *fayuqueros*.

yachts in 1967, while 25.6 percent reached La Paz on either the ferries, or by cruise ship from Los Angeles. Of the domestic travelers, Martínez noted:

The growth in promotional campaigns among the national tourists and the rise of surface routes will bring as a result a notable increase in national tourism; this increase will give an important surge to the economy of the territory, tied to creating new services adapted to the demands of this new flow.²⁵⁰

Within the first year of the establishment of ferry service, the impact was already registered in La Paz. National tourists tended to remain in La Paz, as compared to the international arrivals who might stay in the capital or who might use air taxi services to continue out to other resorts.

Those arriving by sea tended to be most place-bound to the capital port city, either landing in smaller cruise ships at the pier fronting the city near the Hotel Perla, or making landfall at the new, massive ferry terminal a moderate distance from La Paz at Pichilingue, where they could take a taxi or bus, or drive their personal cars if they came so equipped. Even though the ferry terminal was located outside of La Paz, it was simply not accessible to anywhere else except the capital city, as the only road connected directly to the eastern leg of the *malecón*. Pichilingue had emerged as a satellite port to La Paz due to the emergence of ever-larger ships, which found the narrow channel to enter La Paz Bay to be too risky or impossible to navigate. Although the bay itself might be wide enough to maneuver ocean-going ships, outside of the channel it proved too shallow to accommodate deep-draught vessels and so the old coaling station and commercial fishing port of Pichilingue was upgraded to receive the massive ferries, where land transport could funnel passengers into La Paz. Yacht arrivals would continue to use the old port at the capital for its ease of access and more practical facilities.

²⁵⁰ Martínez Cabañas 1969, 117. Both the above statistics and the quotation appear on this page. “El aumento de las campañas de promoción entre el turismo nacional y el aumento de las vías terrestres de comunicación, traerá como consecuencia un incremento notable del turismo nacional; este incremento dará un importante impulso a la economía del Territorio, al tenerse que crear nuevos servicios adaptados a las necesidades de esta nueva corriente.”

Where Martínez saw fit to identify the ferries and subsequent rise in national tourism as exceedingly important, Leopoldo Olachea gave no hint of an awareness that they would affect local tourism. To be sure, Olachea sent his letter to the territorial government in May of 1966, six months before the Mazatlán ferries began running, but the infrastructure was already being developed at Pichilingue, and the prospect of improved surface links must have been apparent.²⁵¹ Olachea apparently did not yet associate this transportation with tourism, as he correctly identified it primarily with Mexican visitors and not international ones, the constituency that he most advocated serving. His letter makes no mention of the pending ferry service, instead focusing on the promotion of that reliable, direct air link with Los Angeles, and the renewed call for construction of a transpeninsular highway. These modes he believed best served U.S. tourists, and so would be the ideal developments to grow the territorial economy. Thus, they served as bookends in his list of recommendations to the government, starting with the air link, point A, and ending with the transpeninsular route, point M in the report.

The final point in Leopoldo Olachea Rojo's recommendations on tourism, the renewal of the construction of the transpeninsular highway, occupied the key position in the report, and of all of his suggestions had the greatest impact on motivating the territorial administration. He noted that the project, which had been a goal for decades by this point, languished in recent years and essentially lay forgotten. Olachea suggested that the root of the problem lay in the fact that the six-year terms of territorial governments disincentivized progress, and that without vocal support from the governor, the federal government had little reason to support the project.²⁵² As

²⁵¹ Gobierno del Territorio de Baja California Sur 1967, 60. This *Informe de Labores* from the territorial government notes that upgrades to the docks and road building had been undertaken before the end of 1964, and that the ferry terminal building was completed and turned over to the federal agency responsible for it on September 28, 1966.

²⁵² Although the national government had settled into the *sexenio*, or six-year presidential term under the revised constitution, the governorship of a territory like Baja California Sur was not as fixed. From the 1940s to 1975 and

at several other points in the document, the author used a light touch with difficult topics, leaving the reader to infer his position. However, tying the limited progress to the *sexenio* must have made apparent to the governor that this was a criticism of predecessors that could easily be laid at his feet as well, if he did not act. Adding weight to the remark, Hugo Cervantes del Río had only taken the post the year before, and so must have been particularly aware that the success of governors at least partially lay in the evidence that they could provide in periodic reports to constituents and the central government.

Although the transpeninsular highway had languished, road-building in general was an activity that territorial governments took seriously as a means of showing progress in works of benefit to the public, and which they released periodically. Such documents, published and distributed by the territory, typically focused on quantifiable measures of development, and the number of kilometers of roads improved during the term made for easy evidence. As an example, the *Informe de Labores* published in 1967 to cover the period from December 1, 1964 through April 30, 1967 made detailed reference to the roadworks improved during the interim, the overall state of the roads, and the associated expenditures including projections to complete paving projects. As the route up the peninsula from La Paz represented the first major leg that the proposed highway would travel, it is instructional to consider the 211 kilometer road connecting the capital to Villa Constitución (today, Ciudad Constitución). This was the principal artery for ground transport in the area, and yet it still was not entirely paved. During the period covered in the *informe*, a further thirty kilometers received pavement but fifty-six kilometers remained in various states of improvement, though still lacking a hard surface. The progress in the two-and-a-half years had cost the government Mex\$2,963,000 on this road alone, and

statehood, governors' terms averaged five years, but spanned from ten years to a single year. Several of the governors moved to other posts in the interior states or with the national government.

included repairs to washouts and preparations of the substrate to receive paving, but the final phase was projected to cost a further twelve million pesos to bring the total cost of this stretch of highway to Mex\$75,635,841, from initial construction to full paving. Another entry showed the 186.7 kilometer long La Paz to San José del Cabo route receiving its first twelve kilometers of pavement by 1967, with more than sixty million pesos needed to complete the highway (this route crosses mountainous areas and would have been technically more difficult to execute than the route to Villa Constitución). Two road sections had been completely paved by the time the report was drawn up: the 57.4 kilometer Villa Constitución to San Carlos route, and the 18.1 kilometer road from La Paz to the port and new car ferry facility at Pichilingue, the former completed in its entirety under the period covered by the report, the latter only needing the final 8.6 kilometers paved. Of the other major road sections, the ninety kilometer Villa Constitución to Puerto Escondido route had seen only initial grading work begun on two kilometers, with no paving undertaken, the thirty kilometer road connecting San José with Cabo San Lucas had not even been begun, and the 226 kilometer road connecting Puerto Escondido to Santa Rosalía by way of Loreto, the critical northern stretch of road, had only seen eighteen kilometers graded with no other progress achieved.²⁵³ Tellingly, at no point in this *informe*, are the words transpeninsular, peninsular, or highway used. Road building clearly occupied a role of importance, but barriers to organizing a comprehensive road system remained.

The scale of the project to build the transpeninsular highway posed two major problems that Olachea cited in his report on tourism: securing the funding, and the lesser but no less real concern that the road would not be completed during the *sexenio* of the governor who might initiate it, and so would not enhance his prestige but rather that of a successor. Olachea lightly pointed out that second impediment when he wrote “The peninsular highway... forgotten in its

²⁵³ Gobierno del Territorio de Baja California Sur 1967, 55-59.

construction... perhaps due to apathy over how it would be reported as a *sexennial* achievement...”²⁵⁴ As territorial and not state governors, these men received appointments from the central government, and although the position of head of Baja California Sur was not a president-making position, it did frequently lead to other posts and the potential for advancement. Taking this local issue as a central point of an administration did not guarantee personal political gain, and it certainly committed the governor to an arduous fight over financial resources. To his credit, Governor Hugo Cervantes del Río decided to address this issue, critical to the region, during his term. Although he did not directly reference the Leopoldo Olachea report, its timing suggests at least some influence. The submission of the report in the summer of 1966, and the renewal of the highway project later in 1967 demonstrated a change in perspective from the governor. Still, at the time of the Olachea report, there appears to have been at least some degree of uncertainty. Olachea called on the governor to advocate for the direct interests of the territory, and to tie them into Mexico’s desire to solidify the economic development and reduce the dependency of this region. He noted that the peninsular highway would be a major artery, capable of bringing new livelihoods and work, and suggested a committee analogous to one with the same task in the northern state of Baja California (and frankly not unlike the tourism committee that Olachea served on) to promote the highway, constantly placing it before the President and demonstrating the active interests in the progress that all Baja Californians desire. Handwritten in blue ink in the empty space at the end of that paragraph, a reader observed “*Y lo actual?*” (“And that which is happening now?”). The reference is unclear, but what is apparent is that it is a critical comment on Olachea’s

²⁵⁴ AGEBCS Vol 18 document 18-40, 1966. “La carretera peninsular hasta hoy olvidada de su construcción por los habitantes del Territorio; quizá por apatía con que se comenta como un cuento sexenal...”

suggestions. Nonetheless, the Cervantes del Río government did step forward to advocate for the highway.

Fretting Over the Details: Improving the Appeal of La Paz

Apart from the commentary on the nature of the transportation networks in the region and the deficiencies as he noted them, Olachea made several recommendations for the advancement of tourism in regard to services and attractions. The tourism which he observed relied substantially upon the fish and game that sportsmen sought, but he also argued for efforts to improve the general experience of visitors, to encourage their positive responses. Fundamental to the continued development of tourism must be a level of attention to the visitor that would foster enjoyable experiences in all facets of the stay in La Paz. Under the heading of “Tourism Attractions” in his report, Olachea called on the private sector to expand the offerings of boats available to rent, the establishment of an embarkation point from which groups might take tours of the bay and nearby beaches, as well as the islands offshore. He considered necessary the construction of a privately-funded country club with golf course, tennis courts, bar, pool and bowling alley as part of the tourist offering.²⁵⁵ However, it is the section on nightlife which contains the most interesting suggestions, leading to the only other point which the unidentified commentator saw fit to inscribe with a mark in blue ink. Olachea called for close government attention to this sector, as it fell under the purview of its regulation, and held great potential as well as cause for concern. He noted that nightclubs proved very appealing to tourists, and that the government should support them so long as they did not cause harm to the local populace.

²⁵⁵ Ultimately, La Paz lagged behind the other resort areas in Baja California Sur in constructing a golf course. The tourist corridor between San José del Cabo and Cabo San Lucas would see the completion of several golf courses decades before La Paz would see its first constructed following the turn of the twenty-first century. In fact, the development at Nopoló, next to Loreto, would see a golf course well before La Paz, despite being dwarfed by the capital and its tourist capacity.

Here, the author's expressive, clause-laden writing style lent a subtlety to his prose that left the following statement open to interpretation, but also indicated the drift of his suggestions.

With respect to the Nightclubs, this item should be studied thoroughly, if the Government decides in its appropriate role to permit new establishments of this type, in order to permit them they be businesses that truly represent an appeal for tourism, and they be narrowly supervised by the Authorities, so that they not degenerate into brothels or establishments that harm Society, although this is considered important, since the tourist, above all male, always comes disposed to enjoy himself in these places if and when they are of a category of his true liking; for this reason, upon granting new licenses for these clubs, one must keep very much in mind their backing, location and the quality of their shows.²⁵⁶

The text proves difficult to decipher in translation, punctuated as it is by commas and intricate dependent clauses, but it reads as a cautious, noncommittal observation that the authorities regulate not only nightclubs, but the expected sideline of some prostitution for male tourists.

The unnamed commenter clearly understood the intent as well, as he underlined in blue pen the statement “although this must be considered important,” an expression that would not be noteworthy if not for the content of the preceding and subsequent clauses. Certainly, the manner in which Olachea broached the topic of prostitution left him room to disavow the suggestion that the authorities take some steps toward overseeing it, but the passage makes most sense as a subtle acknowledgement of the activity. One particular site in La Paz, El Ranchito, which remains in local lore as the long-standing strip club and brothel, was already in operation by the 1960s and attracted male tourists and locals alike. As was the case in the 1940s, when Luis Salas and Nicolás Martínez struggled to gain liquor licenses for the Hotel Central, by the 1960s the

²⁵⁶ AGEBCS Vol 18 document 18-40, 1966. Although this passage is fairly long, it seems advisable to include it verbatim to make it clear that there is no attempt to misconstrue Olachea's subtext. To that end, the translation is offered as close to the literal text as possible. “Con respecto a Centros Nocturnos, este renglón deberá estudiarse detenidamente, si es que el Gobierno a su digno cargo permita nuevos establecimientos de esta índole, para que de permitirse les sean negocios que realmente representen un atractivo para el turismo, y esten estrechamente vigilados por las Autoridades, para que no degeneren en prostibulos o establecimientos que dañen a la Sociedad, aunque esto se considera importante, ya que el turista y sobre todo varón, siempre viene en disposición de divertirse en estos lugares cada y cuando sean de una categoría de su verdadero agrado; por esta razón, al concederse nuevas licencias para estos centros, se tendrá muy en cuenta su inversión, su ubicación, y la calidad de sus espectáculos.”

government might again take the position of limiting activities that it found potentially harmful to the public good, while balancing its potential economic and touristic benefit. On the broader topic of nightclubs, Olachea noted the need to consider location, quality and backing of establishments, if they were to fit into the tourist offering. Brothels might have fit into this observation as well.²⁵⁷ Ever the booster, he fretted over managing the appeal nightclubs might have to draw tourists, or the impacts they would have in shaping the experiences of visitors and inducing them to promote La Paz among their peers at home.

In his conclusion, Olachea stated that:

Those who affirm that the tourism industry is simply the selling of a landscape, and that it does not require great investment are mistaken... if, with respect to hotels, the ability to offer comfort and attention is insufficient, in each dissatisfied visitor our country will have an implacable critic.²⁵⁸

The overall agenda he promoted was to increase the accessibility of La Paz to foreign visitors, to improve the quality of the attractions and infrastructure to make the visit more appealing, and to develop an organized promotional effort to draw visitors who might otherwise consider mainland sport or beach destinations in Mexico. Fundamental to this perspective lay the organizational power of government, to define goals, incentivize development, regulate economic activities in ways that supported the tourism industry, and manage resources to make them accessible to visitors and the investors who might privately fund endeavors that contributed to the public

²⁵⁷ Rosalie Schwartz describes the emergence of a sex tourism industry in Havana, Cuba by the 1920s, which catered to American male visitors and which continued up to the culmination of the Castro revolution. Schwartz notes that although the traffic in women for sex trade across international borders was prohibited by the League of Nations, and Cuba itself did not permit prostitution, government officials were willing to turn a blind eye in most instances. Frequently, the establishments which served as fronts for organized prostitution were otherwise respectable but risqué nightclubs, and so long as large numbers of tourists continued to fuel the local economy, officials were inclined to ignore those illegalities.

²⁵⁸ AGEBCS Vol 18 document 18-40, 1966. “Se equivocan quienes afirman que la industria del turismo es una simple venta de paisaje, que no requiere de grandes inversiones. La propaganda más eficaz que logre la canalización de las más copiosas corrientes turísticas hacia nuestro país, resultará a la postre perjudicial para México, si, en lo que respecta a hoteles, se carece de capacidad para proporcionar comodidades y atención suficiente, porque en cada visitante insatisfecho, tendrá nuestro país un crítico implacable.”

benefit. By this point, the tourist economy had already become critical to the expansion of the larger economy in the region surrounding La Paz, and the path Olachea charted would make it ever more central.

The middle 1950s through the late 1960s proved key to the transition in the tourism economy of the region, and saw the foundations laid in the 1940s and early 1950s built upon in substantive and transformative ways. Transportation networks by air and sea continued to improve and oriented elements of the local economy toward the United States to the north, and other elements toward central Mexico to the southeast. The commitment to complete the road link necessary for further development had finally been taken up by the territorial government, and thus further links to the north held promise for the future. Visionary boosters such as Olachea and Martínez articulated clear plans for the direction of tourism, and the period saw general expansion in La Paz as well as the early growth of what would eventually become the Los Cabos “tourism pole.”²⁵⁹ From this point on, however, the expansion of the tourist economy across Baja California Sur and in particular at La Paz, San José del Cabo and Cabo San Lucas, would accelerate beyond the legitimate expectations of the early boosters, leading to a phase of seemingly limitless growth and a further reshaping of both tourism and the communities along the peninsula.

²⁵⁹ The term “tourism pole” (*polo turístico*) came into use in the late 1960s and 1970s with the emergence of organized national efforts to develop major new tourist developments at sites including Cancun and Los Cabos. The concept of a pole refers to the attractive point on a magnet, implying that through these new enterprises, tourism infrastructure and visitors could be drawn to areas that previously had little or no development.

CHAPTER 4. NATIONAL VERSUS REGIONAL PLANNING, 1967-1976

The period from roughly 1967 to 1976 represented a time of rapid development, emerging potential, and great portent for the nation of Mexico as well as the region of Baja California Sur. On a national level, with the 1968 Olympics looming and the 1970 World Cup soon to follow, Mexicans looked forward to growing prominence on the world scene and the potential for unprecedented economic expansion as well as a path from the global periphery toward the global core. The challenges of this period have also been well documented, with the crackdown on student and social unrest at Tlatelolco receiving particular attention as well as the processes of urbanization, industrial development, and socioeconomic inequality which came to the fore. Mexicans in 1967 and 1968 perceived a tangible turning point in the national development, although whether for the better or worse was and remains hotly debated. Clearly, in the decades since the revolution, Mexico had charted a very different course, and by the 1967 to 1976 period it was linked to the United States in very different ways than it had been at the turn of the twentieth century. Petroleum resources and human capital grew to dovetail with US demand, but it is in tourism that one perceives the most apparent symbiosis between the nations. Within the early years of this timeframe, Mexico would undertake the first massive centralized planning effort to develop a tourism complex at Cancun, a project which ultimately would revolutionize Mexican tourism, and serve as an ominous portent to the boosters of La Paz. By 1976, with the first efforts to extend that centrally-directed development to Los Cabos, and the establishment of the administrative and financial apparatus to propel such projects forward, the Fondo Nacional de Fomento al Turismo (FONATUR), Baja California Sur embarked down a very different path toward regional development and the tourism economy, just as the long-awaited goal of completing the transpeninsular highway seemingly brought to fruition the

decades-long work of the La Paz boosters. While some anticipated a new golden age of tourism based in the La Paz complex, it was effectively undercut during this period by the Mexico City government's shifting support to Los Cabos.

Technocratic Management at the National and Local Levels

One of the emergent characteristics of Mexico in the second half of the twentieth century was the establishment of a professionalized government bureaucracy, increasingly linked to the dominant *Partido Revolucionario Institucional* (PRI) which ruled from the Mexican Revolution through the end of the Ernesto Zedillo Ponce de León presidency in 2000, in an unbroken chain of administrations stretching seven decades. A result of this stability was the development of centralized governance and planning apparatus that faced little challenge or turnover, and which held relatively unchecked authority in the articulation and implementation of development plans. Although personal interests of one president versus another did bear upon the general direction of government programs — Miguel Alemán Valdés (1946-1952) being a noted early supporter of tourism while Adolfo Ruíz Cortines (1952-1958) and Adolfo López Mateos (1958-1964) were best known for widespread social reforms, for example — barring a major change in objectives, the bureaucracy moved forward uninterrupted. The massive public works projects which Mexico undertook in the lead-up to hosting the global sporting events could not have been completed without such a structure. However in the Baja California Sur of the mid-1960s, such undertakings only had tangential impacts, mostly in the form of transportation links such as car ferries, the airport at La Paz, and the trickle of funding for highway construction. Development in the peninsular territory relied most heavily upon private initiative and the great potential that entrepreneurs saw in tourism.

This issue of centralization of power and economic resources, mirrored by a demographic centralization as Mexico City, Guadalajara, Monterrey and Veracruz grew as urban centers and drew in population from their hinterlands, developed from the 1940s onward, spurred by industrialization and modernization efforts in Mexico. By the end of the 1960s, the model of economic development that the regime had followed since the Second World War had begun to fray. Economic growth continued apace, but the social fabric was rent by growing dissent over inequities that had grown systemic.²⁶⁰ As in France, the United States, and other nations around the world during the explosive year of 1968, student movements emerged to challenge the governments. In the case of Mexico, that movement drew in a wider array of dissenting voices, including the urban workers, peasants, and elements of the middle class, coalescing around the impending Olympic Games. Sergio Zermeño cites the fundamental causes of the unrest as a) the inability of the institutional and political system to incorporate and represent the needs of the new social sectors; b) deteriorating relations between the university and the state; c) weakening of the dominant cultural model or ideology; and d) the shift of the state toward a position directly favoring one subset of the upper classes.²⁶¹ The Olympic Games served as the mechanism to bring the social crisis to a head, in a response to the tremendous costs incurred by the government. But at the same time, the massive organization required, and the applications of concerted planning and investment proved to be successes for the Mexican government.

According to the official report on the games, published by the Organizing Committee in 1969, the total expenditures for hosting the games came in at \$175,840,000 in U.S. dollars. Of

²⁶⁰ Cothran 1994, 90–91.

²⁶¹ Zermeño 1991, 55. Zermeño asserts that all of these points derived at least partly from the calcification of government in the form of a *caudillismo*, or charismatic near-dictatorship, that traced back to the Cárdenas administration of 1934-1940. He also cites the impact of the capitalist economic system that Mexico operated under during its economic revival through the 1950s and 1960s, and notes the strongly leftist rhetoric of the protest movement. Zermeño's sympathies clearly lie with the protesters.

that, the government directly bore \$53,600,000 to build sports installations, \$16,560,000 for city works, and \$28,800,000 to construct the Olympic Villages. These facilities represented the permanent infrastructure which would remain behind after the games, projected for use by the Mexican public. A further \$56,816,000 was provided to the Organizing Committee to fund the bulk of its activities. The remaining \$20,064,000 the committee raised through sponsorships and other avenues, and were not supplied by the government.²⁶² The massive overall sum and its limited immediate benefit to the Mexican public fueled discontent and brought wider elements of society into the student protests. By the early fall of the year, the crisis was coming to a head just as the city prepared to welcome arriving participants in the Olympics.²⁶³

The conflict of 1968 in Mexico City and its climax at Tlatelolco, ten days before the opening ceremony of the Olympic Games, had little direct bearing on communities in Baja California Sur, but they illustrated the context in which changes in government efforts toward economic development and social policies took place. These changes did bear on the southern peninsula. The ongoing process of centralization had, by the late 1960s, inspired calls for change amongst the technocratic elements in the government, brought to a head by the conflicts of 1968 but already under consideration before then. Concerns over the uneven pattern of development and the burgeoning internal migration to the central valley of Mexico led to a growing call to decentralize some elements of governance, and to bolster economic development in peripheral

²⁶² Organizing Committee of the Games of the XIX Olympiad, *Official Report, Vol I, Part I*, <http://library.la84.org/6oic/OfficialReports/1968/1968v2pt1.pdf>, accessed July 9, 2013, page 23, 24.

²⁶³ On October 2, a mass gathering of four thousand students and sympathetic members of the public formed in the plaza at Tlatelolco to listen to speeches. When General José Hernández Toledo ordered the crowd to disperse over a loudspeaker, a series of shots rang out and the army swept the square. Troops reportedly acted in response to gunfire blamed on communist elements within the student movement, and in the chaos that ensued, 1,043 people were arrested, and estimates of the dead at the hands of the army ranged from the official tally of twenty-six to rumors of hundreds. Archivo General de la Nación, Galería 1, DFS Exp. 11-4, L. 44, F. 250-254, <http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB201/Documento2.pdf>, accessed July 10, 2013. Fiscalía Especial para Movimientos Sociales y Políticos del Pasado (FEMOSPP), *Informe Historico a la Sociedad Mexicana 2006*, http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB201/Document15_extract_prosecutor.pdf, accessed July 10, 2013.

areas, especially those with weak infrastructure and heavy reliance upon agriculture.²⁶⁴ One such area, an isolated, under-developed coastal region in Yucatán, would soon become the test-bed for this unusual combination of centralized planning and decentralizing development: Cancún. Still, in 1967, the impetus toward experimentation did not yet animate the highest levels of government. It took the destabilizing influence of a threatened revolt to compel the PRI government to adapt and change its tactics toward dealing with dissatisfied urban working and middle classes.²⁶⁵ By 1970, the technocrats responded to political crisis with economic action, with newly elected president Echeverría and his PRI successors using the government coffers to fund development programs as means to extend employment outside of the urban core and to defuse resistance from dissenting political movements.²⁶⁶ Prior to the election of 1970, the impact of technocrats would have been within the agencies of the government, not in leadership.

In the case of tourism, the centralized planning element that would take the fore in the 1970s and 1980s had yet to emerge. In a sense, this still relatively new economic sector ran counter to the general trend toward decentralization in terms of organization and institutionalization, with the government coming to take a larger role over time. That said, the

²⁶⁴ Borja Santibáñez 2006, 12. This work focuses heavily on the impacts of decentralization policies in the development of the Los Cabos tourist complex, particularly from the 1980s through 2000. The authors link decentralization in the 1960s and 1970s to an emerging crisis of surging urban populations and lagging economic development elsewhere in the country. It is worth noting that policies of that period overall did not appreciably slow emigration to the major cities, although in Baja California Sur the population trends showed marked increases and a tendency toward in-migration. The authors identify a change in policies of decentralization which occurred in the early 1980s with the nation-wide currency crisis, leading to increased administrative power in the hands of the states. Indications in Baja California Sur during the earlier period fit with a model of a highly centralized national state, in which the first major indicator of decentralization could be found in funding for infrastructure projects.

²⁶⁵ Cothran 1994, 217. Cothran identifies a transition at the leadership level as taking place in 1970, with the election of Luis Echeverría Álvarez to the presidency. He characterizes Echeverría as the first of the “technocratic presidents” and the end of a chain of “political presidents” who extended back to Lázaro Cárdenas. Cothran further differentiates between the technocratic presidency of Echeverría and neoliberal “finance presidents,” beginning with José López Portillo y Pacheco and extending through Carlos Salinas de Gortari. The neoliberal emphasis on market forces guiding the economy reached its peak during the Miguel de la Madrid Hurtado and Salinas de Gortari presidencies, both of which faced extreme economic crises.

²⁶⁶ Cothran 1994, 218. Echeverría’s role in putting down the 1968 movement, as *Secretaría de Gobernación* (Secretary of the Interior) likely influenced this policy, although he remained committed to suppressing organized dissent, as evidenced by the use of the *Halcones* counterrevolutionary special forces and resulting attempts in the early twenty-first century to prosecute him for genocide.

ultimate objective of fostering development in peripheral areas and relieving migratory and social pressure on the urban, industrial core was served by this transition. Still, in 1967 much of the responsibility for managing the infrastructure and expansion of tourism lay in the state and municipal governments of the areas directly affected. In Baja California Sur, the territorial government remained the key player.

In 1967, the General Director of Tourism and Federal Delegate for Industry and Commerce in the territory, Ricardo García Soto, issued a report entitled “Tourism as a Factor for Economic Development,” which attempted to place the nation’s tourism industry into the larger context of the global economy and made the case for a development plan that replaced industrial development with tourist infrastructure. García took a much broader view of the impacts of tourism than Leopoldo Olachea had the year before in his *Suggestions for Tourist Planning in the Territory of Baja California*, arguing for expanding the regional infrastructure on the basis of a robust global economy built around tourism, rather than specifically the elements present in Baja California Sur. He noted that traditionally, countries looked to agriculture as a means of development, later shifting to manufacturing as the engine for growth. Without directly referencing Mexico, García observed that poor, unproductive land had slowed growth, and that competition in manufacture with countries whose advantages included higher productivity and more modern technology created inequalities in development. His implication was that Mexico could not compete with the United States in those areas. However, he described tourism as a central component of the “western economies” and an engine that had already begun to fuel Mexico’s growth. García stated that on a global scale, tourism represented ten billion dollars of economic activity annually, and that as of 1965 the profits in Mexico accounted for a value

equivalent to 48.2 percent of the total annual imports of consumer and capital goods.²⁶⁷ In effect, a strong tourist economy in Mexico could replace more traditional extractive and manufacturing activities in fueling growth.

In terms of employment, García viewed this sector as especially promising for the Mexican economy and building the affluence of families within the society. Based on 1963 data, he noted that the tourism industry employed 135,000 people, with 116,000 in entry-level positions but the remainder in mid-level and executive roles. Direct employment in tourism touched 35,000 heads of household, and held potential to support an increasingly large segment of the population. García tied his interest in employment numbers and the potential for expanding this sector of the economy to the explosive demographic growth which Mexico experienced in the middle and late twentieth century. He referred to a projection from the *Dirección Nacional de Estadística* that by 1969 the national population would reach 46.5 million and suggested that the need to create jobs to support the growing workforce made tourism especially appealing, as by his reckoning this sector employed three to four times as many workers per million pesos of investment as employed by other industries.²⁶⁸ Extending the comparisons between this and other sectors of the economy, García referenced 1964 figures which placed the tourism sector contributing 5.3 percent of the national revenue, compared to 3.3 percent accounted for in the petroleum sector, 1.8 percent in mining, 3.8 percent in construction,

²⁶⁷ AGEBCS Vol 18 document 18-40, 1967, p1, 2. García's July 1, 1967 report contains no direct reference to Baja California Sur, apart from the caption "La Paz, B.C." at the bottom of the title page, and makes wide-ranging use of uncited statistics. Nonetheless, García's position as an appointee to the territorial administration and the occasional use of "our" in the text makes it clear that he wrote to a Baja Californian audience. The core of his argument examines the impact of tourism on Mexico in general, and on the economies of Europe and the United States, but the purpose is to illustrate the potential for the sector to grow the economy in Baja California Sur.

²⁶⁸ AGEBCS Vol 18 document 18-40, 1967, p3. As an illustration, García cited a guano and fertilizer operation that employed 389 workers at a capitalization of 192 million pesos, for a ratio of roughly two workers per million pesos invested. A hotel capitalized at ten million pesos with 102 workers provided a ration of roughly ten workers per million pesos invested.

1.4 percent in electrical production and 4.3 percent in transportation.²⁶⁹ On local levels, he also noted potential benefits to tourism.

One of the clearest impacts that tourism might have on the local populace lay in the salaries earned by workers. In a later document, the National Institute of Statistics, Geography, and Information Technology (INEGI) compiled data on minimum salaries throughout the republic and within the territory of Baja California Sur, demonstrating the growth in the local economy. Baja Sur minimum salaries roughly tracked the national average up until the 1966-1967 biennium, when they began to exceed the national figures. In the 1964-1965 period, the territorial average stood at Mex\$17.67, while the national average ran Mex\$17.78. In the next biennium, they reversed with the territorial figure at Mex\$20.95, and the national at Mex\$20.9. Over the next two biennia, the differences stood at Mex\$.65 and Mex\$.3 respectively, to the benefit of workers in Baja Sur, before the difference began to widen throughout the next five years, with *bajacalifornianos* earning on average Mex\$4.78 over their peers in the interior in 1972, and Mex\$6.76 more by 1975.²⁷⁰ Breaking salaries down by *municipio* within Baja California Sur, the highest paid workers could be found in La Paz during this broad period: no surprise as the capital stood as both the commercial and economic center of the territory. During the 1966-1967 biennium, the wage for the average worker in La Paz stood at \$25 Mexican pesos, while in San José del Cabo the norm was Mex\$17.25 and in Loreto workers commanded Mex\$20. It is unclear why employees at the northern extreme commanded higher salaries than those in the extreme south, but even field laborers, when counted separately from “general” workers in that area earned more than those in the south, relative to the average worker. For

²⁶⁹ AGEBCS Vol 18 document 18-40, 1967, p8. Together, these accounted for less than 20 percent of revenue, with agriculture and industry notably absent and undoubtedly accounting for the bulk of the economy.

²⁷⁰ Centro Estatal de Información, “*Estadísticas Históricas 1956-1975*,” 2002, 107 Cuadro III.39. By 1975, workers in Baja California Sur earned, on average, an additional 12.2 percent over the average Mexican worker.

example, those field laborers in the *municipios* of Comondú and Mulegé, which occupied the northern third of the territory, earned roughly 10 percent less than “general” workers, while in La Paz and San José, field laborers earned roughly 20 percent less than other workers. These trends held from 1964 through 1971.²⁷¹ The transition to a better-paid workforce when compared to the national average boded well for the health of the regional economy and held out the prospect of reducing dependency on the national core.

Much as the case with traditional industries, García argued in 1967 that tourism could serve as a magnet to migration and an engine for development, but beyond that, the presence of foreigners disposed toward spending in support of the local economy could have farther-reaching effects.

In cities or regions whose principal resource is tourism, their inhabitants enjoy better modes of communication, public services [in] marginal situations which if not for the affluence of the visitors they would not be in the position to provide; or in other words, the tourist market can constitute a highly productive secondary element that, we insist, the local market could not support.²⁷²

For Baja California Sur, such a scenario further justified the investment in transport and infrastructure that Olachea had called for a year earlier. If the transpeninsular highway had long been a wish deferred for the development of the territory, not only could its completion spur tourism as Olachea counseled, but tourism revenue could also justify the expense, and underwrite the other forms of development throughout the region. In effect, locales untouched

²⁷¹ Centro Estatal de Información, “*Estadísticas Históricas 1956-1975*,” 2002, 109 Cuadro III.41. One possible explanation for the higher wages paid in Comondú and Mulegé is the relative scarcity of labor in less populated areas, tending to drive wages upward. This characteristic may be extended to Baja California Sur in general, when compared to the more populous areas of the interior of the country, where labor proved more plentiful and therefore relatively cheaper.

²⁷² AGEBCS Vol 18 document 18-40, 1967, p4. “En ciudades o regiones cuya principal explotación es el turismo, sus habitantes gozan de mejores medios de comunicación, servicios públicos y situaciones marginales que de no ser por la afluencia de visitantes, no estarían en condiciones de sufragarlos; o en otras palabras, el mercado turístico puede constituir un elemento marginal altamente productivo que, insistimos, el mercado local no podría sostener.” It is worth noting that “medios de comunicación” is an inclusive expression, incorporating transportation as well as communication in its more basic English form.

by tourism proper still stood to benefit from the economic impact of visitors. For locales that would directly host tourists, García offered the following rough calculation for economic impact:

A community that could attract two dozen tourists daily over the course of a year, with a very conservative average expenditure of \$300 pesos daily per tourist, would find it economically comparable to having acquired a new manufacturing industry with an annual payroll valued at two million, six hundred thousand pesos.²⁷³

In the Baja California Sur of 1967, the only sites developed to host such numbers were La Paz, the emergent south cape region extending from Buenavista through San José to Cabo San Lucas, and the northern sport fishing area around Mulegé. Although these resorts remained scattered and were still individually small compared to the critical mass that had centered around the territorial capital, each had sufficient capacity to host twenty-four visitors, easily, and facilities that catered to guests disposed to spending far more than a three hundred peso per day average. In fact, a different source calculated a significantly higher yield from Baja California Sur tourism of the time. Gustavo Martínez Cabañas' 1969 economic study on tourism asserted that visitors to the peninsula spent on average five hundred pesos per day, and were twice as profitable in terms of per capita spending than the national average for tourists.²⁷⁴ The technocrats' vision of developing the periphery and García's specific objective of using tourism to substitute for traditional industry held great potential, but to put it into effect the facilities in Baja California Sur would need to be expanded dramatically. That meant the typical interplay between entrepreneurs and the government must be streamlined to promote new tourism developments.

²⁷³ AGEBCS Vol 18 document 18-40, 1967, p4, 5. "Una comunidad que pudiera atraer dos docenas de turistas diariamente durante todo un año, con un gasto promedio - muy conservador - de \$300.00 diarios por turista, sería economicamente comparable a la adquisición de una nueva industria manufacturera con una nómina anual con valor de dos millones seiscientos mil pesos." According to <http://www.measuringworth.com/exchangeglobal/>, the average exchange rate during 1967 was 12.491 pesos per U.S. dollar. That would place the average tourist expenditure target at \$24, and the annual payroll of the hypothetical factory at \$208,150.

²⁷⁴ Martínez Cabañas 1969, 116.

Big Dreams and Limits to the Territorial Government's Support

Although the boosters in La Paz enjoyed strong links to the territorial government, the prospect of major new tourism projects did not always gain sufficient government support to ensure their success. The era of concern over the granting of liquor licenses as potential corrupting influences on the local public, as in the case of the Hotel Central more than twenty years earlier, had clearly passed. In 1967, Baja California Sur granted licenses for the sale of alcoholic drinks in 208 establishments across the territory, including fifty-three restaurants.²⁷⁵ That nightclubs bordering on brothels might be overlooked, as the Olachea letter of 1966 indicated, showed a new flexibility on socially problematic issues so long as they did not require the territorial government to take a stand on permitting them. Still, the leaders of the territory were not willing to subvert the law of the land as an expedient to grow tourism. A pair of 1967 letters, one by an American to an acquaintance in Baja California Sur whom he hoped to enlist as an advocate for a specific development, the second by that advocate to the governor of the territory in an attempt to move the project forward, indicated a limit to how far the government would go to support boosters. The Mexican contact for the U.S. developer sought to win the support of the governor, Hugo Cervantes del Río, and of Arturo García Soto in his official capacity as director of tourism, but clearly he crossed the line beyond which neither the booster, García, nor the governor would pursue tourism development.

This proposed project first appeared in a letter to David de la Peña Ortega, an acquaintance of Southern Californian businessman and developer James Poochigian. The content of the letter suggests that the two met during a trip Poochigian made to La Paz, and the American asks the *bajacaliforniano* to make contacts and broker two business deals, one based in the old economic activities and the other in tourism. The text is remarkably straightforward

²⁷⁵ Centro Estatal de Información, “*Estadísticas Históricas 1956-1975*,” 2002, 145 Cuadro III.69.

and brief: in roughly a half page Poochigian instructs de la Peña to seek gold ore samples and to advocate for the resort.

What I would like to know is about El Coyote land, that I came to see. David, I have \$10,000,000 American money that is ten million dollars, and more to develop a fabulous hotel, motel and air strip, also very expensive homes, but the hotel shall be a private American club, and we must be able to gamble. More like a resort type.²⁷⁶

That text is the entirety of the passage dealing with the tourism development Poochigian sought.

El Coyote is the local name for an area outside of the Bay of La Paz, beyond the ferry terminal and port at Pichilingue and facing the open Sea of Cortés and the channel to Espiritu Santo

Island. Today, it more specifically refers to a beach and area of dunes east of Tecolote beach, extending to the point beyond which the coastline turns southward along Bahía de la Ventana.

But as it became clear in the subsequent de la Peña letter, Poochigian's interest was in the area surrounding Balandra beach, less than a mile to the southwest, stretching to El Coyote

beachfront, with considerable property extending inland. The promise of ten million U.S. dollars to develop an exclusive resort roughly equidistant from La Paz and Las Cruces, at the headlands

leading into the bay at the capital city must have held appeal, but the insistence on permitting gambling guaranteed controversy.

David de la Peña Ortega submitted his letter to governor Cervantes del Río two weeks later, on April 3, 1967. In the first paragraph, he addressed both the sum of money proposed and the issue of gambling, noting:

Dated March 17th, I received a letter from Mr. James Poochigian, based in Los Angeles California, U.S., in which he consults with me on the possibility of investing a quantity of \$10,000,000 TEN MILLION DOLLARS in land at Puerto Balandra, B.C. in the construction of a fabulous hotel with a landing strip. Looking for the possibility of

²⁷⁶ AGEBCS box 280 folder 1146, 1967. The Poochigian letter is undated, but de la Peña's subsequent letter to the governor clearly places its date of receipt as March 17, 1967. Poochigian's writing style is casual, bordering on sloppy. De la Peña's letter to government officials is notably more formal, but is riddled with examples of phonetic spelling. Both stand in contrast to the 1968 letter on developing el Mogote. The underlining of the word "gamble" for emphasis was Poochigian's.

receiving the consent of the government in which it may grant a permit for the playing of CARDS, solely as an entertainment and not as a CASINO.²⁷⁷

Although de la Peña asserted that the purpose for playing cards would simply be as a “distracción de pasatiempo,” which is translated above as “entertainment” but which more literally translates as “pastime distraction,” doubly averring its benign nature, the fact that Poochigian himself underlined that they must be allowed to “gamble” undermines this position. It is unclear whether in the two weeks the men had further communication to moderate the call for sanctioned gambling; the Poochigian letter exists in the archive as an addendum submitted by de la Peña. As such, it was available to the governor and other officials and represented the clearest statement of the prospective investor’s aims.

As if to underline the disparity between de la Peña’s assurance and Poochigian’s ultimatum, and to leave no doubt about which was more accurate, de la Peña later returned to the topic and proposed to the governor that rather than authorizing gambling himself, he might allow a lesser official in the government to grant permission.

... I have absolute confidence in the functionaries who act within your honorable government, such as Mr. Lic. Don Ricardo García Soto who manage with absolute rectitude to resolve the problems and matters that are placed before them. Furthermore, I judged it opportune not to distract your important attention, considering that the basic points had not come together to place before you the tempting investment of the \$125,000,000 ONE HUNDRED TWENTY-FIVE MILLION PESOS by _____ that it would be impeded by the investors desiring permission for games of CARDS for which I am certain that, Mr. Governor, given your clean political and administrative rise you would not permit, nor grant any authority to give permission to games of chance, it could be through secondary authorities of the territorial government a dissimulation without granting as one expects exists in the luxury tourist hotels of Las CRUCES, EL CHILENO, PALMILLA, etc. etc, even in the very CAR FERRY from La Paz to Mazatlán where in the view of all passengers cards are played, and in the social

²⁷⁷ AGEBCS box 280 folder 1146, April 3, 1967, 1. “Con fecha 17 del mes Marzo Ppdo. recibí Carta del Sr. James Poochigian, radicado en los Angeles California, E,U, donde me consulta la posibilidad de invertir la Cantidad de \$10,000,000 DIEZ MILLIONES DE DOLARES en terrenos de Puerto Balandra, B.C. en la construcción de un fabuloso Hotel con pista de aterrizaje. Buscando la posibilidad de contar con la anuencia del Gobierno en que se le otorgue un permiso para jugar NAIPES, únicamente como una distracción de pasatiempo, y no como un CASINO DE JUEGO.” Capitalizations and misspellings are de la Peña’s.

life of Mexico States the Republic, and territories, people play famous games of CARDS like Tres Canastas Uruguayas.²⁷⁸

The text of the letter increasingly entered baroque territory; reminiscent of a Cantinflas monologue it ranged from lucidity to absurdity and back again with startling turns. In something so simple as the title of Ricardo García Soto, whom he clearly considered a supporter of the investment plan within the government, de la Peña heaped honorifics with dizzying abandon (Mr., Licenciado, Sir). In a flurry of phrases left ambiguous by the lack of commas and run-on statements, de la Peña first praised Cervantes del Río for the integrity of his political rise and a sterling reputation, before suggesting he might channel permission for gaming through a second-tier functionary to provide plausible deniability, even going so far as to type in all-caps the word “DISIMULO” or dissimulation: essentially highlighting a request that the government engage in a deception. Not content at that, he then suggested that such under-the-table deals must already be in place at the other resort hotels he listed, and that tacit approval allowed gambling on the car ferry between La Paz and Mazatlán. To be sure, each page bore the caption “confidential,” but the frankness with which he discussed corruption is stark. His third and final appeal on this matter put forward card playing as central to Mexican society, in an almost plaintive postscript.

²⁷⁸ AGEBCS box 280 folder 1146, April 3, 1967, 2. “... tengo absoluta confianza en que los funcionarios que colaboran dentro de su honorable gobierno, como lo es el Sr. Lic. Don Ricardo García Soto cumplen con toda rectitud con resolver los problemas y asuntos que se les plantean. Además juzgué oportuno no distraer su importante atención, Considerando que no reunía los puntos bases para plantearle a usted la tentadora inversión de los \$125,000,000 CIENTO VEINTICINCO MILLIONES DE PESOS por _____ tener la traba de que los inversionistas deseán permiso para los juegos de NAIPES y de los que yo estoy seguro Sr. Gobernador que dada su limpia trayectoria Política y Administrativa no permitiría usted, ni autoridad alguna el conceder permiso para los juegos de asar, podría haber por autoridades secundarias del Gobierno del Territorio UN DISIMULO como se supone sin conseder que existe en los Hoteles de lujo Turisticos de las CRUCES, EL CHILENO, PALMILLA, Etc. Etc. aun así en el propio TRASBORDADOR la Paz, Mazatlan y a la vista de todo el pasaje, se juegan NAIPES, y en la vida Social de México Estados la Republica, y Territorios, la gente Juega NAIPES Famosos como Tes Canastas Uruguayas.” Misspellings and capitalizations are of David de la Peña Ortega and are retained to show emphasis, and the blank spaces existed in the original letter. They apparently were an effort to conceal the name of the prospective investor, although at several other points the author identified James Poochigian explicitly. The passage proved particularly difficult to translate without substantially changing the text.

If de la Peña viewed García Soto as his ally with the ear of the governor, he also saw at least one individual as his nemesis in the government: Ing. Sebastián Díaz Encinas. It is clear in the letter that near the end of March, de la Peña requested of Díaz the gold ore samples that Poochigian mentioned previously, and because of Díaz's role as assayer acting on the payroll of the government, that was the proper course of action. Rather than carrying out the request, de la Peña claimed that Díaz made a photostatic copy of the Poochigian letter, had an English translation commissioned, and then set an appointment to meet with the governor on March 28, to challenge de la Peña's motives and the legality of Poochigian's project. De la Peña protested that he did not seek an audience with the governor prior to sending the April 3rd letter because he trusted in the rectitude of the functionaries of the government (the first lines of the block quotation above), but that Díaz violated that trust by misrepresenting Poochigian's proposed investments in the area.

So fraudulently did the *ingeniero* present a sort of anonymity without any seriousness, better still, a vulgarity considering his high official position, that it falls to me to make the corresponding clarification, and that Mr. Ing. Sebastián Díaz Encinas not harm the indicated party by having spoken with you on the topic of foreign investment as fraudulently as he did.²⁷⁹

Apparently, the heart of the conflict was an assertion Díaz made that Poochigian intended to purchase the land for the resort, a point which de la Peña vigorously disputed, noting that it was illegal for foreigners to purchase those properties. It is quite likely that Díaz based his assertion on a translation failing to represent the nuances of Poochigian's original letter, for although the American never offered to secure the land through Mexican partners or a *fideicomiso*, nor did he

²⁷⁹ AGEBCS box 280 folder 1146, April 3, 1967, 2. "Como dolosamente el Sr. Ingeniero le presento una especie de anonimato sin ninguna seriedad, mas bien una grosería a su alta investidura oficial, es por lo cuál me veo precisado a hacer la aclaración correspondiente, y que no hera el Sr. Ingeniero Sebastián Diaz Encinas el indicado para haber hablado con usted el tema de inverción Extranjera, tan dolosamente como lo hizo." The title *ingeniero* equates to "engineer" in English and indicates that Díaz held a Bachelors degree in a science or applied science field, as the *licenciado* title applied to García Soto indicates he held a Bachelors degree in a humanities field. In this translation the word *anonimato* (anonymity) is retained even though it appears to have been a malapropism. More likely the intended word was *animosidad* (animosity).

declare that he intended to purchase it outright. A more reasonable, although admittedly unstated, explanation is that Poochigian intended that de la Peña be his partner for the purposes of securing the property. Such an arrangement would explain the intensity of de la Peña's reaction, as for the remaining two pages of his letter to the governor, de la Peña directed his wide-ranging ire at both Díaz and the landowners who did possess El Coyote and the area around Balandra.

Co-opting the language of the Mexican Revolution, de la Peña railed against *latifundistas* or large land owners who held title to the land around El Coyote and whose resistance to development he took as indication of avarice. Apart from a few areas of stunning natural beauty along the coast, such as Balandra, the headland jutting to the east of La Paz held little immediate value for farming or other traditional activities apart from small-scale ranching, which in this region constituted an open range to share in limited forage and water resources. De la Peña maintained that leading families in La Paz conspired to keep the land intact, in defiance of the interests of the state.

Mr. Governor, I believe it important to take advantage and show that the owners of El Coyote, B.C. almost in their totality hold the land JOINTLY, they speak of INDIGENOUS POPULATIONS that do not exist except as a few workers on small parcels, but El Coyote and the south and north of the territory of B.C. are in the hands of a few LATIFUNDISTAS who have delayed for more than 20 TWENTY YEARS the social and economic growth of the Southern Territory... THE DÍAZ ENCINAS, THE NAVARROS ENCINAS, THE OLACHEAS, THE TARANGOS, THE RUFOS, THE CANSECOS. Etc. etc. in order to appropriate extensive LATIFUNDIOS with simple claims that they registered and they have defended up to the present, LATIFUNDIOS that they dream of selling, these evil traitors, to foreign firms.²⁸⁰

²⁸⁰ AGEBCS box 280 folder 1146, April 3, 1967, 2. "Sr. Gobernador, Creó importante aprovechar el señalar que los propietarios del Coyote, B.C. casi en su totalidad están en propiedad MANCOMUNDA, se habla de CONGREGACIONES INDIGENAS que no existen, salvo de escasos trabajadores que trabajan pequeñas parcelas, pero el Coyote y al Sur y Norte del Territorio de B.C. están en manos de unos cuantos LATIFUNDISTAS que han retardado por mas de 20 VEINTE AÑOS al Crecimiento Social y Economico del Territorio Sur... LOS DÍAZ ENCINAS, LOS NAVARROS ENCINAS, LOS OLACHEAS, LOS TARANGOS, LOS RUFOS, LOS CANSECOS. Etc. Etc. para apropiarse de extensos LATIFUNDIOS con simples solicitudes de denuncias que registraron, y han hecho valer hasta la fecha LATIFUNDIOS que sueñan vender estos malos Vende Patrias a firmas Extranjeras."

The irony that de la Peña himself sought to deliver access to a foreign investor appears to have been lost upon him. As the surname of his foe in gaining the support of the governor, the Ing. Díaz Encinas, appeared on the list of landowners, de la Peña clearly felt that there were forces at work which opposed him. His claim that the large landowners hid behind the pretext of the land being partly in indigenous hands suggests the larger conflict over incomplete agrarian land reform which afflicted Mexico in the decades following the Revolution. Few of the indigenous peoples of the peninsula survived into the middle of the twentieth century, and to be sure, the degree of community and cultural integrity which characterized larger groups in Oaxaca, Michoacán and the southern reaches of the republic had been largely erased in Baja California. According to de la Peña, the control over El Coyote land resided jointly with the few families which held claim to large pieces of it, and beyond the injustice of the so-called *latifundias*, their interdependent relationship meant that if any of them refused to sell out to a potential developer, then none of them could complete their sales.

It is well-known that the division of land of El Coyote... among those considered landowners within the COMMUNITY, is such that they are never in agreement to enter into legal commercial negotiations, because at the last minute they fight amongst themselves with the result being that the capitalists withdraw from investing in the territory, and not just in the tourism field, but also in fisheries, agricultural and mining businesses, be they National or Foreign Investors.²⁸¹

Again, the convolution and contradictions of his arguments emerged, as de la Peña at once both attacked the families as reactionary landowners, subverting the land reforms of the Revolution, and as anti-capitalists as a result of their failures to engage investors to develop the land. He continued:

²⁸¹ AGEBCS box 280 folder 1146, April 3, 1967, 3. "Por Consabido es pues la división de la propiedad del Coyote... por los que se dicen propietarios dentro de una COMUNIDAD, en la que nunca están de acuerdo para entrar en negociaciones comerciales legales, porque a la hora de la hora se pelean unos con los otros, dando como resultado el de que el Capitalista se retire de invertir en el Territorio, y no solamente en el campo turístico, sino también en los negocios pesqueros y agrícolas y mineras, se trata de Capitales Nacionales o Extranjeros."

By way of example, the Company PUERTO BALANDRA S.A. formed 4 FOUR YEARS ago and it still has not begun because there are no facilities, there are investors, also American, there is money, and much of the capital has been spent, but the landowners, the *LATIFUNDISTAS* have risked nothing, stopping a Tourism project that would greatly benefit the Capital and the Government with taxes that it much needs.²⁸²

De la Peña may well have been attempting to move Poochigian's offer forward in place of the Puerto Balandra project, as it had stalled and although Poochigian never mentioned Balandra in his letter but rather El Coyote, de la Peña opened his letter to the governor by declaring his patron's interest in building at Balandra. At this point, he called upon the governor to become the agent for change in this matter.

Mr. Governor, you have the great responsibility to lead the Organization that will free us from this 'CHAOS' in which we are trapped, People and Government and of course one must begin by Organizing the Established Interests, to break the *LATIFUNDIO*, assigning the appropriate Land Taxes as they should be assessed upon registered land, as without doubt the Treasury has lost various millions of pesos annually through the lack of payments so illogically and ridiculously established up to this date for those inhospitable *LATIFUNDIOS*.²⁸³

With this salvo, de la Peña set up the remaining page of his letter, mostly a diatribe against landowners impeding development. He argued that the completion of the transpeninsular highway was imperiled by the resistance of *latifundistas* in the north who resisted giving up land for the project, and urged Governor Cervantes del Río to act to break up large landholdings with the assurance that Mexican President Gustavo Díaz Ordaz would support him. James Poochigian set out to enlist David de la Peña as an advocate for his investment interests and an intercessor

²⁸² AGEBCS box 280 folder 1146, April 3, 1967, 3. "Para prueba basta un boton, hay tiene la Empresa PUERTO BALANDRA S.A. formada hace 4 CUATRO AÑOS todabia no empiesa porque no hay facilidades, son Capitales Tambien Norte-Americanos, existe dinero mucho ya se a gastado por el capital, y en cambio tienen los amos de la tierra los *LATIFUNDISTAS* sin arriesgar nada, parada una obra Turistica que en gran parte veneficiaria a la Capital. y al Gobierno con impuestos que mucho los necesita."

²⁸³ AGEBCS box 280 folder 1146, April 3, 1967, 3. "Sr. Gobernador usted tiene la alta responsabilidad de encabezar la Organización que nos saque del 'CAOS' en que estamos metido Pueblo y Gobierno y claro hay que empesar por Organizar a los Intereses Creados, a romper el *LATIFUNDIO*, señalándole los impuestos Catastrales correspondientes a los peritajes de valuación que se registren, ya que sin duda alguna la Tesoreria pierde la fuga de varios millones de pesos anualmente por la falta de pagos tan ilógicos he irrisoriamente establecidos hasta la fecha a esos inospitos Latifundios."

with the government, but instead he uncovered a simmering local vendetta and unleashed a semi-coherent litany of complaints. Poochigian's project at El Coyote and Balandra was never completed, and the failed project stood as an example of how uncertain investment could be.²⁸⁴ The failure of the project also demonstrated that even with the general support of a pro-tourism territorial government, and American financial backers apparently eager to directly invest, large-scale tourism development faced considerable remaining challenges in many forms: officious bureaucrats, venal landowners, and complex political wrangling.²⁸⁵

Still, the desire to build luxury resorts in the countryside near La Paz continued, with developers seeking sites that could offer both isolation and access to the infrastructure of the capital. In 1968, Albert C. Martin and Associates, a major Los Angeles architecture firm, proposed a development it called Hotel Villa La Paz. The designated site for this hotel, the sand spit enclosing the Bay of La Paz, known as *el mogote*, offered interesting possibilities. Firstly, it lay much closer to the city than the site at Balandra, and because it was only separated from the *malecón* by a few hundreds yards of shallow, calm water, guests could be ferried to and from the city with ease. Desirably, this minimal separation still created a sense of isolation, and the spit itself offered a long, semi-private seafront beach on the other side from the bay, complete with natural sand dunes to the west. Access to La Paz' nearby airport would obviate the need for an airstrip, and if necessary, land access could be made by skirting the bay and driving a dirt trail

²⁸⁴ Up to the present date, no resort has been built in that area of the headlands, although Tecolote beach, between Balandra and El Coyote beaches does have a handful of permanent buildings housing cafes to serve the beachgoing public. Tecolote is particularly popular with local residents during the summer and some of these establishments are seasonal. There have been numerous attempts to develop Balandra, the most recent in the early years of the twenty-first century and which was derailed by an intense popular revolt that saw demonstrations, protests and a grass-roots campaign of bumper stickers and social media resistance. Much of the hinterland surrounding the bay and its mangroves is fenced-off, but access to the beach remains open, and no structures have been erected.

²⁸⁵ It bears mention that the motives of the landowners that de la Peña referred to as *latifundistas* are not apparent in the documents, and so to affirm they acted out of venality is to accept at face value his accusation. Likewise, Díaz's actions are not accounted for clearly, and the silence of the governor perhaps indicates more fundamental problems in the project de la Peña attempted to promote. Clearly, gambling was an illegal practice in Baja California Sur, and the opacity of Poochigian's intentions tied to the shrill nature of de la Peña's correspondence may have been the real barriers to that particular project.

along the neck of the sand spit. Left wild and undeveloped as it had been up to this point, *el mogote* seemed the perfect site for the next big hotel project, evidenced in the letter from J. Diego Jimenez-Rueda, Albert C. Martin and Associates' "business director for Hispano America," to Lic. Alfonso Noriega, director of the *Fondo de Garantía del Turismo* (FOGATUR), the national agency committed to funding and supporting large-scale projects, copied to Governor Cervantes del Río, Arturo García Soto, and other interested parties.

This April 15, 1968 letter stood in stark contrast to the previous year's missives from David de la Peña and James Poochigian. First, this was a polished, well-articulated business letter from the U.S. firm, but written in Spanish by a native speaker. It laid out a clear set of goals and steps toward completing the project. By the point Jimenez-Rueda sent the letter, the company had already taken preliminary steps. As he noted, "in July of 1967, with the urging of Ing. Jorge Perez y Bouras and Carlos Gutierrez of *Aeronaves de México*, S.A., the company undertook an economic and financial study for a hotel in La Paz." They contracted a Mexican company from Mexicali, B.C., Habitat S.A., to complete the study, and it is clear in the proposal that Habitat would be responsible for securing financing and holding ownership of the hotel once completed, thus complying with Mexican laws on ownership of coastal property and national partners in major development projects. As a planning, architecture and engineering firm, the principal interest of Martin and Associates was the construction itself. When the study indicated *el mogote* as the prime spot, the firm secured a six-month option on up to 200,000 square meters of land from owners Agustín and Alfonso Olachea Borbón. Beyond that, they presented the project to Governor Cervantes del Río and Lic. García Soto, gaining the officials' approvals and support.²⁸⁶

²⁸⁶ AGEBCS box 280 folder 1146, April 15, 1968, 1. The role of airline executives in proposing the development is worth note, as was the process which appeared to involve the U.S. company very little in the initial stages of the

The key reason for the Jimenez-Rueda letter proved to be a financial dilemma for the companies. Although the first stages of the project had been completed in late 1967, the financing proved to be problematic, with the firms blaming volatile markets. Jimenez-Rueda detailed the terms of their agreement with *Fomento Industrial del Norte*, S.A. (FINSA), based in Mexicali. FINSA outlined a series of requisites, including the purchasing of bonds and a fifteen-year financing plan for the project. The things that gave them pause were the quantity of money involved and the lack of guarantee from a federal entity. Jimenez-Rueda cited the estimated cost of the project at Mex\$17,000,000, or roughly \$1,361,000. To Noriega he wrote:

As you appreciate, the letter of approval from the *Fondo de Garantía del Turismo* (FOGATUR) is an intrinsic condition to our program, it compels us to abuse your kindness to ask you for the urgent consideration of our business because as a result of our having knowledge of limited funds to deduct at the present moment, FINSA is disposed to continue if you consider the project within your programs for the near future and the financing group could invest the capital immediately.²⁸⁷

The tenuousness of Jimenez-Rueda's, Albert C. Martin and Associates' and Habitat S.A.'s positions was palpable in the letter, and by extension the hope that the project might go forward held by Cervantes del Río and García Soto might also be presumed. They must all have been sorely disappointed, for although the archive does not contain the response from FOGATUR, the project did not go forward, and in fact it was not until 1980 that the first hotel on *el mogote*

study. As an aside, the Olacheas who leased the six-month option to the firm for the land on *el mogote* were almost certainly among those David de la Peña cited as *latifundistas* the year before. Agustín and Alfonso Olachea Borbón were twin brothers, sons of the former governor of the territory, and well connected in La Paz society. Finally, the letter mentions at two points that the results of the study are attached as a supplemental document. Because the version held by the state archives is a duplicate delivered to the territorial government, it does not include the study, which by this point was intended for Noriega, at FOGATUR.

²⁸⁷ AGEBCS box 280 folder 1146, April 15, 1968, 2. "Como Ud. puede apreciar la carta del fondo de Garantía del Turismo es condición intrínseca a nuestro programa, ello nos impulsa abusando de su bondad a pedir a Ud. la consideración urgente de nuestro negocio pues a pesar de que tenemos conocimiento de la escasez de fondos para descuento en el momento presente, F.I.N.S.A. está dispuesta a operar si Uds. consideran el proyecto dentro de sus programas en un futuro cercano y grupo financiero puede invertir el capital en forma inmediata." The accents that correspond with several of the words are missing in the document, likely a result of being produced in the United States on an English-language typewriter.

opened for business: the ill-fated Hotel Misiones de La Paz which closed shortly thereafter, the victim of changing hotel demand in the region and of its isolation.²⁸⁸

The Peak of Local Planning and Development at La Paz

Although the massive, luxury-oriented developments of the 1967 and 1968 eluded La Paz, the capital still maintained the lead in number of rooms available and accessibility via forms of mass transportation. And during those years, small projects continued to improve the appeal of the city as a tourist destination. In November of 1966, William Callahan, an American who had married Terese Ruffo of La Paz, applied for final permission and on the twenty-first of the month opened La Posada de La Paz (Figure 11), a small hotel located just beyond the Hotel Los Cocos near the western edge of the city. Starting with nine rooms and three suites, the hotel



Figure 11. Hotel Posada de Engelbert (formerly La Posada de La Paz).

²⁸⁸ Davis 1998, 114. The author of this dissertation remembers the view of the abandoned hotel from across the bay in 1995. Local lore claimed that it briefly was repurposed as a strip club and illicit casino before being damaged by a fire. The ruins were removed with the construction of a massive resort complex in the first decade of the twenty-first century. That newest development is reportedly at risk due to its isolation but more seriously because of irregularities in the government permits which allowed it to be built on the ecologically sensitive sand spit and coastal mangroves.

stood on the beachfront facing the still undeveloped *el mogote*.²⁸⁹ By the end of 1967, La Paz boasted five tourist grade hotels with a total of 177 rooms and thirty-nine suites. Mulegé also claimed five hotels but only sixty-two rooms and eleven suites. San José del Cabo reported two hotels but a respectable forty-nine rooms and a territory-leading forty-two suites. All told, Baja California Sur tallied nineteen hotels with 429 rooms available and ninety-two suites.²⁹⁰ 1967 saw the arrival of the first regular jet service to La Paz by Aeronaves de México, a DC-9 christened the Baja California Sur in honor of the territory and flying the Los Angeles - La Paz - Guadalajara - Mexico City route, and the year also witnessed the running of the first Baja 1000 offroad race, starting in Tijuana and ending in La Paz. Over the fall, winter and spring, for ten months running, the *Princesa Italia* made La Paz a regular port of call for its 450 passengers on each voyage. The Secretary of the Marina constructed the *muelle turístico*, or tourist pier, to serve yachts and pleasure craft, down the *malecón* from the fiscal pier that handled cargo. Finally, in 1968 Bonanza Airlines began DC-9 service from Tucson to La Paz, with its terminus in Puerto Vallarta.²⁹¹ La Paz clearly remained active.

And active may be the best term for the tourism office and its director Ricardo García Soto. A survey conducted by his office during the year covered by the 1967-68 *Informe de Labores* quizzed tourists seasonally on the things that they most sought. In the five categories: atmosphere of rest and fun, beaches, fishing, natural resources and commercial draws, a distinct shift in the objectives of tourists arriving in winter compared to those arriving summer may be discerned. Although fishing remained fairly consistent in appeal to both winter and summer visitors, with 29 percent mentioning it as a draw in the winter, and 27 percent in the summer,

²⁸⁹ AGEBCS box 280 folder 1146, November 17, 1966. Davis 1998, 74. This Hotel Posada de La Paz would eventually become the Posada de Engelbert, the small, traditional hotel that I remember from my first day in La Paz, in contrast to the vacant Hotel Gran Baja.

²⁹⁰ Gobierno del Territorio 1968, 100.

²⁹¹ Gobierno del Territorio 1968, 32–33.

natural resources and commercial draws were each cited by 28 percent of the visitors in the summer (though only 21 percent and 19 percent respectively in the winter). The other appeals, an atmosphere of rest and fun and beaches both ranked far higher than fishing, the traditional reason for tourists to visit La Paz: 41 percent enjoying the atmosphere in winter and 38 percent in summer, 37 percent were drawn to beaches in the winter and a whopping 60 percent sought them in the summer.²⁹² Clearly respondents were permitted to select more than one attraction, but the tourism industry had already shifted in La Paz to accommodate mass sand-and-sun tourists, with sport fishing as a significant but less critical sideline.

As leisure tourism became the dominant form, numbers of visitors could also be seen to rise. On August 2, 1969, García Soto issued a press release outlining the figures for the period from July of 1968 to May of 1969, indicating the shifts in volume and means of transportation by which visitors reached the territory. A total of 137,124 travelers were reported arriving in Baja California Sur during the ten month period, with 101,166 characterized as tourists - the remaining travelers would have included residents, those traveling on business, and *fayuqueros* taking advantage of the free trade zone to purchase merchandise for resale in the interior. Of the tourists, 54,416 or 52 percent arrived on private planes, a still significant means of transport in terms of numbers, but one which had declined in terms of percentage of total tourists. No non-tourist travelers were recorded as arriving on private planes during the period. 29,952 tourists or 29.8 percent of the total arrived by commercial jet service with an airline, while 2,080 or 2.8 percent reached the territory on commercial piston-driven planes. Jets overwhelmingly served tourists over other visitors, as 80 percent of these arrivals listed tourism as their purpose, and only 7,488 other visitors arrived by this means. However, commercial piston-engined service tilted entirely the opposite direction, with 18,720 non-tourism travelers using that means and

²⁹² Gobierno del Territorio 1968, 102.

representing 90 percent of that air traffic. All told, 110,656 arrivals by air were logged in the state, representing 80.9 percent of the total travelers, and 84.6 percent of all tourists. The other major means of mass transportation, the car ferries from the mainland, trailed behind all forms of aviation in terms of numbers. 19,500 travelers arrived by ferry, and precisely half were identified as tourists, but in the larger scheme of transportation, only 9.6 percent of tourists reached Baja California Sur by this mode. Still, they outnumbered the tourists arriving by yacht (2,600 or 2.5 percent of the total), and by automobile (4,368 or 4.3 percent of the total). No non-tourist travelers were reported arriving by either yacht or automobile, even though significantly more traffic along the roads must have been local residents, as anecdotes of driving the length of the peninsula abound with older *paceños*. As residents would not have needed a visa nor to report to the tourism or immigration offices upon entry, it appears that they were not counted when crossing into the territory. Clearly, the arrival of mass tourism is perceptible in the quantities of arrivals by commercial airlines. The jet arrivals by necessity must have arrived in La Paz, with many of the private planes providing access to northern sites of Mulegé and Loreto, in easier reach of the United States, and in the resorts along the Los Barriles - Buenavista corridor and San José. To underline the significance of the increased volume of tourists, García Soto emphasized also the growing profitability of these guests, noting that for the period their spending averaged five hundred pesos per person, per day, with an average duration of four days within the territory. He calculated an economic impact of Mex\$202,332,000 through tourist expenditures in less than one year.²⁹³

Tourism stood as a major industry for the territory by the dawn of the 1970s, and its center remained at La Paz. Infrastructure had been built to substantively improve transportation links, lodging offerings and communications throughout the region, but challenges remained if

²⁹³ AGEBCS box 002.7 folder 1840, Boletín de Prensa August 2, 1969.

this new sector would continue to grow. Some, such as completion of the transpeninsular highway and the need to attract capital for large projects, endured from as early as the dawn of regional tourism and remained challenges. Others arose as agencies, officials and workers adapted to the changing needs of this new economy. When *Aeronaves de México* raised its fares to considerable protest from travelers in the summer of 1969, the office of the governor stepped in to negotiate a reduction from the increased fares on *Aeronaves Alimentadoras*, the newly formed “feeder airline” that *Aeronaves de México* principals formed as small regional carriers to link into their main routes. The resulting “5 or 6 percent” change would have helped maintain traffic on the routes to smaller destinations around the region.²⁹⁴ Another challenge lay in building the culture of hospitality toward tourists that underpinned successfully building the sector. Although surely a minor incident, one particular pair of documents illustrates the lengths to which proponents, namely García Soto, were willing to go to insure that tourists left with positive impressions. In July of 1970, the territory’s Director General of Tourism undertook a mini-crusade against the head of the Customs Office in San José, Mario Huitrón Caballero. In a memo dated July 8, 1970 and directed to Hugo Cervantes del Río, in his final months as governor, García Soto declaimed:

Yesterday, at 6:30 pm, Mr. Mario Huitrón Caballero, chief of Customs in San José del Cabo, making a show of arbitrariness, ordered the opening of tourists’ luggage which arrived on a *Servicios Aéreos* flight at the Cabo San Lucas airport, despite the fact that that luggage had already been checked and in contravention of circular number 102-A-2482 from the Subsecretariat of Revenue of the Secretariat of Finance, which prohibits double revisions.

In past days in the Hotel Cabo San Lucas he seized alcohol from the actor Stewart Granger and a relative of Mr. Lyndon B. Johnson.

It is urgent to put a stop to this individual who is causing us detriment.²⁹⁵

²⁹⁴ AGEBCS box 002.7 folder 1840, Boletín de Prensa August 5, 1969.

²⁹⁵ AGEBCS box 002.7 folder 1840, July 8, 1970. “El Día de ayer a las 18:30 Hrs., el señor Mario Huitrón Caballero, Jefe de Aduana de San José del Cabo, haciendo gala de arbitrariedad ordenó abrir aequipajes de turistas que

Six days later, the senior official in the territory's Tourism office, Dr. Raúl Legaspi, logged an official complaint in Mexico City.²⁹⁶ García Soto and others took seriously the perceptions that guests developed during their stays in Baja California Sur, and as Gustavo Olachea Rojo noted four years earlier, "... in each dissatisfied visitor our country will have an implacable critic."²⁹⁷ The image of a customs agent run amok, seizing alcohol from a celebrity and the relative of a sitting U.S. President seems risible, but the concern that it engendered in García Soto shows the lengths to which he was willing to go to preserve the positive experience of visitors. The legality of the individual's possession of the alcohol never entered into the complaint, which suggests that Huitrón was in fact upholding the regulations of the state by seizing it. Instead, the violation of protocol in conducting a search of luggage arriving on an air taxi, presumably already searched upon arrival in La Paz, generated the concern. Changes in attitudes toward travelers and the rise in government involvement in the regulation of tourist issues paralleled the expansion of infrastructure to meet the region's needs for a robust tourism economy. But perhaps the most decisive regional development toward this end came about in the first years of the 1970s, and promised to transform tourism on the peninsula almost immediately.

One of the long-standing dreams that had both tantalized and frustrated boosters of the region was the completion of a paved highway connecting the northern cities of Tijuana and Ensenada with the southern territorial capital at La Paz and looping down to the tip of the peninsula at Cabo San Lucas. As addressed at other points, sections of this road had been completed on various stretches in the preceding decades, generally linking economically

llegaban en avión de Servicios Aéreos a aeropuerto de Cabo San Lucas, no obstante que ese equipaje ya había sido revisado y contraviniendo en circular NO. 102-A-2482 de la Subsecretaría de Ingresos de la Secretaría de Hacienda que prohíbe dobles revisiones. En días pasados en el hotel Cabo San Lucas quitó licor al actor Stewart Granger y un familiar del señor Lyndon B. Johnson. Urge poner a un alto a este individuo que nos está perjudicando."

²⁹⁶ AGEBCS box 002.7 folder 1840, July 14, 1970.

²⁹⁷ AGEBCS Vol 18 document 18-40, 1966.

important settlements like Santo Domingo to La Paz, or Santa Rosalía to Mulegé, but other segments of the peninsular road remained little more than dirt trails through the late 1960s. Challenging for travel in the best of conditions, these *brechas* became impassible during the episodic storms of the hurricane season at the end of the summer, when dry creek beds ran with flash floods coming out of the upland interior of the peninsula. The points where roads transected the arroyos, known as *vados*, remained impassible for days during particularly heavy storms. Even after the surface water cleared, the sandy bottoms of these usually dry river beds could remain saturated and hazardous to cars. So long as the highway remained unfinished, the southern peninsula would be substantially isolated from the northern state of Baja California, and remain dependent upon the air and water transport links that had developed in the absence of a reliable land route.

From 1967 onward, the territorial government under Hugo Cervantes del Río undertook the completion of a paved highway as crucial to the future of Baja California Sur. Because of the nature of limited gubernatorial terms, and the scale of the undertaking, Cervantes del Río would not preside over the completion of the road, but by this period no alternative remained: all sectors of the economy in the territory would likely stagnate without improved transportation. An indicator of the conditions prior to the Transpeninsular Highway's completion may be glimpsed in the 1971 Sunset Travel Guide to Baja California. The authors contrasted the convenience of other modes of transport to the challenge of the land route, echoing descriptions from travel writers going back to the 1920s, while also continuing the trope of romanticizing the idea of isolation.

It is now easy to reach La Paz and the tropical towns of the Cortez by plane or ferry. But penetrating the primitive interior is an adventure even in a well-equipped vehicle. The network of roads connecting the small settlements and isolated ranches is an obstacle course of rocks, ruts and dusty chuckholes. A few have been 'improved.' Many,

however, are scarcely better (and some are worse) than the original Camino Real hacked through the desert jungle by the early Spanish missionaries. For many people, the absence of asphalt highways has much to do with Baja's appeal. As the naturalist Joseph Wood Krutch wrote, "Baja is a splendid example of what bad roads can do for a country. It must be almost as beautiful as it was when the first white man saw it in 1533."²⁹⁸

No booster of Baja California Sur tourism would have taken such a sanguine view of the condition of the roads. That said, even as the guidebook commented on the ruggedness, it listed the first of the southern peninsula's trailer hookups for visitors' recreational vehicles at the motels El Cardón and El Sombrerito on the road to Santo Domingo and the route north.²⁹⁹

Trailers could not make the journey along the length of the peninsula, but ever since the ferry service from the Sonora and Sinaloa coasts began in 1964, visitors were encouraged to tow recreational trailers down the well-established highways on that side of the Sea of Cortés, and then pay to transport them across to La Paz. That the facilities for trailer hook up were profitable enough to warrant their construction indicated changing conditions and the potential for expansion into this new realm of tourism, should the highway be completed and visitors have the option to drive the peninsula and avoid the added cost and inconvenience of the ferry crossing.

The 1964-1967 *Informe de Labores* in which the Cervantes del Río administration published the results of its first two years in office, as well as the last two years of his predecessor, outlined the patchy but appreciable progress on the roads. Over that period, the *Informe* listed 111.8 km of roadway paved, a further 652.2 km with either the sub-base or base for the paved roadway executed, and another 249.2 km of graded dirt roads completed. In that last category, it bears mention that the government continued to expand the existing road network out to the peripheral areas of the peninsula. In addition, 194.2 km of drainage projects were completed, critical to the long-term durability of the roadways, as they crossed *vados* or

²⁹⁸ Bates 1971, 6.

²⁹⁹ Bates 1971, 68.

moved across mountainous landscapes subject to heavy periodic rains. The total expenditure on roadworks during the nearly three-and-a-half year period from December of 1964 through April of 1967 worked out to Mex\$84,099,194: a considerable sum. The *Informe* further noted that the budgeted sum for roadworks for the remainder of 1967 stood at Mex\$119,034,806, demonstrating an acceleration in the work and the depth of the current administration's commitment to completing the highway.

The public works section of the May 1967 through August 1968 *Informe de Labores* from the Cervantes del Río administration indicated the approach that the government took, of targeting segments of the highway for major work, connecting important sites with each other while contributing to the work of knitting together the length of the territory. During that year, the highway connecting La Paz to San José del Cabo commanded the most attention, with 108.7 km of the full 187 km receiving the installation of sub-base, 166.2 km receiving base, and 210 km paved by August of 1968. This stretch of road itself consumed Mex\$58,897,000, nearly half of the money budgeted at the end of the previous *informe*, but in the current report, the government was able to identify the current state of the road as “finished.”³⁰⁰ A further Mex\$35,049,000 went toward extending the initial drainage works and sub-base on the Puerto Escondido - Loreto - Santa Rosalía leg of the highway, although to that point none of it was paved and only 56.6 km of the 230 km total had received sub-base, and \$15,609,000 went toward reconstruction of a section of the La Paz to Villa Constitución road, all of which was already paved in 1968.³⁰¹ The government reported that by August of that year, a total of 1,533.9 km of roads existed in the territory, with 424.3 km paved, 75.3 km gravel, 175.3 km graded, and 859

³⁰⁰ Gobierno del Territorio de Baja California Sur 1968, 57. The excess of paving beyond the 187 km of the entire route is not explained in the *informe*, but it likely is accounted for in limited sections of four-lane roadway and access roads to towns along the length of the road. The entire length was paved during this period, but earlier work had already laid sub-base and base during the previous reporting period.

³⁰¹ Gobierno del Territorio de Baja California Sur 1968, 58.

km as *brechas*. These figures represented a major advance, although half of the increase in kilometers of paved roads could be attributed to the costly but important La Paz to San José road, along which all eight of the territory's highway bridges were built during the year.³⁰² These represented the ultimate solution to dealing with the *vados*, subject to flash floods and threatening the roadway. One other notable event during the period of this *informe*, which further underscored the challenging conditions of travel on the peninsula, was the running of the inaugural Baja 1,000 off-road race between Tijuana and La Paz.³⁰³ Although little of the race took place on the roads, by design, the genesis of the contest lay in the reputation for difficulty of the route from the border to La Paz for any traveler. The race itself did not contribute to the impulse to complete the highway, but rather it emphasized how isolating the state of ground transport in Baja California could be.

The next *informe*, released in August of 1969, showed a marked decrease in the highway-building funding and attendant results, although the pattern of targeting specific legs of the network remained. The main accomplishment lay in laying the base and paving the entirety of the Villa Constitución to Villa Insurgentes route of 29.5 km, extending a complete, paved highway from San José del Cabo in the south, to Villa Insurgentes in the north, roughly 430 km in length. The newly-completed segment cost a total of Mex\$13,429,000.³⁰⁴ From San José to Cabo San Lucas, 1968-69 brought a 32 km long gravel road at a cost of Mex\$8,000,000, and for the same sum a further 58.3 km beyond Villa Insurgentes toward Puerto Escondido were graded and 29.7 km of that graveled.³⁰⁵ The most expensive of the new roadworks, at Mex\$24,452,000, was a continuation of the foundational work on the Puerto Escondido to Santa Rosalía road, but

³⁰² Gobierno del Territorio de Baja California Sur 1968, 59.

³⁰³ Gobierno del Territorio de Baja California Sur 1968, 33.

³⁰⁴ Gobierno del Territorio de Baja California Sur 1969, 95.

³⁰⁵ Gobierno del Territorio de Baja California Sur 1969, 96.

no paving was completed.³⁰⁶ In the *informe* for September of 1969 through August of 1970, progress on the highway slowed even more. 1967-1968 marked a high point in the Cervantes Del Río years in Baja California Sur and the core sections of the roads surrounding La Paz and the agricultural centers to the north as well as the tourist centers to the south reached completion. However, the link to bring the territory into complete contact with the state of Baja California to the north, and ultimately to the United States, proved illusive. Funding for the projects declined in 1969 and 1970, and the final *informe* from this period included a very perfunctory listing of road works, led by Mex\$10,300,000 spent to continue work on the leg between Villa Insurgentes and Puerto Escondido, including the paving of 50 km (roughly 40 percent of the total length). Mex\$8,515,082.10 went to upgrades and to cover contractually obligated expenses on the La Paz to San José length of highway, and Mex\$2,017,273.40 was spent to build the Boulevard Gral. Agustín Olachea in Villa Constitución. A final Mex\$2,321,440.71 was spent to improve existing roads throughout the territory, including those in the extreme north, but this money did not go to attempting to upgrade them to eventually be paved.³⁰⁷ Instead, it was spent principally for maintenance. The resources and will of the territorial government seemed to be failing.

In 1970, two political developments which contributed to moving the project forward took place, insuring that the advances under the Cervantes del Río administration would not go to waste. The first occurred when PRI candidate for the presidency, Luís Echeverría, visited the territory during his campaign. As noted above in discussing the aftermath of 1968, Echeverría took a more conciliatory public position than Díaz Ordaz, despite his role in the crackdowns on student protests. He further sought to relieve pressures on Mexico City by promoting projects that invested in development and shifted industry outward from the central core of the nation, a

³⁰⁶ Gobierno del Territorio de Baja California Sur 1969, 95.

³⁰⁷ Gobierno del Territorio de Baja California Sur 1970, 91, 92.

position espoused by the technocrats in the federal government.³⁰⁸ Where industry proved unlikely to grow, technocrats increasingly called for substitution efforts such as in the tourism sector, and it was in light of this that Echeverría took up the cause of the highway. During his visit to Baja California Sur, Echeverría promised the people of the state the full support of the federal government in completing the highway, stating that the next time he set foot in Baja Sur, they would have a highway connecting the southern cape to the northern state of Baja California. To be sure, this promise was made easier by the substantial advances already made on the project under the outgoing administrations, both local and national, and with the electoral track record of the PRI leading up to 1970, Echeverría should have been in little doubt that he would win the election. Still, the promise of the heir apparent to the presidency carried weight with the populace of the peninsula, and one of his early actions after the electoral victory must have further satisfied them. At the end of 1970, in replacing Hugo Cervantes del Río as the governor of the territory, now President Echeverría named Félix Agramont Cota. Agramont Cota held particular distinction because he was the first native of the territory to rise to govern it through civilian, and not military channels, as had Juan Domínguez Cota from 1932-1938 and Agustín Olachea from 1946-56. The appointment of a favorite son from Todos Santos, to the south of La Paz, demonstrated an interest in placing a leader with particular local knowledge and a technocratic bent into the position of authority: Agramont Cota's education as an agricultural engineer had led him to a role in PRONASE, *Productora Nacional de Semillas*.³⁰⁹ Outgoing governor Cervantes del Río left La Paz in the late fall of 1970 to take the role of *Secretario de la Presidencia*, a position in Echeverría's administration with influence over planning and budgeting of major development works, a position he held for the next five years. The project of

³⁰⁸ Cothran 1994, 217.

³⁰⁹ Medina 2013. The acronym PRONASE in English represented the National Seed Producer, a government agency in the agriculture sector.

building a transpeninsular highway finally had strong allies in positions to give it significant support.

From 1970 to 1973, the level of federal investment in Baja California Sur spiked to a total of Mex\$1,558,400,000, compared to approximately Mex\$800,000,000 during the 1964 to 1970 *sexenio*. Of the more than Mex\$1.5 billion total, Mex\$1.227 billion or 81.8 percent of federal money went to transportation and communication projects, of which the highway was the most prominent and costly. The government dedicated the remaining funds primarily to education, water and social services.³¹⁰ This frenzy of development accelerated the construction, and the Territory of Baja California Sur appeared to its residents to be entering a new phase of modernization and linkage to the rest of the peninsula and to the United States. The road artery held the potential to further reorient the territory toward its nearest international neighbor. Since the establishment of the first hotels directed toward U.S. tourists in the 1940s and 1950s, this most rapidly expanding sector of the economy shifted to better accommodate U.S. visitors' tastes and desires. The vast majority of air links extended roughly north-south, on an axis that initially placed La Paz as a stopover between Los Angeles and Mexico City. Increasingly, over the 1950s and 1960s, La Paz developed air connections in its own right to Los Angeles, Tucson, Phoenix and San Francisco. Although air transportation might bring visitors, it could not efficiently supply the peninsula with the produce and material goods that its growing population and economy now required, and so after 1964 the ferry connections with Sinaloa and Sonora met those needs. That oriented Baja California Sur's non-tourist sectors toward the mainland, across the Sea of Cortés, and meant that much of the tourist sector relied upon those links to provide supplies for their continuance. The highway largely reversed that orientation over the ensuing decade (Figure 12), as a steady flow of goods trucked down the peninsula supplanted much of

³¹⁰ Romero Balcazar 1975, 61.

the influx of products on the periodic ferry service. Soon, grocery stores carried U.S. brands and products alongside Mexican national brands, and Baja California Sur no longer could be compared to an island, cut off from both central Mexico and northern areas.

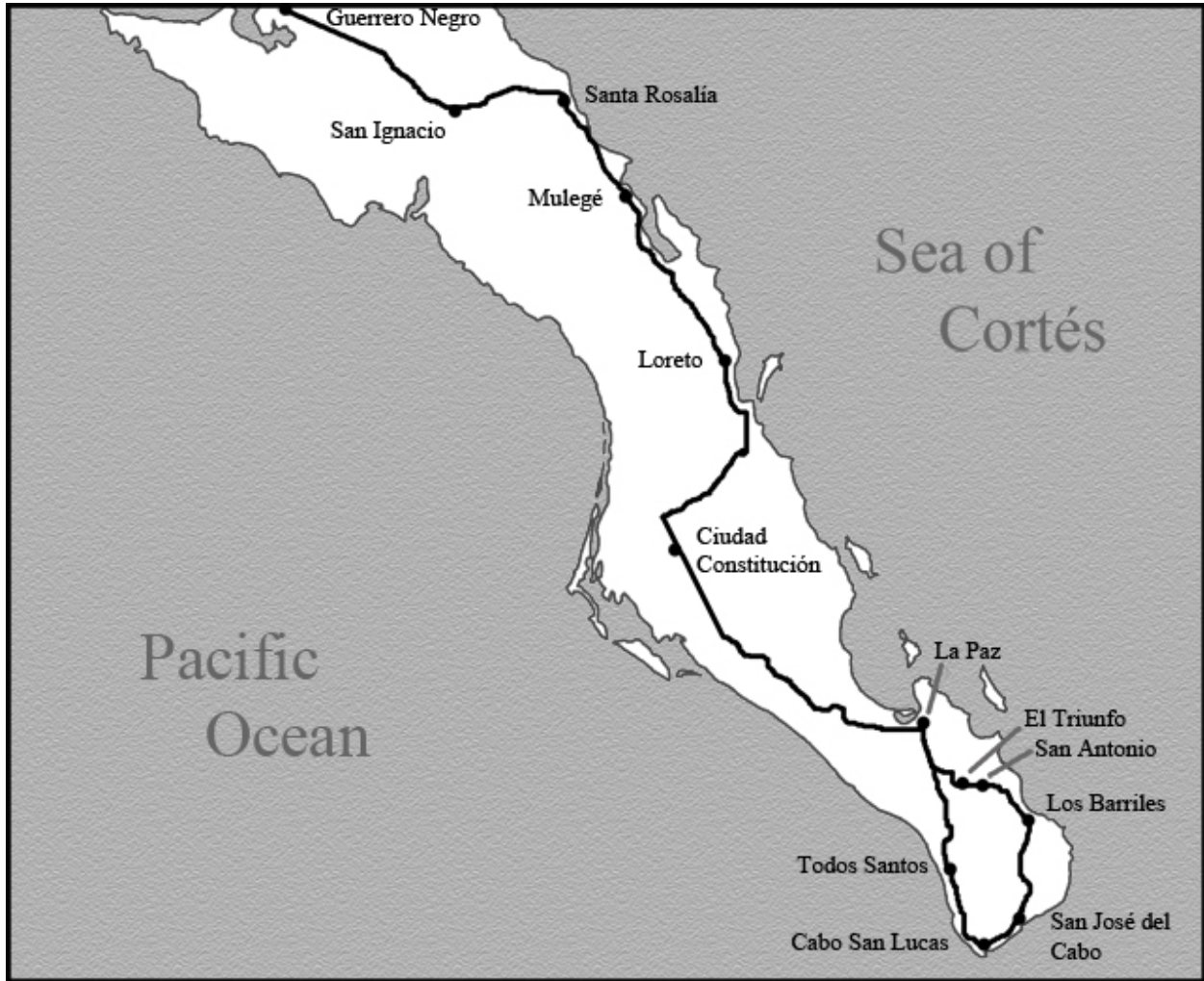


Figure 12. The transpeninsular highway (Adapted from Baja Almanac Publishers 2003).

Completion of the transpeninsular highway in 1973 marked the culmination of a process begun decades earlier and dreamed about since the 1920s. Almost immediately, the nature of transportation and tourism on the peninsula changed.³¹¹ With the December 1, 1973, ceremony

³¹¹ A clear example of this change lies in the numbers of motor vehicles in Baja California Sur. In 1965, a total of 4,483 cars were registered in the territory, with 3,841 in private ownership and the remainder belonging to the

inaugurating the highway, attended by Mexican President Luis Echeverría and territorial governor Félix Agramont Cota and celebrated at the 28th parallel border between the state of Baja California (Norte) and the territory of Baja California Sur, the southern peninsula enjoyed a coming out party of sorts. That boundary line had, since the two political entities had been split in 1931 and especially since the elevation of the northern region to statehood in 1952, signified the isolation of the southern territory. The highway now completed, the government authorized the erection of a monument to mark the boundary and celebrate the land connection of Baja California Sur to the rest of the republic: a 130 foot tall statue of a stylized eagle, on the parallel and just outside the town of Guerrero Negro, the northernmost settlement of the territory. Following the official opening, 1974 held great promise for expanded tourism and continued growth for the territory, and the boosters on the peninsula could finally count what had historically been their greatest wish achieved, even as a new force in tourism promotion began to act on the region and to radically reshape the contours of Baja California Sur tourism in a way that would challenge the complex centered at La Paz.

National Planning and the Establishment of Integrally Planned Tourism Centers

As the nation prepared for the 1968 Olympics, the potential for scaling up tourism grew apparent to the technocratic elements in the government involved in the planning and execution of the games. The Olympics themselves temporarily reversed a trend which had grown through the late 1950s and into the 1960s, in which the emphasis within Mexican tourism shifted away

government or available for hire. In 1970, the figures stood at 5,016 overall, with 4,558 registered to individuals: a modest increase, although it must be noted that year-to-year figures fluctuated considerably. Cargo truck figures closely paralleled those of cars, with 5,231 registered in 1970. The 1975 figures, after the opening of the paved highway the length of the peninsula showed a marked increase in local ownership of motor vehicles, with 13,362 cars and 10,773 trucks registered in the state, the vast majority owned by individuals. Tourist cars would not have factored in these figures, as they were not registered in Baja California Sur, and so it is clear that the opening of a reliable land link to the north transformed transportation for residents, too. Centro Estatal de Información, “*Estadísticas Históricas 1956-1975*,” 2002, 112,113 Cuadro III.44.

from Mexico City, with its cultural and cosmopolitan attractions, and toward the Pacific coast sand-and-sun centers like Acapulco, Puerto Vallarta and Mazatlán. Prior to the 1950s, much of U.S. tourism to Mexico found its way to the national capital and the colonial cities of the traditional center: Puebla, Cuernavaca, and San Miguel de Allende, among others.³¹² La Paz and the rest of Baja California Sur tourism of course fit in with the sand-and-sun category. By the Olympic year, the thrust of tourism lay solidly along the western coastline, but was temporarily diverted back to the interior.

With the disruption in trends caused by the Olympics and the massive preparations that supported the hundreds of thousands of tourists it attracted, the technocrats learned that the demand could be shaped by the tourism offering. In effect, it could be possible to manufacture a destination that would attract tourists on a large scale, provided it appealed to the visitors. The Olympic games achieved this through its nature as a global event of high profile and relative infrequency, being held in Mexico for the first time. By the nature of the games, the attraction was also short-lived and the bulk of tourist traffic in Mexico very quickly reverted to the Pacific coast sand-and-sun resorts. The challenge became manufacturing a tourist destination that could generate demand for its unique tourist offering, but do so over the long term while providing an alternative to the established Pacific coast sites. From this point on, the Mexican government would embark upon a new course in promoting tourism, organized in parallel to the existing, organically developed destinations like Acapulco, Puerto Vallarta, Mazatlán, and on a smaller scale, La Paz. The Secretariat of Tourism noted this departure in its 1982 publication on the development of San José del Cabo:

It was in the latter years of the 1960s when the federal government began the creation of the integral tourist centers, based on a new concept in which tourism became fixed as a

³¹² Dina Berger addresses tourism specific to cosmopolitan Mexico City in *The Development of Mexico's Tourism Industry: Pyramids by Day, Martinis by Night*, Palgrave Macmillan Press, 2006.

strategic activity in the national socioeconomic development, canceling out the generally preceding interpretation which considered it [tourism] as insignificant, superficial, or sumptuary.³¹³

The technocratic bent of Mexican economic programs following 1968 fit this new model for tourism development, and the same processes which benefitted Baja California Sur by freeing up investment in the transpeninsular highway, the goals of substituting growth in tourism for reliance exclusively on industry and of improving development in peripheral areas, led to the ideal of the new tourist areas. The *centros integralmente planeados* (CIPs), or integrally planned tourist centers, frequently called *polos planificados de desarrollo turístico* or tourist poles, offered the means to both expand tourism offerings, and to bring economic development to areas lagging behind the rest of the nation. The ideal site for a CIP would be on a coastline which could provide appealing beaches and reliably warm, sunny weather but where relatively few other economically productive activities existed, and the local populations remained small. Because these sites would be designed and managed from concept, through construction and into operation, they could not be built in areas with high land values or large existing populations which would need to be relocated.

In 1969, the search was on to identify promising sites for these new federally-planned tourism megaprojects, and the government took the first step toward building the tools to complete them: the foundation of the *Fondo de Promoción de Infraestructura Turística* (INFRATUR).³¹⁴ Whereas FOGATUR (*Fondo de Garantía y Fomento del Turismo*) worked to secure support for projects on the scale of hotels, marinas and urban works within existing resort

³¹³ Secretaría de Turismo 1982, 95. “Es al finales de los años sesentas cuando el Gobierno Federal inicia la creación de centros turísticos integrales, con base en una nueva concepción en la que el Turismo se inscribe como una actividad estratégica en el desarrollo socioeconómico nacional, cancelando la interpretación hasta el momento generalizada de considerarla como intrascendente, superficial o suntuaria.

³¹⁴ Fund for the Promotion of Tourist Infrastructure, the agency’s name was not an acronym but a contraction of the key terms describing its purpose: infrastructure and tourism.

areas since its founding in 1956, and the Department of Tourism from its creation in 1959 worked to coordinate the sector across the country, INFRATUR was established to function on a different scale. The new agency brought together officers from the *Secretaría de Hacienda*, the Mexican equivalent of the Secretary of the Treasury in the U.S., and the *Banco de México*, the national bank, which also functioned as analogue to the Federal Reserve. The resources at the disposal of INFRATUR gave it the capacity to initiate massive works in urban planning, from building the power, water, sanitation and transport underpinnings of new cities, to funding construction of hotels and extending financing to corporations as they moved to take part in the CIPs. The goal of the technocrats was to lay the foundations of the megaprojects and support them up to the point that private enterprise could take charge of the new tourist resort complexes.

INFRATUR's first step in developing the tourist poles was to identify locations for the government's major investment in ordering and rationalizing tourism. Rather than relying upon word of mouth, influential citizens, or past tourist destinations which had grown organically over the decades, they sought to apply scientific methods and new technology to selecting the sites for CIPs. The agency rented time on a mainframe computer in the United States, programming in data ranging from days of sunshine around the coast and average temperatures, to historical paths of hurricanes. Those results were cross-referenced with reports from visits to reportedly hundreds of sites, characterizing the quality of beaches, swimming, and fishing, as well as natural beauty and inconveniences such as numbers of mosquitos. Once the computer data and subjective reports were combined, a list of the top twenty-five sites was examined with an eye to the economic need for development in each area, and the access to necessary resources ranging from water to labor.³¹⁵

³¹⁵ Robert Dunphy, in his March 5, 1972, New York Times article "Why the computer chose Cancun" describes the process in more detail and observes the physical site as construction began.

The first test of the new model took place on the Caribbean coast of Mexico at the sleepy fishing village of Cancún, the site that rose to the top of the final list of five rationally selected projects. Up to this point, none of the major resort areas in Mexico lay on the eastern coastline of the republic, despite the fact that Caribbean destinations in places like Cuba and the Bahamas had long attracted U.S. tourists. Gulf coast sites such as Veracruz and Tampico held little interest to sand-and-sun tourists because they were working commercial ports, and limited land access to the Yucatán peninsula had long rendered it isolated from the rest of the republic. Similar to Baja California Sur, Yucatán suffered in the early twentieth century from the collapse of its primary sector, in this case with the decline in the market for henequen fiber. Cancún in 1970 was little more than a cluster of fishermen's shacks, down the coast from a town of ninety residents. By the following year, INFRATUR had taken over government land on the island, and purchased the sections that were in private hands, to limit land speculation and better control the project.³¹⁶

Once the site was set and land acquired, work on the Cancún CIP began in earnest in 1971 with additional support from the International Development Bank (IDB) in working to encourage investors to finance and construct hotels.³¹⁷ New York Times journalist Robert Dunphy described the work on the coast as resembling a Hollywood film crew filming a recreation of D-Day: a hive of activity and heavy equipment. Ultimately, the tourism-oriented agencies of the Mexican government undertook building the first hotels before selling them on to private sector interests, as the risks of investing massively in the untried, manufactured resort failed to inspire early investors. Michael Clancy, in *Exporting Paradise*, cited an interview in which a SECTUR official stated “...not one hotel chain wanted to operate a hotel in a place

³¹⁶ Dunphy 1972.

³¹⁷ Avilés 1993, 55.

where there was nothing.³¹⁸ The first hotel projects in most of the CIP developments were the state-managed Presidente chain hotels, followed by projects either initiated by FOGATUR and sold during construction, or backed by FOGATUR through preferential credit terms offered to private investors. FOGATUR's successor agency, FONATUR, continued these policies through the 1980s, indicating the degree of Mexican technocratic government's support for expanding the tourist offerings as part of the export push that Clancy described.³¹⁹ Opening in 1972, Cancún showed signs of success by 1974, and INFRATUR turned to the next of the four remaining sites it had designated for CIP megaprojects: Ixtapa, Guerrero. While meeting the requirements for a tourist pole — of appealing beaches, fine weather, little population, and location in a region of general economic underdevelopment — Ixtapa nonetheless represented a departure from Cancún in that it was located within 150 miles of Acapulco and in the same state. Indeed, the remaining CIPs identified in the initial INFRATUR plan differed in significant ways from Cancún. The Bahías de Huatulco, on the Oaxaca coast, not only had no significant history of tourism in the region, with the exception of the colonial state capital far inland, but their location at virtually the southernmost point in Mexico meant they would offer the least appealing compromises in terms of transportation for U.S. tourists. The development of Huatulco would lag well into the 1970s and early 1980s, with the scope of the project ultimately curtailed, especially in comparison to Cancún. The final sites, Los Cabos and Loreto in Baja California Sur, departed from the pattern in that they already hosted modest tourism developments, and flanked the established complex at La Paz.

The success of Cancún drove the expansion of INFRATUR's work, and it appeared to justify the technocrats' faith in investing in tourism as a vital sector to Mexico's economic

³¹⁸ Clancy 2001, 62.

³¹⁹ Clancy 2001, 63.

growth. In the Olympic year, setting a new high for visitors at 250,000 more than the previous year, Mexico recorded the arrival of 1,879,000 tourists spending a total of \$337,260,000, an average of \$179 each during their stays. For 1969, 2,065,000 tourists entered the country, with a direct economic impact of \$372,637,000 and an average of \$180 each. Each subsequent year witnessed growth in the sector, with 1974 figures totaling 3,362,000 tourists and \$841,799,000 and an average \$250 per capita expenditure.³²⁰

Table 4. Number of tourists nationally and economic impacts, 1968-1976

Year	Number of Tourists	Total Tourist Spending in U.S. Dollars	Daily Average Spending in U.S. Dollars
1968	1,879,000	\$337,260,000	...
1969	2,065,000	\$372,637,000	...
1970	2,250,000	\$415,035,000	\$15
1971	2,509,000	\$460,953,000	\$15.47
1972	2,915,000	\$562,712,000	\$18.45
1973	3,226,000	\$724,140,000	\$20.34
1974	3,362,000	\$841,799,000	\$23.03
1975	3,218,000	\$800,155,000	\$23.43
1976	3,107,000	\$835,597,000	\$23.78

Source: INEGI 1999, 748 Cuadro 18.17.

Note: Daily average spending was not calculated for 1968 and 1969.

Government investment in the sector increased over the period, as well. 1971 marked the first year that the federal budget identified *Comercio y Turismo*, commerce and tourism, as a

³²⁰ INEGI 1999, 748 Cuadro 18.17. Numbers of visitors declined in both 1975 and 1976, before rebounding in 1977 and passing the 1974 figure in 1978. By 1979, the number of tourists reached 4,134,000.

separate category. For that year, Mex\$56 million were dedicated to the sector, compared to Mex\$307 million on administration and defense, Mex\$4.854 billion on social programs, and Mex\$9.328 billion for industrial development out of a total budget of Mex\$22.398. In terms of percentages, tourism represented 0.2 percent, administration and defense 1.3 percent, social programs 21.6 percent and industrial development 41.6 percent of the budget for the year. By 1976, the federal budget had risen to Mex\$108.611 billion, and commerce and tourism spending grew to Mex\$2.354 billion, or 2.1 percent of the total expenditures, a ten-fold increase from five years earlier. That year, industrial development consumed 46 percent of the budget, social programs 14.5 percent, and administration and defense 4.2 percent, the first and last growing over their 1971 figures, and while social programs saw increases in funding, they shrank in terms of percentage of total expenditures.³²¹

Tourism became the most rapidly growing sector of the economy in the 1970s, and while old order resort areas like Acapulco, Puerto Vallarta and La Paz remained active and profitable, INFRATUR's policy of developing the CIP in Cancún and promoting the expansion of the megaprojects to the west coast inspired increasing federal investment. With the designation of tourism poles at Los Cabos and Loreto, INFRATUR's plans positioned Baja California Sur on the brink of significant change and the dramatic expansion of its tourism offering, but portended problems for the establishments around La Paz.

Continued Local Development in La Paz, the Southern Cape, and Loreto

During the early 1970s, as INFRATUR focused on Cancún and the territory funneled federal investment into the completion of the transpeninsular highway, entrepreneurs continued to expand the hotel offering in Baja California Sur. The most noteworthy of these projects in

³²¹ INEGI 1999, 617,618 Cuadro 16.3.

1970 and 1971 rose in Cabo San Lucas and promised to open the far south to the mass tourism that La Paz had long monopolized in the region. The Hotel Mar de Cortés, opening in July of 1970, at the beginning of the marlin fishing season, was located not on an isolated stretch of beach necessitating a private airstrip, but at the center of the small fishing town. According to Estela Davis, the hotel grew to offer seventy-two rooms under the management of Simón Yee, although it opened with thirty. The Mar de Cortés bucked the trend of resorts in the area by offering more luxurious, less rustic accommodations at a relatively high price.³²² At its opening it qualified as a three star hotel but with the impending boom in hotel construction in Los Cabos, its appeal to visitors quickly declined in the face of even more luxurious competition which took the same model and extended it even further. By the publication of Tom Miller and Elmar Baxter's *The Baja Book*, in 1977, the hotel commanded the lowest rates in the San José - San Lucas corridor at \$12 per night for a single with breakfast: rates that would have placed it in the middle of the pack in La Paz.³²³ Comparable rooms in other Los Cabos hotels ranged from \$40-\$60, according to the Bates' *Sunset Travel Guide to Baja California*. That guidebook made it clear that in 1971, the southernmost region still attracted the well-heeled, and the Bates' anticipated that most visitors to the territory would go to La Paz. Nonetheless, they noted that in 1970, construction began on two new hotels in Cabo San Lucas: the Finisterra and the Bajo Colorado. Although the tip of the peninsula would remain the site of more exclusive resorts for decades to come, by 1970 the highway project finally had the momentum necessary to reach its conclusion, and Cabo San Lucas stood to be the end of the one-thousand-mile route from the U.S. border. Access to private planes or expensive air taxis would no longer limit the clientele to

³²² Davis 1998, 82.

³²³ Miller 1977, 160.

reach the south cape, and with the Hotel Mar de Cortés, the democratization of tourism extended to the Cabos.

Perhaps the most emblematic hotel of Cabo San Lucas, the Finisterra, opened its doors in 1971, the result of a joint company featuring serial hotel entrepreneurs Ramón Luis Bulnes Molleda and Luis Cóppola Bonillas, among others. The Hotel Finisterra straddled the base of the headland at lands end, the rock formation culminating in the trademark natural rock arch, symbolically separating the Pacific Ocean from the Sea of Cortés. The fifty-six rooms, later joined by thirty-eight suites, indicated that the momentum of development funded by private entrepreneurs had definitively shifted from San José to San Lucas.³²⁴ The construction of the Hotel Solmar by Bulnes, opening in February of 1974, further cemented that shift, even as federal money promised to soon bring San José del Cabo back onto the scene. The Solmar, tucked along the Pacific, within sight of the Finisterra but separated from San Lucas by an extension of the rocky headland, was the last major project in Los Cabos to predate the arrival of federal technocratic management of tourism in the soon-to begin CIP.³²⁵

Elsewhere in Baja California Sur, hotel development continued apace. In Loreto, September of 1970 saw the opening of the Hotel Misión Loreto on the *malecón*, boasting sixty rooms and accommodations suited to mass tourism, rather than the fly-in sportsmen of the past decades.³²⁶ It was joined in 1972 by the Hotel Playas de Loreto with twenty rooms and, over the following two years, by several smaller, family-managed hotels catering to the growing highway traffic in tourists from the north, including the Hotel Fray Junípero Serra (1972) and Hotel San Martín (1973).³²⁷ The completion of the transpeninsular highway brought the tourism economy

³²⁴ Davis 1998, 82.

³²⁵ Davis 1998, 90.

³²⁶ Davis 1998, 82.

³²⁷ Davis 1998, 84–85, 89.

to all settlements of moderate size along the route. In Guerrero Negro, at the far north extreme of the territory, the Hotel Presidente Paralelo 28 (1973) and Motel Dunas (1974) served travelers and businessmen associated with the developing salt works. Further south, the Hotel Posada San Ignacio (1972) established by Oscar Fisher Sandoval and the Presidente San Ignacio (1973) both attended to visitors to the eponymous oasis town, and Santa Rosalía's Hotel del Real (1973), Hotel El Morro, Casa de Huéspedes Olvera and Hotel San Victor (all 1974) joined the established Hotel Central in serving travelers arriving by road and ferry. Mulegé saw the opening of the Hotel Terrazas as an alternative to the fly-in fishing resorts, and agricultural town Ciudad Constitución welcomed the Hotel Conchita (1970) and Hotel Reforma (1972).³²⁸ None of these establishments served to draw tourists specifically to them as resorts, in the way that hotels of La Paz, Loreto, Mulegé and San José had typically done in the past. Instead, they offered stopovers on the route down the peninsula, perhaps drawing in visitors for a few days, otherwise offering a night's lodging and amenities ranging from basic to luxurious. The range of offerings may be observed in the options available at San Ignacio, an oasis town at the southern edge of the Vizcaíno desert. This village remained largely isolated until the construction of the highway, but once the artery was completed, its location as the second northernmost town after Guerrero Negro and the pleasant setting with reservoir, date palms and an exceptional colonial mission church made it an appealing stopping point. Located on the entry road, before reaching the town, the Hotel Presidente San Ignacio offered the consistency of amenities found throughout the chain of Presidente hotels, a restaurant and ease of access to and from the highway. The Hotel Posada San Ignacio typified small family-run hotels in the region, was located within the town, with six rooms adjacent to the family home and offered simpler amenities. However, the owner, Oscar Fisher Sandoval, also offered guide service to visitors interested in the nearby pre-

³²⁸ Davis 1998, 82, 85–86, 88–89.

historic rock paintings and the *Laguna San Ignacio* on the Pacific coast, where gray whales congregate every year to winter and deliver their calves. Such hoteliers along the length of the peninsula provided a link between place and traveler, challenging the growing placelessness of the Presidente hotels and their like.³²⁹

From 1970 to 1974, Baja California Sur underwent dramatic demographic, economic and political shifts. The decennial census of 1970 placed the population of the territory at 128,019, and by 1974, the total population of Baja California Sur was estimated at 161,123, an increase of 25.8 percent over an extremely short timeframe.³³⁰ INEGI estimates for 1975 and 1976 added an additional 10,000 inhabitants for each year.³³¹ Tourism was the engine for that growth, and the increase in jobs in this sector drew workers into the region, reversing an outflow that predated tourism. From 1950-1960, migration patterns accounted for a net loss of 2,052 residents of the southern peninsula. Between 1960 and 1970, the improving local economy contributed to a net gain of 15,900 inhabitants, to be added to the natural increase of the resident population.³³² Through the 1970 census, the bulk of the growth centered on La Paz. From 1950 to 1970, the population of the *municipio* encompassing San José and Cabo San Lucas grew incrementally, starting at 7,145 in 1950, expanding to 7,518 in 1960 and 9,497 in 1970.³³³ By contrast, the city of La Paz itself grew its population from 13,000 in 1950 (21 percent of the territorial population) to 24,000 in 1960 (29 percent of the total) and reaching 46,000 in 1970 (35.9 percent of the inhabitants of Baja California Sur), demonstrating the concurrent process of urbanization that accompanied growth in the tourist sector.

³²⁹ This comparison is based on the experiences of the author, who has lodged in San Ignacio on two occasions and whose host father is a son of Oscar Fisher Sandoval.

³³⁰ Romero Balcazar 1975, 57. Romero made the estimate on the basis of the 1970 census numbers and the most recent rate of population growth, especially influenced by the influx of residents from other areas of Mexico.

³³¹ Centro Estatal de Información, “*Estadísticas Históricas 1956-1975*,” 2002, 10 Cuadro II.2.

³³² Centro Estatal de Información, “*Estadísticas Históricas 1956-1975*,” 2002, 51 Cuadro II.36.

³³³ Centro Estatal de Información, “*Estadísticas Históricas 1956-1975*,” 2002, 11 Cuadro II.3.

Further evidence of the growth of tourism and its focus on La Paz may be seen in the numbers of rooms available and the patterns of lodging practiced by visitors. According to INEGI, Baja California Sur offered a total of 267 rooms across nine establishments in 1962, compared to 787 rooms across forty-one establishments in 1971. The offering spiked with the wave of new hotels and motels opening with the completion of the highway, and in 1975 a total of ninety establishments, including sixty-six hotels, provided a staggering 1,686 rooms down the length of the southern half of the peninsula.³³⁴ Such expansion was matched by the rapid growth in visitors, with 110,613 arriving in Baja Sur in 1970, 147,643 in 1971, 200,868 in 1972, and 259,004 in 1973.³³⁵ After 1971, the territory consistently hosted more tourists per year than resided in its settlements. Most availed themselves of the lodgings, and again, La Paz benefitted extensively. In 1973, 226,308 of the 259,004 total visitors made use of paid lodgings during their time in Baja California Sur, the remainder likely *fayuqueros* from the interior of the country, arriving in La Paz to purchase duty free goods and return home, or foreign visitors traveling with recreational vehicles or tents. Of those in paid accommodations, 128,483 (56.7 percent) spent their visit in the area between San Antonio and Ciudad Constitución, in which La Paz was the only city of note - the resort areas of the east and south capes, from Buenavista around to Cabo San Lucas and including the majority of the traditional sport fishing fly-in destinations were outside of this region. Those tonier areas accounted for 44,750 tourists (19.8 percent of the whole), while the northern reaches including Loreto and Mulegé received 53,075 (23.4 percent).³³⁶ Although La Paz retained the bulk of the tourism business in 1973, two

³³⁴ Centro Estatal de Información, “*Estadísticas Históricas 1956-1975*,” 2002, 90,91 Cuadro III.31.

³³⁵ Romero Balcazar 1975, 92.

³³⁶ Romero Balcazar 1975, 93. The free trade zone allowed Mexican citizens to purchase up to Mex\$625 in goods before paying duties, drawing individuals and retailers on flights or ferry crossings for quick visits to La Paz. According to <http://measuringworth.com/m/datasets/exchangeglobal/>, the average exchange rate in 1973 meant Mex\$625 equated to \$50.

statistics showed that Los Cabos remained positioned well, strategically. Total revenues associated with the tourism sector in Baja California Sur during 1973 reached Mex\$486 million, with Mex\$269.7 million generated in the La Paz region and only Mex\$120.9 million in the far south. In this measure, the north brought in a considerably reduced Mex\$95.4 million, meaning that although it received 8,325 more tourists than the area centered on San José and San Lucas, it generated Mex\$25.5 million less in revenue. The key statistic here is that visitors to the southern zone each spent a three day average of Mex\$950, compared to a Mex\$600 average in the northern zone. La Paz generated over half of the overall revenue, but also hosted more than half of the total number of visitors, placing its average at Mex\$700 average over a three-day period.³³⁷ Los Cabos not only retained its edge in relative profitability, based on the premium rates commanded in its hotels, but that advantage was not diminished as the volume of traffic to La Paz increased. The other measure that boded well for Los Cabos was the ratio of foreign to domestic visitors, as foreign tourists tended to spend more on their visits and they represented the target for the technocrats' policy of substitution for industry and economic growth. In La Paz and the tourism complex that immediately surrounded it, the 1973 figures showed that 69.2 percent of visitors were Mexican nationals, while 30.8 percent were foreign visitors, mostly from the United States. To the north, the pattern switched, with 58.7 percent of visitors hailing from abroad and 41.3 percent domestic. Along the resorts of the southernmost zone, centered on the Buenavista to Cabo San Lucas tourism complex, foreign tourists accounted for 70.3 percent of the visitors, and Mexican citizens only 29.7 percent, almost precisely the reverse of the makeup in La Paz.³³⁸ In 1974, Mike McMahan described La Paz as the hub of commercial air traffic and ferry service in the region in *There it is: Baja!*, a guide and distillation of the author's twenty-

³³⁷ Romero Balcazar 1975, 95.

³³⁸ Romero Balcazar 1975, 93.

plus years of traveling the peninsula.³³⁹ Estela Davis observed that for 1972, La Paz stood in eighth position for the entire nation in terms of aircraft landings with 2,231 flights and an average of 6.1 per day.³⁴⁰ So long as the key transportation links entered the territory through La Paz, it stood to maintain its primacy by virtue of the volume of its tourism, not on the basis of its profitability relative to per-capita tourist revenue. Loss of that advantage could prove disastrous for the capital's tourism complex.

Two developments in the early 1970s seemed to indicate that La Paz was losing its hold on transportation, although ultimately they proved not to be decisive: the establishment of an international airport at Loreto, and of ferry service between Cabo San Lucas and Puerto Vallarta. Although Los Cabos had already been designated a future CIP by INFRATUR, little development underwritten by the federal government took place to this point. The construction of the ferry terminal at Cabo San Lucas indicated changes on the horizon, and offered the first mass transit link connecting Los Cabos to a site beyond the region, bypassing La Paz. In 1972, the ferry *Puerto Vallarta* began traversing the waters between the established resort city and the emergent area on the peninsula. It would continue for the next fourteen years before the ferry service was canceled due to low volume of travelers and expense.³⁴¹ This failure comes as no surprise when compared to the more successful service entering La Paz. There, ferries arrived from Topolobampo and Mazatlán, both on the Sinaloa coast and far to the north of Puerto Vallarta, Jalisco. Higher volumes of U.S. car traffic made its way to the Sinaloa cities, and took advantage of the ferries to cut across to Baja California. By comparison, Puerto Vallarta lay a further 270 miles by road to the south of Mazatlán and the majority of its road traffic approached from the urban center of Guadalajara, not the U.S. border. Apart from arguably better fishing,

³³⁹ McMahan 1974.

³⁴⁰ Davis 1998, 85.

³⁴¹ Davis 1998, 86.

Cabo San Lucas offered little to entice visitors to Vallarta away for an expensive, time-consuming ride by boat, and the nature of mass tourism increasingly toward sand-and-sun visitors meant the ferry service languished. The other development, the opening of an international airport in Loreto also seemed to indicate a challenge to the primacy of La Paz, but likewise proved no immediate threat. In the earlier days of Baja California Sur tourism, Loreto had been favored by tourists arriving in small private planes from the border, or air taxis from La Paz. Still, the relatively small scale of tourism and limited number of accommodations meant that direct flights bypassing La Paz had no great effect. In the same year that the airport opened at Loreto, a new airport three years in the making opened in La Paz. The Manuel Márquez de Leon International Airport on the outskirts of the capital city replaced the cramped airport that the city now grew to envelop, and offered a two thousand five hundred meter-long main runway, capable of handling any plane operating in the region. The new, modern airport in La Paz dwarfed the new airport at Loreto, both in terms of the construction and the volume of travelers it could process. And at a total cost of Mex\$93,320,000, it proved capable within three years of servicing the bulk of commercial flights to the territory.³⁴² Although La Paz retained the lead in size and accessibility, its tourism complex was not in a position of unchallenged power.

This disparity in the profitability of tourism in La Paz compared to Los Cabos was further exacerbated by the nature of projects undertaken in La Paz from 1970-1974. Lodgings such as the Hotel Villa Park (1971), Hotel Gardenias and the Hostería del Convento (1972), and the Hotel Clark (1974) opened during the period, but none of these catered to the high-value sand-and-sun tourists that favored beach resorts, and all were located off the beach and *malecón*, in the town itself.³⁴³ Such hotels catered to less affluent visitors traveling down the peninsula by car or

³⁴² Gobierno del Territorio de Baja California Sur 1970, 93.

³⁴³ Davis 1998, 83, 85, 91.

arriving by ferry, and with the exception of the Hotel Gardenias' fifty-six rooms, were uniformly small and offered fewer amenities, making them analogous to the roadside hotels cropping up along the length of the transpeninsular highway. One exception to that trend began construction in 1974, and seemed to promise a grander future for La Paz: the Hotel Presidente Gran Baja California Sur. Envisioned as the most modern, elegant and imposing hotel in the region, the Gran Baja, as it became known to *paceños*, would more closely resemble the high-rise hotels of the rapidly expanding CIP of Cancún, seeming to indicate the way forward for La Paz, but its completion remained two years away.

In the meantime, political developments brought both joy and concern to the capital. 1974 marked the year that the Territory of Baja California, the last remaining contiguous territory in the nation, advanced to statehood.³⁴⁴ Félix Agramont Cota, the last territorial governor, became the first state governor and led the assembly to draft a state constitution and toward the first election of state officers in 1975. In April of that year, he turned over the governorship to Ángel César Mendoza Arámburo. The rapid succession of the completion of the transpeninsular highway, elevation to statehood, and the ever-expanding tourism sector made this a heady time in La Paz. Back in Mexico City, the federal tourism establishment underwent a transformation, as FOGATUR and INFRATUR were joined into a new agency responsible for complete management of the CIPs and federal involvement in smaller projects. The *Fondo Nacional de Fomento al Turismo* (FONATUR) inherited the objectives of its predecessors, and fresh off the success of Cancún, it turned to Los Cabos as the next great project with which to expand the technocratic management of tourism. This would prove to be the deciding set of developments to topple La Paz from its position as leader in Baja California Sur tourism.

³⁴⁴ Quintana Roo, the state containing Cancún was admitted the same day as Baja California Sur, but it had previously been a part of the existing state of Yucatán.

FONATUR and the Future for Tourism in Baja Sur

The two years from 1974 to 1976 marked a turning point for tourism in Baja California Sur. In 1974, the national government's focus on tourism development in the state shifted south, and the first steps toward officially reshaping the San José - Cabo San Lucas tourism complex into the CIP of Los Cabos were taken. Although the rise of Los Cabos would still require the better part of a decade, after 1976 the die was cast and La Paz lost its ascendancy. José Manuel Avilés asserts that:

Before 1974, the *municipio* and city of La Paz was favored by federal investment, through the project "City of Recreation La Paz." FONATUR fundamentally invested in Palmira, Fidepaz, hotels and basic infrastructure works such as urbanization, drinking water, storm sewers, sewage treatment, electricity and telecommunications among others.³⁴⁵

He also notes that FONATUR investment in Baja California Sur essentially began in 1974 and was largely directed toward Los Cabos and Loreto. In a sense, Avilés is arguing two sides of the same debate with these statements, but there is value in looking at both and seeing how the first statement in particular represented the starting point of the transition to Los Cabos. Firstly, before 1974 FONATUR was not the agency promoting federal investment, and so the favoring of La Paz came from other agencies which sought to improve infrastructure, above all. Hotel projects prior to 1974 remained largely the work of local entrepreneurs, but city infrastructure was significantly upgraded with federal money in the 1960s and 1970s. The Ciudad el Recreo La Paz project was effectively started by FONATUR in the late 1970s and early 1980s and demonstrated that the agency did not abandon the city even as it worked to massively reshape the

³⁴⁵ Avilés 1991, 56. "Antes de 1974 el municipio y Cd. de La Paz se vió favorecido por la inversión federal mediante el proyecto "CD. El Recreo La Paz." FONATUR fundamentalmente invirtió en Palmira, Fidepaz, hoteles y obras de infraestructura básica como urbanización, agua potable, drenaje, tratamiento de aguas negras, electricidad y telefonía entre otros."

area around San José del Cabo. This project was centered around a *fideicomiso*, or trust, which managed land located between the city of La Paz and the airfield, extending inland from a strip of bayfront beach. In the 1980s, a housing development known as Fidepaz was platted and built, with plots primarily purchased by local residents. Along the waterfront a resort hotel was constructed with FONATUR support, opening as the Villas del Mar in 1992 before undergoing several changes in ownership in the ensuing years. The neighboring Marina Fidepaz began construction in the 1990s but received a major expansion in the early twenty-first century as a point along the Escalera Nautica. That particular plan, to build a string of marinas around the Baja California peninsula and the facing Sonora and Sinaloa coastlines, was first mooted in the 1970s before finally receiving presidential approval by Vicente Fox. To this day, FONATUR influence in this area of La Paz remains. FONATUR also supported the construction of hotels in other areas, notably the Palmira constructed at the other extreme of the city, where the *malecón* transitions into the road to the ferry terminal at Pichilingue. Still, when FONATUR acted in La Paz, it did so on a smaller scale than in Los Cabos, and ultimately in Loreto, too.

Following a study of the southern cape region, the Secretaría de Turismo (SECTUR) identified three sites for the proposed tourism pole. The first centered on San José del Cabo, the second focused on the existing hotel at El Chileno beach, the location of the earliest hotels established in the San José - San Lucas tourism complex, and the third site sat between San José and El Chileno. Ultimately, the agency selected San José as the center for its integrally planned center at Los Cabos, citing access to reliable and sufficient potable water, natural beauty, and proximity to the town itself.³⁴⁶ Several of the most recent hotel and infrastructure projects, like the Finisterra, Solmar and ferry terminal, were built in Cabos San Lucas rather than San José. But the older town offered longer stretches of beachfront leading out to the existing hotel at El

³⁴⁶ SECTUR 1982, 62.

Chileno, while San Lucas hotels were much more closely clustered already. In 1974, FONATUR selected 1,953 hectares of land near the center of San José del Cabo, and began work on building the Los Cabos CIP.³⁴⁷ From the beginning, the technocratic goal of development fueling the local economy in peripheral areas guided the project. According to the Secretariat of Tourism:

The tourism project of **San José del Cabo** in the State of Baja California Sur, represents a real possibility of contributing to the economic development of the region in which it is located, and it allows, at the same time, a chance to value the natural resources of the **zone where the predominant vocation is tourism**, constituting as well, a strategy to be inserted in the general policies of development of the Tourist Sector.³⁴⁸

Los Cabos would be a massive undertaking, intended to approach that being carried out in Cancún, and it would represent the first of two FONATUR megaprojects in Baja California Sur. In 1976, FONATUR purchased even more extensive parcels of land at the next proposed CIP, selecting 6,400 hectares for Puerto Loreto, 3,552 hectares at the neighboring site of Nopoló, and 743 hectares in Loreto itself.³⁴⁹ As was the case in the initial stage of development at Cancún, the agency moved to limit the potential for private land speculation driving up property values and stifling the growth of the CIP. Although the agency had yet to show a single completed development project in Baja California Sur's Los Cabos or Loreto tourism complexes, by 1976 it had already made a mark on the state.

To *paceños* who chose to ignore the developments FONATUR was undertaking elsewhere, 1976 seemed to be dominated by the completion of what most considered the pinnacle of the tourism complex in La Paz, the Hotel Presidente Gran Baja California Sur. The

³⁴⁷ FONATUR 1992, 205.

³⁴⁸ SECTUR 1982, 9. "El proyecto turístico de **San José del Cabo** en el Estado de Baja California Sur, representa una posibilidad real para coadyuvar al desarrollo económico de la región en donde se ubica, y permite al mismo tiempo, poner en valor los recursos naturales de la **zona con vocación turística predominante**, constituyendo también, una estrategia inserta en las políticas generales de desarrollo del Sector Turismo." The phrases in bold text and capitalizations belong to the original author.

³⁴⁹ FONATUR 1992, 37. Although Loreto is commonly identified as the site of this CIP, the actual development is at neighboring Nopoló. The two location names are used interchangeably, however.

eleven story, five-star resort hotel was the tallest building in the state, and boasted tennis courts, a pool, bars, restaurants, a nightclub, two floors of suites at the top of the hotel, and a total of 250 rooms for guests, who could also make use of the beach on the Bay of La Paz, and the pier, for mooring yachts.³⁵⁰ The extensive grounds on which the hotel was located included the former Hotel Los Cocos, also known as the Continental, which when opened in 1957 had been the most exclusive of La Paz, located on the outskirts of the city. By 1976, the site was within the bounds of the rapidly growing city, sited between the new airport opened in 1970 and the *malecón*, and the Hotel Los Cocos was little more than ruins, abandoned in the shadow of the grandest hotel in La Paz. Bill Calahan's Hotel Posada clung to the plot immediately to the south of the Gran Baja: a glimpse of the past of La Paz tourism, cheek by jowl with the hotel which stood for its future. Twenty years later, the Gran Baja would be an abandoned shell, blighted by vandalism and a monument to the failings and near demise of the La Paz complex, while the Hotel Posada persevered.



Figure 13. Hotel Gran Baja (The grounds of the Hotel Posada are visible to the right, with small boats beached there. The pier to the left with the white structure at its end is where I fished, the day I first observed the two hotels).

³⁵⁰ Davis 1998, 95.

From 1967 to 1976, the focus of tourism in Baja California Sur began to shift decidedly toward Los Cabos and the emerging CIP organized by FONATUR. While boosters for La Paz could point to a volume of tourists which continued to outstrip both the southern and northern destinations on the peninsula, and to new hotels and infrastructure that seemed to indicate further growth, the dominance the city had enjoyed in the 1950s was no longer secure. The deep pockets of FONATUR, with its promise of massive capital projects for San José and later Nopoló, as well as the coat-tail effect that would have in bringing in private entrepreneurs, meant that Los Cabos would soon enjoy the resources necessary for explosive growth. Meanwhile, one impact of the transpeninsular highway, long held as necessary to La Paz's complete development as an economic center, was to decentralize tourism on the peninsula and encourage travelers to move outside of the traditional resort areas. Hotels were now viable in cities like Ciudad Constitución and towns such as San Ignacio and Guerrero Negro, previously off the tourist tracks. La Paz no longer retained the initiative in tourism development, but *paceños* held on to the totem of the Gran Baja, as a symbol of their hope for the future.

CHAPTER 5. THE SUCCESS OF LOS CABOS AND COLLAPSE OF LA PAZ TOURISM, 1976-1988

The period from 1976 to 1988 represented the stagnation and precipitous decline of tourism in La Paz, contrasted to and accelerated by the rapid growth of FONATUR's CIP at Los Cabos. Beginning with the infusions of capital from the federal government and private-sector entrepreneurs into the southern tourist complex, continuing through the shift of international tourism from La Paz to the Los Cabos tourist pole, and reaching its nadir in the aftermath of the devaluations of the Mexican peso in 1982, when national tourism declined, the trajectory of La Paz's tourism economy through the late 1980s belied the vibrant decades that preceded the 1970s. Although an observer in La Paz in 1976 might continue to express boosterish optimism about the future of the city's tourism industry, even in the face of rapid growth at Cabo San Lucas and FONATUR's plans for San José, by 1988, such opinions would have been delusional. At that point Los Cabos was only beginning to hit its stride as a major tourist center, but by the late 1980s the reversal of fortunes for La Paz was undeniable. It would be the first decade of the twenty-first century before new development in and near La Paz would hold out the promise to restore a modicum of the glory days. By that point, the nostalgia for a quaint, "authentic" Mexican resort community would revive the city's tourism aspirations, albeit as a secondary site in the shadow of a "placeless" but massively popular and lucrative Los Cabos. The opening of the Hotel Presidente Gran Baja California Sur in 1976, however, took place in that earlier bubble of optimism and excitement for a mature tourism complex in the state capital, without question of authenticity.

The perceived central role of the Hotel Gran Baja made it the subject of a great deal of attention in La Paz. The hotel served as the finish line for the Baja 1000 races during its tenure,

and offered the finest amenities available in the newly fledged state. The Gran Baja became a focal point of local interest and conversations. One of the most famous anecdotes of the hotel, indicative of the scale of the project and the lengths to which *paceños* were willing to go to ensure the grandeur of their flagship lodging, is told by Estela Davis in *Alojamiento en Baja California Sur* and often recounted by those remembering the Gran Baja. Shortly after its opening, the hotel was chosen to host the first lady of Mexico during a brief official visit to the state. Carmen Romano, wife of President José López Portillo, was a noted patron of the arts and enjoyed playing classical music on the piano in her free time, a pastime which inspired her hosts to arrange for an instrument to be available to serve her whims. The problem for the manager of the Gran Baja lay in the fact that the presidential suite which had been reserved for the first lady, on the tenth floor of the hotel, did not have a piano. The governor, Angel César Mendoza Arámbaro, stepped in and arranged for the loan of a baby grand piano from his cousin, but upon arrival at the hotel it became clear that the instrument would not fit up the stairs nor in the elevator. The only way to place it on the tenth floor was to use a crane, which at the time was unavailable on the peninsula. As the operation became increasingly baroque, the solution was to order a crane and technicians from the interior of the country, to remove the glass and window frame from the suite, and to hoist the piano through the opening. Once placed, the crane was sent back, the window replaced and the building facade and window frame repaired and repainted. The illustrious day came, and the first lady made use of the suite but not of the piano, her schedule being too busy to allow her free time. For the next three years, the piano remained captive in the suite, until the government gathered the resources to order another crane and refinish the window and facade.³⁵¹

³⁵¹ Davis 1998, 95–96. Davis cites the story as part of the public domain in La Paz, but also as having been confirmed by ex-employees of the hotel. This author can attest to hearing the story on two occasions while visiting

Whether completely accurate or not, the story functions as a parable for the fate of the tourism industry in La Paz during the late 1970s and the dawn of the 1980s: grand efforts and the best of intentions brought little result and, in the end, discontent and remorse. The mid to late 1980s represented the decline of tourism in La Paz, and by the 1990s, the tourism complex centered on the city was at its nadir. *Paceños* themselves were not the agents of that decline; instead, the government's focus on developing Los Cabos as a CIP and the shifting of mass tourism to the southern cape left La Paz tourism boosters struggling to redefine their role in the regional economy. As Los Cabos came online as a major destination for international visitors, La Paz increasingly turned to hosting national visitors and budget tourists, relying upon the diverse transport connections of the ferry and highway, which gave it some advantage in serving such frugal visitors over a tourism complex in Los Cabos reliant almost exclusively on the air connections characteristic of mass tourism in this period. San José and San Lucas had long ago surpassed La Paz in attracting affluent visitors to their higher-priced but more exclusive accommodations, and by the 1980s they had also wrested primacy in terms of air connections from the capital. At that point, the tourist infrastructure of hotels, clubs and restaurants in La Paz suffered stagnation and decline as they struggled to replace affluent foreign visitors who now bypassed the city to vacation at the tourist pole to the south.

Early Stirrings of FONATUR in Los Cabos

The beginnings of FONATUR on the peninsula, the purchase of nearly 2,000 hectares of land close to the center of San José del Cabo in 1974 to establish *fideicomisos* on which the planned projects of the CIP could be constructed, set the stage for a decade of steadily accelerating work. The selection of San José, which had originally been the principal town at the

La Paz, once with the variation that the piano never left the room.

extreme of the peninsula, and nearest its first resort, the Palmilla, attempted to follow the pattern established in Cancún. Although no significant area in the region lacked some form of tourism establishment by the 1970s, Cabo San Lucas had recently undergone a minor transformation as private entrepreneurs built a spate of hotels. San José was as near to whole cloth as was available, with the benefit of reliable water supplies, available land, and a small local labor force - all three requirements considered necessary to support a CIP. In the meantime, work continued apace in the area surrounding San Lucas, with the Hyatt Cabo Baja opening in 1976 five kilometers east of the town, in what would become known as the *corredor turístico*, or tourist corridor, connecting the two towns (Figure 14). Offering one hundred rooms and twenty-five suites, the Hyatt represented the arrival of international chains to the peninsula, an indication of

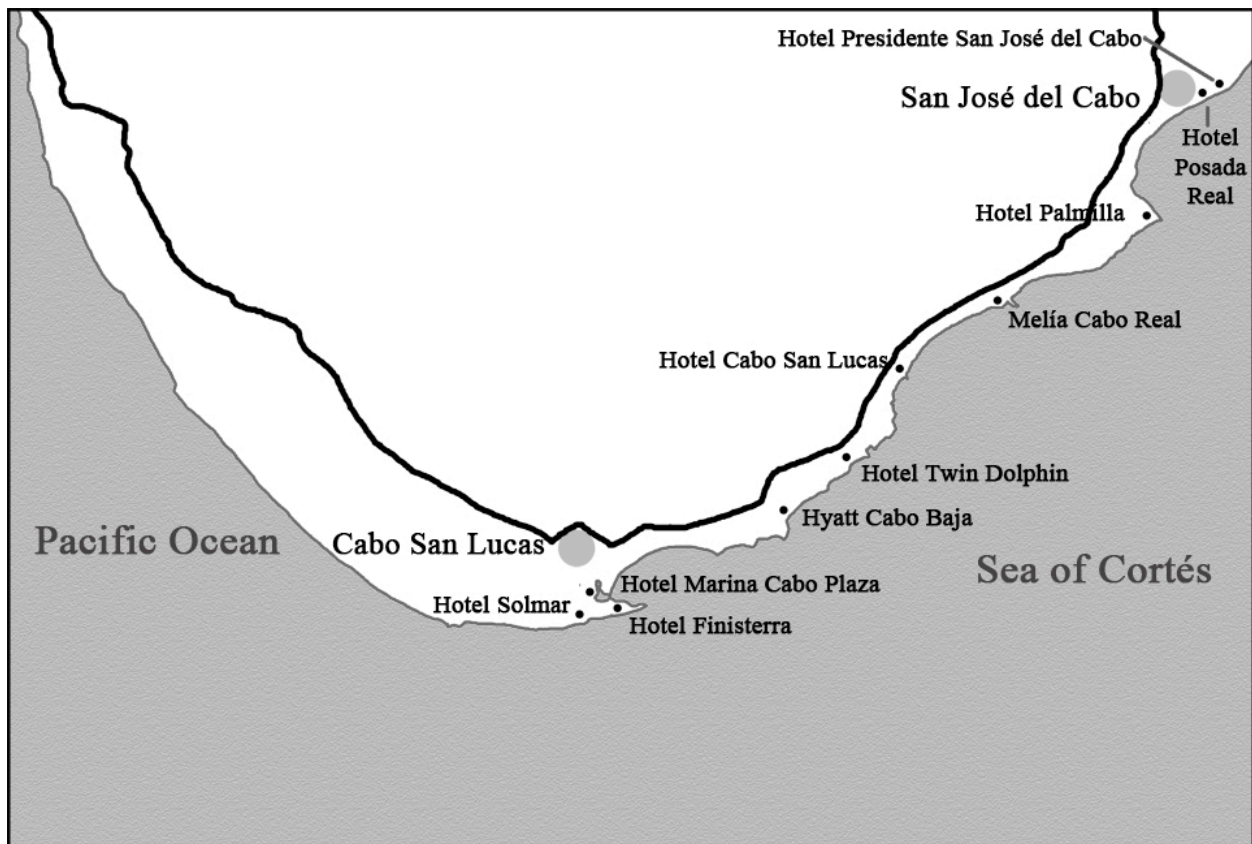


Figure 14. The *corredor turístico* of Los Cabos (Adapted from Baja Almanac Publishers 2003).

both the track record already established in Cabo San Lucas, and the promise of growth in the FONATUR's next megaproject.³⁵² In 1977, the Hotel Twin Dolphin opened along the corridor, near Cabo San Lucas, and became the area's most exclusive and expensive resort.³⁵³ Over the next five years, growth through private, not public, hotel projects, or with funding secured through preferential credit terms but not directly built by FONATUR would continue to propel San Lucas forward. In San José, work centered on building the infrastructure required to support the CIP, including the construction of an airport capable of serving large jets and of expansion, as the numbers of arrivals and departures scaled up. On July 1, 1977, Aeronaves de México began flying to Los Cabos on a Mexico City-Manzanillo-San José del Cabo-Los Angeles route that for the first time provided a direct jet link to and from Los Angeles while bypassing La Paz.³⁵⁴ Although airline service to Los Cabos expanded slowly as the 1970s moved to a close, and La Paz retained an advantage in terms of volume of traffic, the first step toward reversing that status had taken place.

The master plan developed for the CIP at Los Cabos called for the establishment of a hotel zone along the coast at San José, recreational beaches, a golf course, areas for condominiums and residential lots, and the conservation of an ecological zone around the estuary of San José. In Cabo San Lucas, the first major impact of FONATUR would be the financing and construction of a port area suitable for continued development, with areas for a marina, docks for fishing boats and to serve launches from anticipated cruise ships, and a *malecón* with

³⁵² Davis 1998, 99–100.

³⁵³ Davis 1998, 106. The price for a single room at the four diamond rated Twin Dolphin in 1981 ran Mex\$2090 per night, according to the guide published by the Automobile Club of Southern California. By comparison, the cheapest Los Cabos hotel listed in that guide, the Hotel Mar de Cortez, charged Mex\$600 for a comparable room, and the average in the area ran Mex\$1500 per night. The Gran Baja in La Paz commanded Mex\$860 for a single room. Because the guide was published during the brief tenure of the Hotel Misiones de la Paz on *el mogote*, that establishment was listed as the most expensive in La Paz, at Mex\$1400 per night, although it only commanded a two-diamond rating on the AAA scale. Automobile Club of Southern California. *Baja California: Accommodations and Camping Areas*. Los Angeles: Automobile Club of Southern California, 1981.

³⁵⁴ Davis 1998, 104.

commercial space opposite.³⁵⁵ Such infrastructure would have taxed the ability of the local government to finance it, and would have been too much for the common benefit of all for a single commercial interest to invest in building it. Over the next five years, FONATUR undertook the improvements. During a visit to San José del Cabo in early 1978, President of the Republic José López Portillo pledged four hundred million pesos in federal money toward the development of tourism projects in Los Cabos and Loreto.³⁵⁶ By the time of his return to the state at Cabo San Lucas in December of the same year, the head of FONATUR, Lic. José Antonio Murillo, reported to López Portillo that a total of four billion pesos of public and private money had been invested in the two CIPs up to that point.³⁵⁷ Again, data pointed to an acceleration of the growth of the complex around Los Cabos, even as tourism in La Paz continued to move forward. The opening of the first hotel in the *fideicomiso* zone established by FONATUR, the Hotel Presidente San José del Cabo in November of 1980, set the standard for the new complex. Operated by the government-owned Nacional Hotelera, the Hotel Presidente and its twin, built at the same time and with the same name at Nopoló, each boasted 250 rooms and a five star rating.³⁵⁸ By that point, the rest of the major projects in the master plan for the CIP at Los Cabos were well underway, and the challenge the new megaproject would pose to the complex at La Paz loomed ever larger.

³⁵⁵ Davis 1998, 110–111.

³⁵⁶ Álvarez March 1978, 23.

³⁵⁷ Álvarez December 1978, 5. The bulk of that figure must have been in private investment, some of it dating back decades, as a 1980 report written by Guillermo Mercado and published in the September issue of the magazine *Gráficas y Comentarios*, noted that FONATUR investment in the two poles then stood at Mex\$744 million.

³⁵⁸ Davis 1998, 112–113. *Nacional Hotelera* was owned by the Mexican government to 1985, when it was privatized. During the late 1970s and early 1980s, it served as the operator for FONATUR-developed hotels that had yet to attract private investment.

Continued Tourism Developments in La Paz

In 1976, tourism in La Paz was, by all appearances, booming. What brought FONATUR to the peninsula, the characteristics that factored into the computer-aided analysis and made development so likely to find success, were qualities spread up and down the coastline of the state. The Department of Tourism had designated fifty-nine sites in Baja Sur worthy of tourist development based on their natural appeal, a full 20 percent of the total identified in the nation, and considered twenty-five beaches to be of sufficient size to exploit for tourism, twenty of them along the Sea of Cortés.³⁵⁹ Such a wealth of sites suggested to civic leaders and boosters that a coordinated state effort to promote tourism, parallel to the federal agency managing work on the poles at the two extremes of the entity, could best ensure growth. Under the guidance of Governor Angel César Mendoza Arámburo, the Consejo Estatal de Promoción y Fomento Turístico del Estado de Baja California Sur (CEDEPRO B.C. Sur) was established, with membership ranging from government, banking, airlines and hospitality companies.³⁶⁰ The *Plan General Mixto* that the body developed aimed to promote the state as a destination, by way of the diverse tourist offering, and was mimicked in FONATUR's subsequent plan for regional development which called for the establishment of four tourist zones in the state: La Paz as a transportation hub, with *el mogote* serving as a tourist center, the Loreto-Nopoló corridor in the central part of the state, the Cabo San Lucas-San José del Cabo corridor in the south, and Magdalena Bay as well as Scammon's Lagoon serving as nature preserves.³⁶¹ The last two sites had not yet been the subject of significant development, but were both protected as calving grounds for the California Gray Whales and as such were recognized for their potential in

³⁵⁹ Gobierno del Territorio de Baja California Sur 1968, 101. *Informe de Labores*

³⁶⁰ Davis 1998, 101, 103.

³⁶¹ Mercado 1980. "1) La Paz como centro distribuidor y el Mogote como centro turístico, en el área de la capital del Estado, 2) El Corredor Loreto-Nopoló, en el centro de la entidad, 3) El Corredor Cabo San Lucas-San José del Cabo, en el sur, 4) Bahía Magdalena y Laguna Ojo de Liebre en Guerrero Negro como reservas territoriales"

environmental tourism. They also provided the additional benefit of spreading potential development across the length and breadth of the state, quite literally as Guerrero Negro sits on the northern border with Baja California (Norte) and Bahía Magdalena is on the Pacific coast roughly opposite Loreto.

Although the national emphasis worked to propel forward development in Los Cabos and Loreto, La Paz continued to build during the mid-1970s and into the early 1980s. Making use of the funding apparatus of Nacional Financiera to establish a *fideicomiso* and follow elements of the FONATUR model, the government of Baja California Sur backed the construction of the Hotel Escuela de La Paz on the road to Pichilingue.³⁶² The hotel, operational by the end of 1975, served as an incubator for expanding the hospitality workforce in the region and a further indication, along with CEDEPRO, that the state retained an interest in supporting and managing this sector of the economy, not ceding it completely to FONATUR. Employees at the Hotel Escuela learned to work in the tourism industry in a practical environment which prepared them for the impending hotel boom that Los Cabos was intended to bring, benefitting the interests of both the state and the federal agency. That the “school” should be established in La Paz and not Los Cabos was a reality of both the population distribution within the state, the capital city being far larger than the other settlements and offering more workers, and the fact that in raw numbers of tourists La Paz retained the advantage. But on that last count, an interesting transition was established by 1975.

According to the report filed on March 15, 1975 with the Secretary General of Government in La Paz by Carlos Riva Palacio of the state Department of Tourism, numbers of

³⁶² Davis 1998, 97. The Hotel Escuela remained in operation, training students until February of 1985, when ownership was transferred to Nacional Hotelera and it became a branch of the Presidente chain. For the past two decades it has operated as La Concha Beach Resort and prior to the opening of Costa Baja in 2008, it served as the outlying anchor to the La Paz hotels extending out toward Pichilingue.

tourists had increased over the period since 1973, but that change had begun to favor sites outside of La Paz in one clear respect: international visitors. Comparisons of the 1973 and 1974 statistics demonstrated that although the hotel offering had remained virtually unchanged in the southern region of the state, ranging from San Antonio to Los Cabos but particularly centered around San Lucas and the corridor to San José, total visitors increased by 25 percent from one year to the next. Of the 44,750 visitors recorded in that area for 1973, 31,471 were international guests, while in 1974 the total number rose to 56,042 with 35,381 from outside Mexico. In the north, from Ciudad Constitución to Guerrero Negro and including the areas of Loreto-Nopoló and Mulegé, the numbers were even more impressive. In 1973 a total of 53,075 tourists included 31,175 international guests to the region, while by 1974, the figures were 75,846 and 41,002, an overall growth of 42 percent. In La Paz, the overall number of tourist arrivals increased by 8 percent, from 128,483 to 139,406, but the number of international visitors declined from 39,518 to 27,732.³⁶³ To put that into perspective, in 1973 La Paz had welcomed at least 20 percent more international visitors than either of the other two regions, but a year later it trailed the southern destinations on the peninsula by almost 22 percent, and the northern ones by almost 33 percent. Numbers on tourists have typically been variable from one year to the next, and the northern numbers would not permanently exceed those of the other areas, but clearly the implication by the mid-1970s was that although La Paz tourism remained strong in overall numbers, it was losing its share of the more lucrative international visitors (Table 5).

³⁶³ AGEBCS Vol 18 document 18-40, 1975. According to the statistics, in the southern region a total of sixteen establishments were recorded for both years, with an increase of available rooms from 477 to 482. In the north, fifteen establishments with 312 rooms grew to twenty-three establishments with 471 rooms over the course of the year. This growth and the spike in numbers to the north must be largely attributable to the opening of the highway, as FONATUR had scarcely begun to work in the state in 1974. La Paz offerings increased from twenty-six to twenty-nine establishments, and 577 to 668 rooms.

Table 5. Volume of tourists and rooms by region of Baja California Sur, 1973-1974

	Central Zone (La Paz)	Southern Zone (San Antonio to Cabo San Lucas)	Northern Zone (Ciudad Constitución to the 28th parallel)
number of hotels/rooms 1973	26/577	16/477	15/312
number of hotels/rooms 1974	29/668	16/482	23/471
total number of tourists 1973	128,483	44,750	53,075
foreign tourists 1973	39,518	31,471	31,175
national tourists 1973	88,965	13,279	21,900
total number of tourists 1974	139,406	56,043	75,846
foreign tourists 1974	27,732	35,381	41,002
national tourists 1974	111,674	20,662	34,844
percentage growth from 1973 to 1974	8 percent	25 percent	42 percent

Source: AGEBCS Vol 18 document 18-40, 1975.

A further concern lay in the quality of the hotel offerings. Although La Paz retained a significant margin in terms of numbers of establishments and rooms through the 1970s, a minority of the rooms were categorized as class “A” or better, the ranking typically considered desirable for international tourists. One listing of lodgings throughout the state in 1976 identified forty-two establishments in La Paz, ranging from hotels and motels to guest houses and trailer parks. Two, El Presidente (Gran Baja) and Los Arcos qualified as class “AA,” a further thirteen as class “A,” ten as class “B,” seven class “C,” and ten class “D.” The venerable Hotel Perla was classed “B,” suggesting that it had transitioned away from relying upon foreign tourists as its main clientele. The *fayuqueros* and other business travelers who made up the mass of national visitors would have been primarily served by the bottom two-thirds of the hotel offerings. That said, there certainly was nothing to keep foreign guests from staying in lower-ranked lodgings, just as many national tourists certainly stayed in higher-ranked ones. In San José, still at the beginning of FONATUR development, only two hotels dating back to the 1950s earned class “A” ratings, with a third classed “B” and two guest houses classes “D.” San Lucas, site of the small independent hotel building boom of the past decade registered four class “A” hotels and one class “B” trailer park. In general, around the state the fly-in sites of the old tourism complex earned “A” rankings, most apparent in places like the East Cape (Buenavista and Los Barriles) and the north (Mulegé and Loreto), while sites specific to the transpeninsular highway and at ferry terminals (Guerrero Negro, Santa Rosalía, and Ciudad Constitución) were dominated by lower-ranked lodgings.³⁶⁴

³⁶⁴ Davis 1998, 102. It is difficult to directly compare many of the tables and hotel listings from this period, because different compilers tended to either recognize different rankings or use arbitrary criteria to determine which hotels were suitable for tourists. As a case in point, *The Baja Book*, a tour guide published in 1977 and written by Tom Miller and Elmar Baxter listed ten accommodations in La Paz, including both of the “AA” sites recorded in the table reprinted by Davis, but beyond that only listed two “A” and two “B” hotels before recommending four trailer parks (two class “A” and two class “B”). At no point did *The Baja Book* differentiate by category, instead using the rates they reported to suggest ranking. In San José they listed only one hotel, the Palmilla, and in San Lucas they

At the top end of Hotels in La Paz, the Gran Baja, slightly beyond one extreme of the *malecón* was joined in 1977 by the Hotel Palmira at the other extreme of the bayfront drive. Palmira was developed as both a resort hotel, albeit across the street from a very small beach, not unlike the hotels Los Arcos and Perla, and as a convention center. The developers built on a series of large rooms capable of hosting events for guests as well as weddings and celebrations for local residents.³⁶⁵ Over the subsequent decades, land neighboring the Palmira was developed into a housing development extending up the hillside, and a marina and hotel were later established across the *malecón*, at the start of the road to Pichilingue. Over the following three years, La Paz saw little new development in terms of lodgings, as much of the construction shifted south to Los Cabos and north to Loreto-Nopoló, and limited expansion in terms of the number of visitors meant that the demand for increased capacity did not exist. To put it simply, La Paz was able to accommodate any increases in arrivals by making more efficient use of the rooms already present. The one noteworthy addition to the hotel offering in the capital was the completion of the Hotel Misiones de La Paz, in 1980.³⁶⁶ The first project completed on *el mogote*, the twenty-five-room hotel faced the Hotel Gran Baja across the bay, and was only accessible by small launch. Guests were ferried across from the Marina Abaroa or one of the other sites in the city, and very quickly the inconvenience of the location became a liability, and the Mex\$1400 per night rate compared to Mex\$860 for a comparable room at the Gran Baja drove the Hotel Misiones out of business.³⁶⁷

recommended six, including the newly opened Hyatt as well as the Hotel Cabo San Lucas, which the table in Davis placed among the San José establishments. The Department of Tourism document from 1975 and attributed to Carlos Riva Palacio, appears not to have included guest houses and trailer parks, as only three hotels opened in La Paz in the 1974-1977 period, not the thirteen that differed between its 1974 tally and that of the 1977 table reprinted by Davis. The Automobile Club of Southern California's *Baja California: Accommodations and Camping Areas* published in 1981 employed the AAA's diamond ranking system, again giving different results.

³⁶⁵ Davis 1998, 104.

³⁶⁶ Davis 1998, 114.

³⁶⁷ Automobile Club of Southern California 1981.

By 1980, further advances in Los Cabos and the southern tourism zone challenged the primacy of La Paz not only in terms of the quality of lodging, but for overall numbers. According to tables produced by the State Tourism Agency, the number of rooms considered “*calidad turística*” in La Paz totaled 1,314 across twenty-four establishments. That same year, the southern zone registered 1,539 rooms across twenty-six sites, seventeen of which were located in Los Cabos. Not only had the southern region exceeded the capital’s tourist offering by a margin of 15 percent, but only three of its establishments ranked below three stars, according to the agency’s report, one in each of San José, San Lucas, and Santiago. In La Paz, sixteen of the hotels fell below three stars, with six of them reported as “zero star” accommodations. The south had also come to offer more lots in trailer parks for visitors arriving in recreational vehicles, with 233 compared to 180 in La Paz.³⁶⁸ To be sure, the expression *calidad turística* or “tourist class” was open to interpretation, and the list of twenty-four in La Paz omitted many from the 1976 list which counted forty-two, but one point that is apparent is that the relative ranking of La Paz hotels was on the decline. The 1976 list used a letter scheme, while the 1980 list adopted stars, but assuming that an “AA” equated to five stars, an “A” to four stars, a “B” to three and down the line, Los Arcos, La Posada, and the hotels Gardenias, Calafia, Guaycura, La Purísima, Posadas Mora, Central and Yeneká had all dropped at least one level. The Gran Baja was the only La Paz hotel to earn five stars in the ranking, compared to three five-star hotels in Los Cabos. The Hotel Los Arcos and its neighboring expansion, the Cabañas Los Arcos both rated four stars, as did the newly privatized Hotel Presidente (formerly Hotel Escuela) and the recently constructed Hotel Palmira. Eight hotels in Los Cabos ranked four stars or higher, with the

³⁶⁸ Davis 1998, 114. The table is credited to the Archivo de la Coordinación Estatal de Turismo.

Rancho Buenavista on the East Cape also rating four stars.³⁶⁹ As the new decade dawned, Los Cabos not only came to lead in terms of international tourists, but also in sheer numbers of rooms. This while overall numbers or arrivals grew dramatically, 1979 figures showed B.C.S welcoming 592,000 tourists, up 30 percent from the previous year.³⁷⁰ The tourism economy in the state completed the transition from a small scale, low-impact form of tourism built around affluent international visitors to diffuse resorts as characterized in the 1950s and 1960s, to one reliant upon mass tourism. In the case of La Paz, that mass tourism increasingly was fueled by less affluent national visitors, arriving in the city itself, largely by ferry or plane. For such visitors, the duty free zone played a major role in bringing them to the city, and their expenditures tended to be lower than their foreign counterparts in the tourist poles. The capital added several small hotels along city streets in the early 1980s, but for the time being its development shifted away from beach resorts.

Two aviation-related developments in 1981 and 1982 held out prospects for improving the ability of La Paz to compete with Los Cabos, but both also demonstrated the growing significance of Mexican visitors to the city. In 1981, Mexicana de Aviación gained permission to fly a new route from Tijuana to Mexico City, but according to national regulations was required to add an intermediate stopover. The airline selected La Paz, adding to an ever-improving system of commercial air links which that year brought an average of 204 flights per week and 29 flights per day to airports around the state.³⁷¹ The new route with terminuses in cities without sand-and-sun tourism and with significant populations meant that La Paz gained

³⁶⁹ Davis 1998, 102, 114. Apart from Los Arcos and La Posada, the remaining hotels were located off the beaches and *malecón*, and would have been oriented more toward national visitors. The newly constructed Hotel Misiones de La Paz on *el mogote* was not included in the list, but the Automobile Club of Southern California ranked it with two diamonds in their 1981 guidebook. José Luis Borja Santibáñez and collaborators in *Políticas de descentralización y gobierno local* (2006) confirm the tendency of La Paz hotels in this period to orient toward national visitors and to offer less luxurious accommodations.

³⁷⁰ Mercado 1980.

³⁷¹ Davis 1998, 116.

tourist traffic, but again, both ends of the route lay within the republic, and so it did not specifically draw international visitors. In 1982, investors in Baja California Sur led by Raúl Antonio Aréchiga Espinoza established a new airline out of elements of the Servicios Aéreos air taxi service, adopting La Paz as its headquarters, and the Manuel Márquez de León airport as its hub. Aerocalifornia S.A. de C.V. would expand dramatically over the next two decades, eventually building a small fleet and growing to serve an area beyond the region, extending to the southwestern United States and Mexico City before the airline's sudden collapse in 2008. In 1982, it operated a single DC9 jet on a route across the Sea of Cortés, La Paz-Los Mochis-Guadalajara.³⁷² Aerocalifornia represented a novel approach to building the infrastructure within the state and insuring a place for La Paz in that future. As the momentum increasingly shifted toward Los Cabos, the tourist economy in La Paz struggled to adapt to the changing circumstances, and by the early 1980s had entered a fragile state.

The Peso Crisis of 1982 and Decline of National Tourism

Through the 1970s, federal investment in Baja California Sur played a major role in invigorating the state's economy and bringing the southern peninsula into line with the rest of the nation in terms of development and opportunity for its citizens. Over the span of the decade, Mexican federal spending per capita outstripped that of the national average by a great margin, and was directed across the board, from infrastructure projects like the highway and communications systems, to FOGATUR and FONATUR funding for economic development related to tourism, and to social services such as education and healthcare. The decades of isolation which caused the former territory to lag behind the rest of Mexico, were largely being redressed by accelerated programs and infusions of spending. From 1970 to 1973, federal

³⁷² Davis 1998, 117.

spending per capita in Baja California Sur ranged from 289 percent to 391 percent above the national average, before settling consistently in the range of 160 percent above nation-wide figures from 1974 through 1978. From 1979 through 1981 the margin increased again above 200 percent before moving closer to the national mean. The spike at the beginning and the end of the decade of the 1970s corresponded with major public works projects, and were largely funded by the oil boom which fueled Mexican growth during the period, and which collapsed in 1982.³⁷³ From that point, economic challenges and the emerging monetary crisis conspired to limit government spending in Baja California Sur and threatened to disrupt the tourism economy that had grown so important to the region.

The crisis in which Mexico became embroiled in the 1980s was both a result of global developments and failings in fiscal and monetary policy at the national level. By 1982, the constrictions in the oil markets which had led to the fuel crises of the 1970s had largely been resolved. OPEC producing nations had at least partially abandoned artificial reductions in production to drive prices upward, and non-OPEC nations like Mexico were producing at high volume, having used the previous decade to tap reserves to bring them to market. During the 1970s, as Mexico benefitted from its expansion in oil production and the revenue derived from selling in the regional market, especially to the United States, the nation had also embarked on massive public spending programs funded through credit that was made accessible by the promise of petroleum reserves as a form of security. When demand shifted and oil prices became more volatile, the Mexican government found itself in the difficult position of servicing massive debt owed to foreign lenders, who were less disposed to extend further credit without the surety of stable oil revenues in the future. To compound the problem, much of the foreign debt was owed in dollars, to which the Mexican peso had long been overvalued. Mexican

³⁷³ González Cruz 2002, 552.

monetary policy from 1955 to 1975 maintained the rate of exchange of the peso to the U.S. dollar at Mex\$12.5 to \$1. In 1976 and 1977 that rate slipped from Mex\$15.89 to the dollar to Mex\$22.69 to the dollar when averaged over the course of each year. From 1978 to 1981, the peso had again stabilized and in the latter year it had only marginally declined to Mex\$24.51 to the dollar. As the economic crisis descended, Mexico experienced a collapse in the value of the peso, and over the course of the next decade the national currency lost value relative to the dollar. For 1982, the average value of a U.S. dollar in pesos stood at Mex\$57.18, for 1983 at 150.29, 1984 at 185.19, 1985 at 310.28, 1986 at 637.87, and 1987 at 1,405.60 (see Table 6). Over a six-year period from 1981 through 1987, the Mexican peso went from being worth roughly 4¢ to .07¢.³⁷⁴

Table 6. Annual average exchange rate of pesos to one U.S. dollar, 1976-1987

year	rate	year	rate
1976	15.69	1982	57.18
1977	22.69	1983	150.29
1978	22.76	1984	185.19
1979	22.82	1985	310.28
1980	22.95	1986	637.87
1981	24.51	1987	1,405.6

Source: INEGI 2000, 884 cuadro 20.6.

³⁷⁴ INEGI 2000, 884 *cuadro 20.6*. The rate continued to decline, reaching a low of 3,094.05 pesos to a single U.S. dollar in 1992. Government devaluations of the peso became so extreme that in 1993 Mexico revised the currency, replacing the peso with the new peso and simply repositioning the decimal three places to the left. The following year, the Zapatista uprising in the southern state of Chiapas, partially motivated by the adoption of the North American Free Trade Agreement with the U.S. and Canada, drove the peso even lower. As of January 1, 2013, the exchange rate for the Mexican peso stood at 12.8958 to the U.S. dollar, essentially 12,895.8 in the old pesos circulated in 1982. <http://www.exchange-rates.org/HistoricalRates/A/MXN/1-1-2013>

The decline in value of the peso on international exchanges corresponded with a rapidly rising inflation in prices of goods for Mexicans, provoking significant effects on the economy of Baja California Sur. Two of the major indicators for inflation that the Mexican government tracked during the period were the consumer price index, and the wholesale price index for Mexico City (Table 7). The former they reported nationally as well as by sector of expenditures and by city, and the latter was broken down by year and by specifically targeted products. In each case, a baseline year was established and every measured item given a nominal value of 100, in order to show change in relative prices either before or after that year. In the case of the wholesale price index in Mexico, the baseline was 1978, during which the oil boom was well underway. Some degree of inflation is apparent, as the overall figure from 1973 of 37 demonstrates a near tripling of prices over a five-year period, to the 1978 baseline. Food goods saw a slightly higher rate of inflation, registering a figure of 35.9, with building materials at 36.7 and gasoline and energy at 36.8. From 1978 to 1981, prices nearly doubled from the baseline, with the overall index at 183.3 and food at 196.9, continuing the trend for a slightly higher rate of inflation in that area. Diverging dramatically, gasoline and energy prices rose much more slowly at 139.3 and construction materials much more rapidly at 226.6.³⁷⁵ In 1982, the general index rose to 286.1, food nearly kept pace to 280.2, building materials continued to outpace other areas to 369.3, and gasoline and energy spiked to 314. The overall and food figures added roughly 50 percent of their sums during that year, with building materials slightly over 50 percent, while gasoline and energy added in the neighborhood of 125 percent. Over the next two years the overall index rose rapidly, but two other trends emerged: inflation in food and building materials prices slowed relative to the general rate, and fuel prices continued to rise faster. In

³⁷⁵ The fact that Mexico was an oil producing country and that it had a state-controlled monopoly on petroleum derivatives, PEMEX, kept fuel prices artificially low for 1981.

Table 7. Wholesale price index for Mexico City, 1973-1984

year	overall index	food	building materials	fuel and energy
1973	37	35.9	36.7	36.8
1974	45.3	44.7	45.1	46.3
1975	50	50.3	54.7	52
1976	61.2	59.9	65.4	60.2
1977	84.6	84.2	82.3	95.4
1978	100	100	100	100
1979	118.3	119.9	129.1	108
1980	147.2	153.7	176.9	118.3
1981	183.3	196.9	226.6	139.3
1982	286.1	280.2	369.3	314
1983	593.2	505.5	779.4	914.5
1984	1010.4	881.3	1272.5	1790.2

Source: INEGI 2000, 809 *cuadro* 19.8.

1983 and 1984, food prices increased by roughly 80 percent each year, and building materials and overall price increases roughly doubled in 1983 and increased by two thirds in 1984.

Gasoline and fuel prices, however, nearly tripled in 1983, and almost doubled again in 1984.

From the baseline of 100 in all categories for 1978, by 1984 the figures stood at 1010.4 for the overall index, 881.3 for food, 1272.5 for building materials, and 1790.2 for gasoline and energy.³⁷⁶ Put simply, after the shock of the initial devaluation and crisis of 1982, food in

Mexico City cost on average eight times what it did before, across the board goods cost roughly

³⁷⁶ INEGI 2000, 809 *cuadro* 19.8.

ten times what they had in 1978, building materials cost almost thirteen times and fuel almost eighteen times more.

In La Paz, the consumer price index figures only go back to 1980, which was established as the baseline figure of 100. Increases were slightly greater than in Mexico City, once allowing for the shift of two years. In 1984 the general index for La Paz stood at 791.3, meaning that consumer goods on average cost almost eight times what they had in 1980.³⁷⁷ By comparison, the Mexico City wholesale price index numbers for 1980 and 1984, 147.2 and 1010.4 represent a seven-fold increase. At any rate, the result of prices spiraling upward reduced the disposable income of Mexican citizens, and compelled many to reduce unnecessary expenses. From 1970, the number of Mexicans who left the country to partake in tourism had been on a general rise, and by 1981 had reached a total of 3,959,000. In 1982, that figure declined to 2,671,000 and in 1983 it further dropped to 1,971,000, less than half of what it had been only two years earlier.³⁷⁸ However, one bright spot in terms of tourism during this period was the general lack of effect the economic crisis had on international visitors. The number of such tourists had peaked in Mexico at 4,144,000 in 1980, slipping to 4,038,000 the following year and dipping by more than a quarter of a million in the crisis year to 3,767,000, but then tourist arrivals exploded to 4,749,000 in 1983 and remained above the four million level for more than a decade.³⁷⁹ In a nation in

³⁷⁷ INEGI 2000, 859 *cuadro 19.25.1*. The increases continued throughout the period leading up to the 1994 economic crisis, with the consumer price index for La Paz that year standing at 34,860.3.

³⁷⁸ INEGI 2000, 750 *cuadro 18.18*. The overall numbers of Mexican tourists traveling abroad had increased, with the exception of a two-year period in 1976 and 1977 in which it briefly declined before rebounding. Notably, those who traveled abroad on planes increased much more rapidly than the overall figure, suggesting the increasing affluence of Mexican travelers, and it is interesting to note that when compared to the number of international visitors to Mexico in 1981, there are almost as many Mexican nationals traveling abroad as foreign guests. After 1982, the number traveling by air declined relative to the overall number, indicating greater financial distress among travelers, and markedly fewer Mexicans engaged in international tourism compared to the number of foreign arrivals.

³⁷⁹ INEGI 2000, 749 *cuadro 18.17*.

economic crisis, the years of investment in developing tourism held some promise for relief. Of course, tourism infrastructure and revenue were not evenly distributed.

The susceptibility to downturn of a regional economy based heavily on tourism and outside investment was made apparent to Baja Californians when the national crisis affected both of those elements, with the results being felt most acutely in La Paz. As previously noted, by the early 1980s La Paz relied primarily upon Mexican national visitors to support its hotels and tourism infrastructure. When the rampant inflation struck Mexico, it forced many to reduce their expenses wherever possible, and leisure tourism declined as a result. But the overall numbers for visitors to the entire state actually increased during the period, following roughly the pattern of international tourism described above, with a brief decline in 1981 and 1982, but varying in that numbers declined again from 1985 to 1989 before recovering in the 1990s. The mechanism behind this complex interplay lie in which tourists visited the state. throughout the mid to late 1970s, while the ferry service between the mainland and La Paz was in operation and the duty free zone served as a draw, national tourism outnumbered international tourism by a significant margin. In 1978, Baja California Sur recorded 297,265 national tourists to 154,683 foreign tourists. For 1981, 428,324 national tourists visited, compared to 168,129 international guests, an even greater margin of difference than three years earlier. Interestingly, in the crisis year of 1982, Baja Sur welcomed almost 30,000 more national tourists at 457,085 before seeing a decline for each of the next five years. The counterintuitive rise in national numbers for the crisis year likely relates to the decision of Mexicans who in previous years may have traveled internationally to stay within the country. Mexican international travelers declined by 1.3 million from 1981 to 1982, and Baja California Sur only saw an increase of 30,000. Foreign visitors only increased by 4,533 from 1981 to 1982, at 172,662, but in 1983 they skyrocketed to

377,943, more than offsetting the loss in national tourists. The tourism economy in the state witnessed tremendous volatility in the 1980s, foreign tourists in 1984 dipping to 325,434 before dropping to 194,225 in 1985 and rebounding slightly the following years. With national tourist numbers generally declining, the overall numbers grew extremely variable, with 760,033 total tourists in Baja California Sur in 1983, but only 446,663 overall, two years later.³⁸⁰ Investment in hotels changed focus, as well.

Table 8. Tourists in Baja California Sur by category, 1976-1987

year	national	foreign	total
1976	187,776	86,687	274,463
1977	228,531	98,151	326,682
1978	297,265	154,683	451,948
1979	381,454	210,413	591,867
1980	437,616	232,133	669,749
1981	428,324	168,129	596,453
1982	457,085	172,662	629,747
1983	382,090	377,943	760,033
1984	327,058	325,434	652,492
1985	252,438	194,225	446,663
1986	237,528	224,151	461,679
1987	243,967	260,298	504,265

Source: Centro Estatal de Información, “*Estadísticas Históricas 1975-1998*,” 2003, 58 Cuadro III.34.

³⁸⁰ Centro Estatal de Información, “*Estadísticas Históricas 1975-1998*,” 2003, 58 Cuadro III.34.

While the late 1970s through 1981 saw the construction of a few resort style hotels in La Paz, such as the Gran Baja, Palmira, and Misiones de La Paz, the crisis years saw hotel building not only shift away from the resorts to simpler establishments, but also toward much smaller developments funded by individual investment. In 1983 the Hotel Plaza Real opened with twenty-one rooms, in 1984 the Hotel Bermejo opened with thirty, and the Hotel Acuarios with sixty, while the guest house Belma mustered just ten. The Hotel Siesta opened in 1985, adding ten more rooms to the tourist offering in La Paz.³⁸¹ All were located away from the beaches, none stood directly on the *malecón*, and they faced challenging futures in a La Paz tourism complex on the eve of a major transition.

The CIP Model's Failure at Loreto and Dominance at Los Cabos

Where La Paz tourism underwent change during the 1970s through the 1980s from expansion to stagnation, and the CIP at Los Cabos grew rapidly, the tourism pole at Nopoló proved to be something of a failure for FONATUR during that period. Part of the explanation for that must be attributed to the agency's emphasis on funneling funding toward Los Cabos, despite the fact that ostensibly both megaprojects were underway at the same time. Another rationale lie in the more limited private hotel development which took place in the area during the early and mid-1970s, when compared to Cabo San Lucas, and a third related to the less efficient transportation routes serving Loreto. At any rate, though Loreto remained a significant tourist destination for Baja California Sur during the 1970s and 1980s, it trailed a distant third in comparison to La Paz and Los Cabos, and the FONATUR development at Nopoló languished for

³⁸¹ Davis 1998, 118.

decades after its start.³⁸² Interestingly, a similar pattern emerged in another state of Mexico, where FONATUR attempted to build two CIPs. In the case of the Oaxacan developments at Bahías de Huatulco and Puerto Escondido, the latter grew much more slowly, as early efforts focused on Huatulco. Neither has yet equaled Los Cabos, which today remains the second most successful of the FONATUR CIP developments after Cancún, and which in terms of attracting tourists is on par with the largest of the old-order, organically developed destinations: Acapulco, Puerto Vallarta and Mazatlán. Ixtapa occupies a third tier, and is followed by Huatulco and Puerto Escondido, on a still lower tier, with Nopoló surviving as the smallest of the original tourist poles and the least advanced toward completion. In a very real sense the work of FONATUR since the success of Los Cabos has been to move forward less ambitiously on projects.

Work on the airport serving Loreto and Nopoló began prior to the establishment of FONATUR and the purchase of land for the tourist pole, consequently the facilities met little more than the minimum requirements for mass tourism, although they proved generous for the fly-in tourism complex that already existed. Loreto and Mulegé fishing resorts had long benefitted from their location in the north of the state, nearer to the border and American sport fishermen, but with the rise of mass tourism and well-traveled jet routes, their advantage slipped. Commercial air service to the area improved after 1974, and the airport was well-placed, between the town and Nopoló, but the primary connections in the 1970s used small planes and treated Loreto as either a layover on a longer route from origins such as Tucson or La Paz, or were essentially air taxis. In the 1980s, Aerocalifornia became the most important airline serving

³⁸² It bears pointing out that although the FONATUR project is generally referred to as CIP Loreto, the focus of resort hotel development is five kilometers south of the town at Nopoló, and the related marina development is a further seventeen kilometers south at Puerto Escondido. For that reason, I try to differentiate between the three zones when information is relevant to one in particular.

the town. The highway became a major artery of transportation to and through Loreto by the mid-1970s and brought a new population of visitors to the town, but tourists arriving by car tended not to spend many consecutive days in resort hotels, and were outside of the scope of those targeted by FONATUR for the mass tourism poles. Instead, these tourists were more likely to stay in Loreto rather than the CIP at Nopoló, and either in motels or the traditional sport fishing lodges. The final transport link, which also failed to serve the typical FONATUR model was the ferry service in the northern section of the state. This route from Guaymas on the Sonora side of the sea did tend to serve more international travelers than did the Mazatlán-La Paz route which brought *fayuqueros* to shop duty-free in the capital. But because it was a car ferry, most who made their way to Loreto by this service were of the same category as the highway travelers, a characteristic reinforced by the fact that ferry service did not directly serve Loreto but instead Santa Rosalía even further to the north. Loreto was served indirectly by ferry, and directly by an airport too limited for mass tourism, and a highway which as easily shepherded visitors away as to the town.

Once FONATUR did get involved, two major signs of progress on Nopoló during the late 1970s and early 1980s were the completion of a recreation complex centered around an eighteen hole golf course with a tennis center boasting nine courts, and the 250 room Hotel Presidente, all of which opened in 1980. In Loreto itself, the most widely recognizable hotel was the beachfront La Pinta, itself established in 1973 as the Hotel Playas de Loreto before undergoing expansion, renaming as one of the Presidente chain, and then becoming the La Pinta Loreto, part of a chain of hotels extending northward toward the border along the transpeninsular highway. Other hotels, like the Oasis, established in 1962 on the beach at Loreto and owned by the Davis family,

harkened back to the earlier tourism.³⁸³ Neither of these hotels in Loreto proper were FONATUR projects, but in conjunction with the Presidente at Nopoló, they demonstrated the *ad hoc* nature of the development in this northern area, and the inability of FONATUR to reorient the tourism economy there to the CIP model before the crisis of 1982. Once the crisis struck, agency resources were fed into supporting the developments that were already substantively underway, and, on the peninsula, that meant Los Cabos took priority.

1982 and the economic downturn had little immediate effect on Los Cabos and the FONATUR development plans for the tourist pole. To begin with, the foreign tourists who were the target market for such resorts continued to come in significant numbers, and so revenue from visitors remained high enough to support the expanding hotel and restaurant offerings which had yet to saturate the region. There existed sufficient flexibility in the number of rooms available in concert with the fluctuating volume of tourists over those early to middle years of the 1980s to allow the CIP to meet demand without facing either an urgent need to build more resorts, nor a traumatic contraction. Instead, during the first two years of the crisis the CIP continued to receive major funding from the federal government and infrastructure projects continued apace. When construction of new resorts began anew after 1989, Los Cabos had already cemented its place as the dominant tourism complex in the state, and La Paz was relegated to a secondary role. The 1980s witnessed the final transition from the old tourist complex centered at La Paz to the new, international mass tourism complex centered at Los Cabos.

Of the 117,662 foreign tourists who arrived in the state in 1982, 48 percent of them visited the *municipio* of Los Cabos, encompassing the CIP and the east cape. The other 52 percent, or roughly 60,000, split between the remaining *municipios* of La Paz, Comondú, Loreto and Mulegé. This year represented the tipping point in terms of international tourism shifting to

³⁸³ Davis 1998, 113, 84, 70.

Los Cabos. Although La Paz drew the next largest portion of the international visitors, the towns Loreto and Mulegé in particular would have drawn off appreciable numbers to the other *municipios* and so the 48 percent going to Los Cabos represented a plurality. Indeed, Miguel Ángel Hernández notes in *Development, Planning and the Environment in Baja California Sur*, that from the 1980s to the 1990s “foreign tourism grew notably, but now oriented toward the region of Los Cabos, which definitively displaced La Paz as the principal tourist destination in the state.”³⁸⁴ As Estela Davis pointed out, by 1980 the *municipio* of Los Cabos had already surpassed La Paz in terms of the number of rooms on offer. The number cited by José Luis Borja Santibáñez et al. for 1982 (1524 in Los Cabos to 1314 in La Paz) very closely mirrors the one that Davis gleaned from State Tourism Commission (1539 to 1314) for two years earlier. Importantly, they affirm the trend for accommodations in Los Cabos to be of higher category in terms of amenities and ranking, and note that “from that point [1982], the growth of the hotel capacity in the *municipio* of Los Cabos is sustained, which contrasts with the behavior happening in the city of La Paz, where the hotel offering has remained constant.”³⁸⁵

Another element of the transition and the emergence of the CIP at Los Cabos which hurt La Paz economically and undermined its traditional role in the region was the rise in traffic at the International Airport of Los Cabos from the late 1970s through the early 1980s. La Paz had long

³⁸⁴ Hernández Vicent 1998, 71–72. “...el turismo extranjero aumenta notablemente, pero ahora dirigido hacia la región de Los Cabos, la cual desplaza definitivamente a La Paz como el principal destino turístico del estado.” Hernández further notes that the trend grew and in 1995, of the 473,912 foreign tourists who arrived in the state, 83 percent chose Los Cabos as their principal tourist destination.

³⁸⁵ Borja Santibáñez 2006, 49. “*A partir de entonces, el crecimiento de la capacidad hotelera en el municipio de Los Cabos es sostenido, lo que contrasta con el comportamiento ocurrido en la ciudad de La Paz, donde la oferta hotelera ha permanecido constante.*” It is not readily apparent why the figures cited by the two sources for 1980 and 1982 are identical for La Paz, but show a slight drop for Los Cabos. It is possible that one of the two authors made an error, that the openings and closings of hotels over the period affected the statistics, or that confusion exists between counting for the larger *municipio* of Los Cabos versus the CIP itself. One other possibility lies in a statement describing graph 3 on page 50, in which Borja and his coauthors state that the data showing growth in Los Cabos hotel offerings from 1982 to 1998 do not include condominiums, which would increase the figures for Los Cabos. At any rate, their important contribution is the confirmation of the static nature of hotel offering in La Paz over subsequent years, and the expansion of offering in Los Cabos.

served as the primary hub for long distance air travel, and as late as the early 1970s most visitors intending to reach San José del Cabo or Cabo San Lucas and who did not have access to a private plane were forced to fly into La Paz and take an air taxi to their final destination.

Although the recorded number of air travelers moving through La Paz continued to outstrip those arriving in Los Cabos by a large margin through at least 1984, the reduction in international tourist traffic through the capital's airport could not help but have an impact on the economy of the principal city.³⁸⁶ For 1978, 38,437 passengers were reported at Los Cabos, while the airport at La Paz recorded 322,127 passengers. It is important to note that both sets of data report "movement of passengers," meaning that they record all arrivals and departures. Travelers would typically be recorded twice, and there is no differentiation with regard to the nature of their travel. Local residents traveling for business or pleasure and using the airports, typical tourists, and even passengers arriving and departing on a layover for a continuation flight entered the figures. Because La Paz remained an important layover point for flights transiting the region from the U.S. border to the north and central Mexico to the southeast, as well as the because the population of La Paz and its primary and secondary sector business community still dwarfed that of the southern peninsula in the late 1970s and early 1980s, it is understandable why there should be such a disparity in passenger volume. Although layover passengers would come to make up a portion of the Los Cabos arrivals, the majority arrived and departed as tourists, the local population being comparatively small. For that reason, as passenger traffic increased in the Los Cabos airport, it served as an indication of the accelerating growth in the CIP and its rising popularity with visitors. In 1979, passengers at Los Cabos nearly doubled to 73,602 while La

³⁸⁶ The numbers available from the archives for airport operations in the state have a gap from 1984 to 1992. In the figures from 1978 through 1984, La Paz enjoys a massive advantage for each year, but in the data for 1992 through 1998, La Paz surpasses Los Cabos by great margins in 1993 and 1995, while the opposite is true in 1994 and 1996. It is unclear why the years 1985-1991 are not included in the data, and the mechanism for such wide fluctuations between the two airports in the mid-1990s is likewise not apparent.

Paz numbers remained relatively static at 323,206 - an increase of 1,079. From that point, both saw increases for two years with Los Cabos registering 113,249 in 1980, and 143,325 in 1981, while La Paz reported 427,651 and a dramatic 735,956 respectively. These final years of the oil boom, coinciding with the emergence of Aerocalifornia as a regional airline, made for heady days in La Paz. The crisis year of 1982 brought slight declines for both airports, at 142,051 for a loss of 1,274 (or less than 1 percent) passenger arrivals and departures at Los Cabos and 695,895 for a loss of 40,061 (slightly over 5 percent) at La Paz. After years of rapid growth and in comparison to other impacts of the devaluation and economic crisis, these declines proved small. In La Paz, however, the numbers continued to decline in 1983 and 1984 to 627,694 and 573,578, the latter representing a loss of 162,378 or 22 percent from three years earlier. Los Cabos traffic spiked in 1983 to 236,247 arrivals and departures and rose again to 319,947 in 1984 (see Table 9).³⁸⁷

FONATUR continued to invest in Los Cabos during the crisis of 1982 and its aftermath, even as it began to move away from investment in the CIP at Loreto. With major fiscal challenges such as servicing foreign debt and rampant inflation, the government came to make difficult choices in terms of the national budget and prioritizing expenditures. Tourism remained a priority even in the face of the crisis, as it represented a major sector of the economy that improved the balance of trade, providing an infusion of outside revenue and capital for investment. According to INEGI data breaking down the Results of Federal Public Funding Completed (*Destino de la Inversión Pública Federal Realizada*), from 1982 through 1984 the

³⁸⁷ Centro Estatal de Información, “*Estadísticas Históricas 1975-1998*,” 2003, 78,79 Cuadro III.60, Cuadro III.61. Changing routes, air carriers and varying capacities of planes mean that it is not possible to directly state that rises in passenger volume correlate to increased air traffic rather than fuller occupancy of planes arriving in Los Cabos, as *cuadro* III.61 only records a single passenger movement figure for each year. In *cuadro* III.60, the La Paz data includes the number of flights per year, and 1984 saw less than half as many flights processed through the airport as did 1982, and fewer than one third the total number in the peak year for the period, 1980.

Table 9. Passenger movement at La Paz and Los Cabos airports, 1978-1984

year	La Paz	Los Cabos
1978	322,127	38,437
1979	323,206	73,602
1980	427,651	113,249
1981	735,956	143,325
1982	695,895	142,051
1983	627,694	236,247
1984	573,578	319,947

Source: Centro Estatal de Información, “*Estadísticas Históricas 1975-1998*,” 2003, 78,79 Cuadro III.60, Cuadro III.61.

amount of federal money directed toward Commerce and Tourism increased at a faster rate than funding toward either Social Welfare (*Beneficio Social*) or Industrial Development, a focal point for the import substitution policies of the technocrats. The raw numbers of investment in Commerce and Tourism, rising from Mex\$15,442,000,000 in 1982 to Mex\$52,773,000,000 in 1984 must be considered in light of the inflationary pressures and devaluations that were taking place, but the ratio of growth in funding that sector in comparison to the others shows the investment the government continued to make in tourism. Starting in 1985, Commerce and Tourism were split out in the data tables, with Commerce initially commanding higher funding, thirty billion pesos to eighteen billion pesos, but in 1986 funding for Tourism nearly doubled while Commerce increased by less than 50 percent, and the following year Tourism funding more than tripled to Mex\$109 billion while Commerce increased to Mex\$103 billion. Through the early 1990s, Tourism funding fluctuated from year to year, but it consistently grew until

1994, when the Zapatista crisis struck.³⁸⁸ By this point tourism stood as an important sector of Mexico's economy.

Hotel building in Los Cabos during the period of the economic crisis did continue, although the accommodations which opened tended not to be particularly large nor at the top end of the spectrum in terms of amenities and ranking. In 1983 the hotels Casablanca and Marina Cabo San Lucas opened with thirty and thirty-one rooms, respectively.³⁸⁹ For 1984, the most significant new development was the Hotel Aquamarina, with ninety-nine rooms and a four star rating.³⁹⁰ It appears that the trend toward growth in tourism numbers over the early 1980s, along with the weak national economy, meant that Los Cabos developments focused on filling their surplus capacity in lodgings through the mid-1980s and generally on medium-scale construction. That began to change by 1987, as the pace of development picked up and constructions in Cabos San Lucas ranged from the thirty-one room, economic class Hotel Dos Mares, to the sixty-three room, three-star Hotel Marina Cabo Plaza and the sixty-five suite, four-star Hotel Suites Terrasol. In San José, the Hotel Posada Real was the one major FONATUR-associated hotel project which came to fruition that year, further cementing the agency-developed tourist corridor as the area for lodgings approximating the CIP ideal pioneered at Cancún. The hotel held a four star ranking and offered 150 rooms with conference facilities, multiple restaurants and bars.³⁹¹

This was the first such integrated project constructed in San José for several years, and in 1988

³⁸⁸ INEGI 2000, 618 *cuadro 16.3.2., cuadro 16.3.3.* The figures for 1985 and onward actually include *Abastos* in with Commerce, but for the sake of comparison I simplified the category to Comercio along. The word *abastos* in Spanish translates to “supplies” or “provisions” and in this budget category does not contribute to the meaning of the entry. The funding for tourism did dip by five billion pesos or 2.5 percent from 1991 to 1992, the only inconsistency in the general rise during the period.

³⁸⁹ Davis 1998, 117.

³⁹⁰ Davis 1998, 118.

³⁹¹ Davis 1998, 121. “*Clase económica*” as a ranking for lodgings usually corresponds to a one or two star ranking. An alternative system that is used to augment the star classification includes descriptive categories such as *clase especial, gran turismo*, followed by the five stars and then *clase económica*. In this scheme, *gran turismo* generally indicates resorts oriented toward mass tourism and offering amenities extending beyond those typical of lodgings, including spas, travel agencies and shops, for example.

the pace of growth of such larger projects continued. That year saw two other four star hotels, the eighty-one room Hotel Fiesta Inn and the 106 room Hotel Club Cascadas de Baja open in the CIP.³⁹² Those three hotels, added in 1987 and 1988 indicated that Los Cabos tourism remained healthy, but paled in comparison to the pending projects that came to fruition in 1989: the first of the massive, 300+ room developments to open in Baja California Sur. On the marina in Cabo San Lucas, the 331 room Hotel Plaza Las Glorias opened at roughly the same time as the 314 room Melía Cabo Real Beach and Golf Resort began operations near San José. Both hotels were classed as *gran turismo* and represented the emergence of the CIP at Los Cabos as an analogue to Cancún. On the eve of the 1990s, the southern zone of the state of Baja California Sur increasingly resembled that engineered tourism pole in Yucatán, at an earlier stage of development. Traces of the old tourism complex remained in the legacy hotels and resorts such as the Palmilla and sites along the east cape, but the future clearly lie with the new model.



Figure 15. Hotel Westin Regina, Los Cabos.

³⁹² Davis 1998, 123.



Figure 16. Beachfront of the Westin Regina, Los Cabos.

The State of Baja California Sur Tourism at the End of the 1980s

As the decade of the 1980s moved toward its close, Los Cabos clearly emerged as the primary area for growth in the tourism economy, and as the tertiary sector grew to be the most dynamic of the state's economy, Los Cabos became a magnet for workers and investment. From 1982 through 1991, a full 21 percent of all federal funding to develop tourism was spent in Baja California Sur, the lion's share of that on the CIP in Los Cabos. Considering the comparatively small share of national tourism revenue that Baja Sur generated, certainly less than 21 percent, that would seem to be a disproportionate relationship of expense to income.³⁹³ As noted earlier, federal spending on this sector continued to increase in the aftermath of the crisis as a means of encouraging infusions of foreign capital, and as Los Cabos remained in the phase of expansion of

³⁹³ González Cruz 2002, 563.

hotel offering and infrastructure, it benefitted considerably. By the end of the decade, tourism throughout the state continued, but nowhere was it as robust as Los Cabos.

Beyond the particulars of investment, both federal and private, changing circumstances in transportation also highlighted the charmed state in which the southernmost point of the state existed. Starting in 1987, the federal government began a process of reducing regulation of air routes and attempting to encourage competition in the airlines and re-evaluation of air service through private initiative, and not as the result of governmental requirements. This policy, known as “open skies,” envisioned market forces taking a bigger role in determining how frequently routes were flown, which airlines would chose to compete on particular routes, and whether some destinations merited the volume of service that they had enjoyed during the years of expanding air service of the economic boom at the end of the 1970s. Open skies did not specifically attempt to restrict Mexican aviation nor to penalize destinations nor particular airlines, but it had a number of effects that dramatically affected the nation overall and Baja California Sur in particular. The most significant national impact struck in the spring of 1988 when Aeronaves de México, the state-owned airline and one of two massive national carriers, filed for bankruptcy. Aeronaves de México had been nationalized decades earlier, and it served as the flag carrier airline, but decades of operating a wide array of routes, some unprofitable, left the airline vulnerable. The “open skies” policy, in a way, functioned as a harbinger of its decline, which was ultimately precipitated by a labor strike. Before the end of the year, the company was reformed under the name Aerovías de México, S.A. de C.V. and started down the path to privatization, but in the interim it suspended flights and upon renewing them reevaluated routes. The hiatus disrupted travel in the region. “Open skies” also created the opportunity for airlines to restructure routes, including those which included stopovers that resulted from

regulations rather than economic motives. Aerovías de México opted not to renew its service to Loreto because it had long been unprofitable and existed as a stopover on longer routes and out of speculation in the FONATUR CIP. When the CIP failed to grow, the speculation no longer made sense, and consequently the reduction in air service hindered development of the Loreto and Nopoló complex. The other major national carrier, Mexicana de Aviación, reduced its service to La Paz by dropping to only two stopovers per week on its Mexico City-Tijuana route, now that it was released from regulations. The shifting air service brought about by the “open skies” policy threatened to stifle the transportation options for the state’s secondary tourist destinations, and Aerocalifornia grew as a result, stepping forward to fill the void.³⁹⁴

One of the other areas of transportation that underwent a major change in the late 1980s and which had little effect on Los Cabos was the car ferry service connecting Baja California Sur to mainland Mexico. At the beginning of the decade, four routes connected the nationalized ferry service to three points within the state: Guaymas, Sonora, to Santa Rosalía, Baja California Sur in the north, Topolobampo and Mazatlán, Sinaloa, to La Paz, and Puerto Vallarta, Jalisco, to Cabo San Lucas. On average, from 1977 to 1980 the route to Cabo San Lucas transported roughly 55,000 passengers and 9,000 vehicles, while the Santa Rosalía route accounted for approximately 85,000 passengers and 9,000 vehicles per year.³⁹⁵ La Paz dramatically outperformed the other ferry terminals on the peninsula, with the Topolobampo route nearly equaling Santa Rosalía’s traffic at an average of around 85,000 passengers and 10,500 vehicles, and the Mazatlán ferries averaging 325,000 passengers and 25,000 vehicles per year from 1977

³⁹⁴ Davis 1998, 122. Mexicana and Aeroméxico continued service to the state, although they restructured their routes where profitability dictated and only Los Cabos remained relatively untouched. Ultimately, both Aerocalifornia and Mexicana would go out of business in the twenty-first century, Aerocalifornia at least partially as a result of overextension.

³⁹⁵ Centro Estatal de Información, “*Estadísticas Históricas 1975-1998*,” 2003, 82,83 Cuadro III.64, Cuadro III.65. Cabo San Lucas recorded a high during that period of 65,040 passengers in 1979, and a low of 48,186 passengers in 1977. Santa Rosalía’s high came in 1979 with 102,489 passengers and the low also in 1977 with 66,576.

to 1980.³⁹⁶ From 1977 to 1980, total numbers moving through the La Paz ferry terminal exceeded those at Cabo San Lucas by a margin of roughly eight-to-one. In 1984, that margin increased slightly, approaching nine-to-one, with passengers moving along both routes to La Paz totaling 425,028 and those traveling by ferry to Cabo San Lucas reaching 48,013. In 1985 it slipped further to more than ten-to-one.³⁹⁷ The following year, ferry service to Cabo San Lucas was discontinued. One of the challenges inherent in this form of transportation was that the vagaries of the economy and of demand for use of the ferries tended to make them relatively unprofitable. The ferries were nationalized, and so ticket prices remained fixed no matter the circumstances, and the Cabo San Lucas route had long failed to support itself financially, where the others proved more viable. In 1988, the ferry service across the Sea of Cortés was privatized, and immediately prices for tickets jumped to bring them into line with market forces. By 1991 the fares stood at roughly 600 percent their rate while the service was nationalized.³⁹⁸

The privatization of the ferries and the policy of “open skies” for the airlines fit in with a general change in the political environment that became cemented with the election of Carlos Salinas de Gortari as President of Mexico in 1988. The Salinas administration represented the same political dynasty which had governed Mexico for sixty years, but the technocratic form of PRI administration generally shifted away from direct and minute government supervision to one of neoliberalism. Under this ideology, market forces were to shape the national economy and

³⁹⁶ Centro Estatal de Información, “*Estadísticas Históricas 1975-1998*,” 2003, 81,84 Cuadro III.63, Cuadro III.66. The high volume year in this range for the Topolobampo route was 1979 with 97,643 passengers (fewer than the peak for Santa Rosalía) and 11,153 vehicles, and the low year of 1977 saw 59,563 passengers (also fewer than Santa Rosalía, although 1978 and 1980 were both higher) and 10,062 vehicles. On the Mazatlán route, 1979 brought 399,805 passengers and 30,055 vehicles while 1977 recorded 243,943 passengers and 20,401 vehicles.

³⁹⁷ Centro Estatal de Información, “*Estadísticas Históricas 1975-1998*,” 2003, 85 Cuadro III.67. Traffic on the ferry to Cabo San Lucas generally declined over the 1980s, while the volume of air travel increased. As for La Paz, traffic on the Mazatlán route remained above 300,000 while the Topolobampo route proved much more variable. In 1985, twenty-nine trips between Puerto Vallarta and La Paz were completed, contributing 9,099 passengers to the total of 408,525 reaching the peninsula via the La Paz ferry terminal.

³⁹⁸ González Cruz 2002, 562.

guide the government's policies, a position that abandoned the earlier interventionist approach. One area that proved at least temporarily exempt from a purely market-driven approach was tourism under the auspices of FONATUR, as the government continued to invest directly in managing the growth of the CIPs. By this point, their importance to the regional economies of Quintana Roo, Baja California Sur and Oaxaca, as envisioned in the late 1960s and early 1970s when they were conceived made them too valuable to leave to chance and the market.

CONCLUSION

If national economic interests drove the federal government's emphasis on Los Cabos and the other CIPs, local interests encouraged a broader distribution of the benefits of tourism throughout Baja California Sur. Certain qualities of the peninsula, its landscapes and its economies, are apparent extending back to the colonial era. These five characteristics shape the unique problems of Baja California Sur, but the efforts of *sureños* to address them also demonstrate the progress that the region has made through tourism. These themes of isolation, dependency, scarcity and surplus, the problem of sustainability, and a shifting orientation toward the north, have shaped the economic activities and attitudes of the people of Baja California Sur for centuries, and continue to play roles to this day. They also link the peninsula into larger regional and international contexts, as several of these characteristics represent problems that are experienced throughout the North American west. In the specific case of La Paz, the tourism industry represented a unique local response to the endemic problems of the peninsula, and while the boom of the 1950s to 1970s could not be maintained, the model that emerged here better addressed the core themes than did the mega-project at Los Cabos.

For centuries, the isolation that the Sea of Cortés and the rugged topography of the peninsula together imposed upon the region conspired to impede settlement and economic activity. No significant, lasting Spanish colonial community was established on the Baja California peninsula until the 1697 founding of the Nuestra Señora de Loreto mission, by the Society of Jesus. Even after that point, settlement by novohispanos on the peninsula expanded slowly and initially tended to center around the missions operated by the Jesuits and later, Dominicans.³⁹⁹ The landscape of the peninsula itself hindered movement and development, as

³⁹⁹ The term *novohispano* references the Spanish colonial Viceroyalty of New Spain, the political entity that encompassed modern Mexico. It is used here to designate peoples affiliated with that colony, whether Spanish,

the narrow strip of land is corrugated, with mountain ranges, arroyos and escarpments, punctuated by few oases and challenging deserts. The combination of these landforms, the Sea of Cortés, and low population pressure converged to guarantee isolation during the colonial period. In the nineteenth and early twentieth centuries, that isolation endured, mostly because populations remained small and linking Baja California Sur into wider transportation networks proved difficult. In fact, La Paz, as the largest city on the southern half of the peninsula, only boasted 5,046 inhabitants in 1900.⁴⁰⁰ Even at that small size, it held a significant margin over the other settlements in Baja Sur. As for transportation, the peninsula had long relied upon coastal shipping as the main means of moving people and goods. But despite the fact that La Paz, Loreto, Santa Rosalía and most of the other coastal settlements enjoyed good harbors, the distances between sites, their small populations, and the remoteness from major commercial centers along the Pacific coasts of Mexico and the United States meant that they never received heavy traffic. For the region to experience growth, it would need to integrate into broader transportation networks, but the nineteenth century options were problematic because of the geographic barriers. A railroad could not span the Sea of Cortés, but nor was it practical to descend the length of the peninsula, with its imposing landforms, for such paltry profit. Even comparatively inexpensive roads, requiring less grading and investment, failed to effectively link the southern peninsula with the north in such a fashion as could spur economic growth. It would be the advent of air travel in the twentieth century which would ultimately connect La Paz and the surrounding area to the rest of Mexico and the United States, and make tourism an engine for

indigenous or mestizo in origin, and to differentiate them from the local indigenous population which already occupied the peninsula and which in the early years had no affiliation with New Spain. In terms of the religious orders, the Franciscans took control of the missions in modern Baja California Sur after the 1767 expulsion of the Jesuits from Spanish colonies, but in 1773 were tasked with expanding new establishments into Alta California and replaced in the southern missions by Dominicans.

⁴⁰⁰ INEGI 2013.

the local economy. Once established, the tourism complex made practical the further commitment to expanding mass transportation with the construction of a paved road down the length of Baja California, and the establishment of regular passenger and car ferry service across from mainland Mexico. Still, even as mass transportation now reaches La Paz, it remains relatively isolated in comparison to other areas of Mexico, but that residual isolation is actually a desirable characteristic in a tourist area. Small local populations and geographic barriers to the problems of other areas of central and northern Mexico, particularly those of the drug trade, make Baja California Sur a haven for international visitors. The other side of that coin is that the region becomes committed to tourism as the means for its continued economic support.

Through much of its history, the peninsula has been dependent upon other regions for the economic means for its continued advancement. This dependency, at times on the core of the country in the form of the political and economic establishments centered on Mexico City, and at other times on the “core” identified in World-systems Analysis, particularly the United States, has shaped the relationships between Baja Sur and the larger region in which it is located. Although the original tourist establishments constructed around La Paz were locally-funded, the tourism complex that emerged as the economy expanded was reliant upon outside capital, and the political support to undertake massive infrastructure projects. The residents, entrepreneurs and political elites in the La Paz and the later Los Cabos tourism complexes forfeited the ability to fully shape the local economies as outside investors, agencies, and political entities became involved, and the tourism development projects grew too large to be funded locally. This is a fate that Hal Rothman identified in *Devil’s Bargains*. Rothman’s premise is that communities enter into Faustian bargains when they resort to tourism as the panacea for flagging economies. One element of that relationship is the loss of autonomy and ultimately the loss of identity, as

local populations struggle to conform to the needs and desires of visitors. In the case of the U.S. West, Rothman notes that this relationship exacerbates an existing problem and reinforces its identity as “an economic colony, supported by federal and outside dollars, subject to both extraregional and intraregional influences... it finds itself with the economic structure and sociocultural issues of a colony hardened beyond transfiguration.”⁴⁰¹

Dependency as a reality of economic life on the peninsula did not begin with tourism, however. The reliance upon outside investors in the mining and pearling industries of the late nineteenth century led the region down that path. Local entrepreneurs and political elites did continue to play major roles in those businesses, as partners and managers, but the success or failure of those enterprises depended upon outside markets and capital. The concept of the U.S. West as a colony of distant political and economic centers also rang true in Baja Sur, as the territory relied upon Mexico City to appoint its governors up until 1974 statehood, proved singularly unable to improve its infrastructure until the government designated funds to the sparsely-populated area, and before its transition to the tourism economy, it was essentially locked into a position of generating raw materials to be “exported” to the industrial and commercial centers of the national core. By the time tourism emerged as a viable option, with the advent of improved transportation and the emergence of an affluent American and Mexican middle and upper class with pretensions toward leisure travel, Baja California Sur was primed to adopt it.

Likely the most apparent characteristic of the Baja California peninsula, the swings between scarcity and surplus, is also somewhat deceptive in its complexity. The concept of

⁴⁰¹ Rothman 1998, 27. Although the resort communities that Rothman analyzes are substantively unlike La Paz and Los Cabos in terms of their attractions (ski resorts and national parks, for example), many of his observations hold true for the sites in Baja California Sur. The influx of neonatives, the difficulties faced by local populations not directly benefitting from tourism profits, and the commodification of place all correlate.

scarce resources is most readily grasped by considering the limits of water supplies in a region typified by desert. Mission-builders and the early lay settlers of the peninsula were keenly aware of the importance of usable water for drinking, irrigating, and watering livestock, and so placed their settlements at oases and sites with reliable springs. San Ignacio, Mulegé, and Todos Santos are the clearest examples of places where the abundance of surface water led to settlement, but it was with the twentieth-century understanding of aquifers and growing access to groundwater that allowed for the growth of towns like Ciudad Constitución and Ciudad Insurgentes. Agricultural settlements in Baja California Sur's own central valley, those two cities rely upon irrigation with groundwater to support fields, reminiscent of those on the central U.S. Great Plains, in an area where seasonal rainfall is not enough to grow the crops. Though fresh water is scarce, its use on a wide scale to enable agriculture, water golf courses, or support large metropolitan areas like twenty-first-century La Paz and Los Cabos belies that truth. In a region literally defined by thousands of miles of coastline and surrounded by seemingly boundless bodies of water, the appearance of surplus masks a true scarcity. One true abundance that actually is defined by that coastline is that of beaches and natural settings with potential for tourism development. In the late 1960s, as the Mexican government undertook a study to locate sites for new, planned developments, the Department of Tourism identified fifty-nine locations in Baja California Sur with the potential to develop for tourist resorts, a full 20 percent of such sites in the entire nation.⁴⁰² Clearly this is a surplus, but it is complicated by the scarcities, like water, that limit development, and by the irony that oftentimes the transition of a natural site to a tourist site diminishes its appeal. In the history of the peninsula, other examples of apparent surpluses converted into disastrous scarcity are easy to come by. The mining and pearling economies bear

⁴⁰² Gobierno del Territorio de Baja California Sur 1968, 101. *Informe de Labores*

testament to this theme, as both appeared to offer the prospect of lasting economic foundations and both faded into obscurity.

This reveals yet another theme in the history of Baja California Sur: boom and bust cycles have long typified the economic history of the region, and shed light on the potential fragility of the Baja Sur. As has been noted in the U.S. West, these sparsely populated areas with economies centered on resource extraction or single economic activities are vulnerable. Declining productivity, the collapse of markets far away, or natural disturbances like drought, earthquake or hurricane can plunge such locales from boom to bust. Likewise, the vagaries of discovering an unknown cache of the resource, linking to a new market, or the application of a technological advance can spur a boom in which the local economy expands rapidly for a brief period, operating at a level that is not sustainable over the long term. In Baja California Sur, as in the U.S. West, mining communities have long been noted as the loci of boom and bust economies. With the exhaustion of local deposits, such sites often fade until the emergence of a new discovery or the arrival of a new method for extraction of the desired resource. Baja Sur abounds with mining communities, most of them in decline but once centers for production of silver, gold, gypsum, guano and salt. Still, the best example of boom and bust can be discerned in the pearling industry, which periodically peaked and collapsed from the eighteenth century until its final demise in the early twentieth century. The La Paz tourism complex experienced its own boom and bust cycle, reaching one apex in the late 1960s only to experience the nadir in the 1980s, and a recovery in the twenty-first century. Subject to outside influences, the tourist economy regularly fluctuates, though rarely so dramatically as in the case of La Paz by the mid 1980s.

Over the span of its development, La Paz and the rest of Baja California Sur have shown a marked tendency to shift from an orientation that ties them to the main body of Mexico, toward a north-south axis, the last of the major characteristics of the region. In the twentieth century, that axis connected the region to the United States. In the colonial era, the missions established in Baja California relied upon material shipped across the Sea of Cortés, aligning with a limited flow of goods and people across from the interior of New Spain. However, even in this early phase, a tendency to understand the role of settlements along the peninsula as extending north and southward, out from the “mother” mission at Loreto, indicated the potential for a shift in orientation. To be sure, at this phase the concept was a practical adaptation to the geography and the role of Loreto in administering the other missions, but as the Franciscans extended the mission chain up into Alta California, the framework becomes clear. With the decline of the missions and the rise of the mining economy on the peninsula, the north-south orientation faded temporarily. Most of the supplies and men, as well as the yield of the mines, criss-crossed the sea and either originated in or found its way to central Mexico. The first major shock to this return to the older pattern came with the 1846-1849 war with the United States, when American forces coasted along the peninsula and occupied La Paz, demonstrating the enduring isolation of the region as Mexican forces to dislodge them did not arrive, and heralding expanded U.S. geopolitical and commercial designs on Baja California. The brief occupation by a filibustering expedition under William Walker confirmed those interests, and although neither occupation lasted long, the U.S. and its citizens would increasingly play a part, with businessmen like William Silver arriving to invest in the mines and the U.S. government establishing a coaling station at Pichilingue, just outside of La Paz. Now that Alta California was in U.S. hands and experiencing explosive economic and demographic growth, it held the prospect of exerting

influence on Baja California Sur. When the extractive industries of the nineteenth century collapsed and the economy began to shift toward tourism, the United States became the primary source of a clientele.

The transportation links that had begun to address the problem of isolation also linked La Paz and all of Baja California Sur more closely to the U.S. states of California and Arizona than to central Mexico. Air links typically ran north-south with La Paz as a stopover on the routes connecting Tijuana, Los Angeles, or Phoenix to Mazatlán, Guadalajara, or Mexico City. While one terminus of those routes was clearly on the Mexican mainland, the other was at the border, and it was the U.S. tourists who initially made the La Paz tourism complex viable. The completion of the transpeninsular highway, connecting the southern tip of Baja California to the border, further cemented the movement along a north-south axis. Although the ferry service, coming into wide use a few years before the highway was opened, did somewhat counteract that flow, American consumer goods, media, and the English language are all more ubiquitous in Baja California Sur than in other regions of Mexico a comparable distance from the border.

Epilogue: the Twenty-First Century Revival of La Paz Tourism

While tourism in La Paz suffered a slow, lingering decline toward death from the mid-1980s through the early 1990s, it experienced a renaissance in fits and starts around the turn of the twenty-first century. The principle characteristics of tourism infrastructure and transportation did not change, with much of the work on these sectors stalling as the emphasis on Los Cabos took over, but the capital city benefitted from renewed federal funding for projects such as the *Escalera Nautica* chain of marinas around the Baja California peninsula, and from an unusual

reversal in identity.⁴⁰³ The explosive success of Los Cabos and its rampant growth contributed to La Paz emerging as an alternative site for international tourists and expatriates looking for a more “authentic” Mexican experience.⁴⁰⁴ By the late 1990s, characteristics of “placelessness” and commercialization became widespread in the CIP, and travelers turned to La Paz and Todos Santos as the alternatives to all-inclusive and timeshare-laden Cabo San Lucas and San José. While existing establishments ranging from the venerable Hotels Perla and Los Arcos on the *malecón*, to the Crown Plaza, Palmira, Marina and La Concha developments of the 1970s and 1980s began to see increases in international guests, boosters and entrepreneurs explored new options for expanding the tourism offering.

In 2004, developers behind the proposed development Paraíso del Mar received government authorization to begin construction on a massive complex at *el mogote*, the sand spit separating the Bay of La Paz from the Sea of Cortés, and site of the failed Misiones de La Paz hotel from the early 1980s. *El mogote* had long been problematic from a development standpoint because although it lay less than a mile from the *malecón*, in clear sight of the city, it remained accessible only by small boat or a twenty-three-mile-long land route circling the bay, largely made up of unpaved roads and dirt trails. Additionally, the fragile nature of the sand spit and its mangroves on the bay side historically meant that construction was limited by environmental and logistical concerns. Establishing foundations for multi-story buildings, potable water and wastewater treatment, without disturbing the environment of the area seemed unlikely, but in 2004 the developers, Desarrollos Punta La Paz, received permission to build on the site from the

⁴⁰³ The *Escalera Nautica* (“Marine Ladder”) had been mooted decades earlier as a means of promoting the movement of yachts along the Pacific coastline, but it was not undertaken until the Vicente Fox presidency of the early twenty-first century. The plan called for the construction of marinas along the length of both coasts of the Baja California Peninsula, and brought funding through FONATUR for the marina adjacent to the Crown Plaza Hotel, in the Fidepaz section of the city. Following the Fox presidency, the project was abandoned after only partial completion.

⁴⁰⁴ In 2006, Todos Santos earned the designation *Pueblo Mágico* (“Magical Village”) by SECTUR as part of a program to promote picturesque tourist destinations throughout the nation.

environmental watchdog agencies, the *Secretaría de Medio Ambiente y Recursos Naturales* (SEMARNAT) and the *Procuraduría Federal de Protección al Ambiente* (PROFEPA). The resultant project, intending to establish two eighteen-hole golf courses, a 535 slip marina, hotels eventually expecting total 2,500 rooms and 4,000 condominiums was planned to encompass over 500 hectares and provide thousands of jobs while reviving the tourism economy of La Paz.⁴⁰⁵ Popular among boosters and controversial among environmentalists, the project began apace and by 2008 several six story condominium buildings, local streets, a dock and the first golf course to be opened in La Paz had all been constructed on *el mogote*, an investment which according to the developer Luis Cano Hernández had already consumed \$100 million of the \$1.2 to \$1.5 billion dollars expected in the project.⁴⁰⁶ That same year, the first major indications that the project might suffer a fate similar to the Misiones failure emerged, as environmental advocacy group *Centro Mexicano de Derecho Ambiental* (CEMDA) lodged a complaint with PROFEPA, prompting an inspection visit which turned up violations ranging from improper storage of used motor oil to the presence of an unauthorized cement pre-mix plant. More worryingly, the inspectors found indications that the developers were not adhering to the required mediation plans for environmental impacts, which included protection of mangroves, sea turtle nesting grounds, and a dolphin nursery area. In its annual report for 2008, PROFEPA identified the results of its inspection.⁴⁰⁷ The most immediate impact of the visit was the cancelation of the permit to build a paved road connecting Paraíso del Mar to La Paz by rounding the bay. The authorized contractor, Constructora Gema S.A. de C.V., had committed to following the environmental guidelines laid out by SEMARNAT and PROFEPA in the original permits granted to Desarrollos Punta La Paz, but in the inspection it was found that Gema had withdrawn

⁴⁰⁵ Hernández Flores 2013.

⁴⁰⁶ Rubio 2008.

⁴⁰⁷ PROFEPA 2009, 33.

from the project and been replaced by Constructora Gravi S.A. de C.V. As Gravi was not authorized by PROFEPA and in fact had violated several of the mediation plans, the permit to build the road was revoked immediately and construction suspended.⁴⁰⁸ In the aftermath of the cancelation of the road permit, prospects for the long-term success of Paraíso del Mar began to decline, and while developer Luis Cano and vice president of development for the resort, Agustín Olachea Noguera, maintained the viability of the project and fought a public battle with environmentalists in the media, new construction slowed.⁴⁰⁹ By 2010, judicial decisions calling into question the legality of the original SEMARNAT and PROFEPA permits for the entire project, along with those for a neighboring development spearheaded by Olachea Noguera, the 390 hectare, \$903 million Entremares, intended to construct an additional golf course and 3,420 lodging and housing units on *el mogote*, froze the work on the megaproject. At the writing of this dissertation, the completed structures on the sand spit remain partly occupied, but even the continued existence of the buildings is unresolved.



Figure 17. Bay of La Paz, with *el mogote* and Paraiso del Mar in the background.

⁴⁰⁸ Álvarez September 12, 2008. Álvarez November 20, 2008.

⁴⁰⁹ Agustín Olachea Noguera is the grandson of the former governor of the territory of Baja California Sur and son of Agustín Olachea Borbón, who leased the land on *el mogote* that was the focus of the abortive 1968 resort project.

2008 also saw the worsening of the global economic crisis which began in 2007, and a continuing downward trend in the number of international tourists visiting Mexico.⁴¹⁰ Those concerns, conflated with labor and political disputes that simmered for years, led to the decline of one of La Paz's most prominent tourist establishments: the Hotel Los Arcos. On November 21, 2008, dozens of workers under the auspices of the *Sindicato de Trabajadores Hoteleras y Gastronómicos* (SITHIGA) occupied the hotel and shut it down in a labor dispute with the Coppola family, which owned Los Arcos as well as the Hotel Finisterra in Cabo San Lucas. This action followed a forty-five-day strike which took place in 2005 at the same hotel, by the same union.⁴¹¹ In the interim, Luis Coppola Jofroy, the leading figure in the family and son of the original owner of the hotels, won election to the state senate in 2006 and became the focus of complaints by the strikers despite the fact that he had spent the past thirty years as director of the Finisterra, not Los Arcos. Over the next three years, the dispute would make its way through the courts, while being played out in public view on the *malecón* in the form of the shuttered hotel and in the media, with both sides accusing the other of abusing power and political connections to avoid resolution through arbitration: the union accusing the *panista* Coppola of influencing the decision of judges, and Coppola accusing *perredista* governor Narciso Agúndez Montaña of

⁴¹⁰ The peak year for international arrivals in Mexico was 2000, with a total of 105,673,520, followed by a downward trend dipping to 92,329,850 in 2003 before rallying to 103,146,050 in 2005. By 2007, the totals had dropped to 92,179,080, followed by 91,462,030 in 2008 and 76,749,000 in 2012. Complex causes appear to be behind these declines, ranging from economic pressures, political developments worldwide, and mounting drug violence in Mexico. One thing that is clear is that even though numbers of tourists have declined, the economic impact of tourism and the per capita average expenditures of visitors have generally risen over those same years. In the year 2000, tourists spent \$8,295,030,000 at an average of \$78.50 per capita (this spanned all classes of tourists, with border visitors crossing by foot averaging \$50.57 and tourists traveling to destinations by air averaging \$655.62). In 2012, despite a decline of more than 25 percent in terms of numbers of visitors, tourism contributed \$12,739,000,000 with a per capita average of \$166 (all categories of border tourists together averaged \$58.30, while visitors to Mexican destinations, arriving by air or land, averaged \$746.30). Data for years 2000 through 2010 available through Banco de México. "Principales Indicadores ed Visitantes Internacionales a México Serie Anual: de 1980 a 2010." <http://datatur.sectur.gob.mx/portalDatatur2/reporteadorDespliega.do>. accessed August 6, 2013. Data for 2012 available through Banco de México. "Flujo de Viajeros Internacionales." fecha de elaboración June 10, 2013. http://datatur.sectur.gob.mx/work/docs/estadistica_nuevo/semana_pdf/03.pdf. accessed August 6, 2013.

⁴¹¹ Hernández November 22, 2008.

backing the union.⁴¹² Ultimately, federal authorities ordered the lifting of the strike, requiring the owners of the hotel to pay more than 100 employees back wages estimated at fourteen million pesos before they could reopen the establishment.⁴¹³ At the time of writing, the hotel stands abandoned by both the owners and the union, symbolic of the collapse of the old tourism complex.

While the projects on *el mogote* languished in the face of failing support from the government's environmental agencies, and the Hotel Los Arcos slid into its long, contentious suspension, a concurrent project on the other side of the bay moved forward rapidly. From 2006 to 2010, the Grand Heritage Hotels Group, a U.S.-based company specialized in building high-end resort developments and rebranding existing resorts, constructed the Costa Baja Resort, Spa and Marina on the road to Pichilingue, between La Paz and the ferry terminal. Costa Baja represented the successful revival of La Paz as a destination for well-heeled visitors and became the first of the new resorts to equal the best Los Cabos had to offer. The resort was built around a 250 slip marina, which dramatically expanded the capacity already available in La Paz, and boasted an eighteen-hole golf course, the second in La Paz, designed by Gary Player. In the case of Costa Baja, the organized environmentalist resistance to the project proved less successful, largely because of the less fragile nature of the coastline in that area, and likely because the resort was constructed between the existing Hotel La Concha and the Petróleos Mexicanos (PEMEX) fuel depot at Punta Prieta, along the Pichilingue road.⁴¹⁴ This area had long been exposed to tourist and industrial development, and did not spark the reaction that developments

⁴¹² Hernández July 27, 2010. The terms *panista* and *perredista* refer to the right-wing and left-wing political parties *Partido Acción Nacional* and *Partido de la Revolución Democrática*. The title of the article references the contention of Coppola that the strike would not be resolved until after the end of Governor Agúndez' administration.

⁴¹³ Hernández January 19, 2013.

⁴¹⁴ The beach at Costa Baja is within a sea turtle nesting ground, and the resort is required to comply with regulations protecting nests when they are encountered. Álvarez October 22, 2008.

on *el mogote* and the attempted project at Puerto Balandra inspired in *paceños*. On the contrary, many *paceños* point to Costa Baja with pride: an indicator of the long-awaited resurgence of La Paz tourism, more affluent locals patronize the resort's restaurants as their parents and grandparents had at Hotel Perla and Los Cocos in the 1950s and 1960s.

Beyond La Paz itself, the regional tourism complex exclusive of Los Cabos continues to evolve and a renewed trend toward the emergence of high-end, somewhat isolated developments mirrors the earlier destinations at Las Cruces and Buenavista. The difference lies in the joint transportation hubs at La Paz and Los Cabos, which now share duty, feeding such developments.⁴¹⁵ One of the new projects, Azul de Cortez, lies in the vicinity of the old Hacienda Las Cruces, located between that first exclusive resort and the Punta Coyote land that interested James Poochigian in 1967. South along the coast, on the other side of Las Cruces and beyond La Ventana Bay and Cerralvo Island, the development of Bahía de los Sueños has made significant advances since opening in 2008, and in addition to the eighteen-hole golf course that is currently operational, plans are underway to build as many as 1,200 dwellings and hotels for temporary visitors. Unlike the other sites in the immediate area, Bahía de los Sueños maintains an airstrip, with plans to extend and improve it to accommodate all classes of private jets.⁴¹⁶

Like Paraíso del Mar and Costa Baja, Azul de Cortez proposes mixing hotel rooms with condominiums, a marina and the ubiquitous golf course. In this case, the developers target

⁴¹⁵ Traffic through Los Cabos generally means it is the primary arrival point, even for resorts closer to La Paz. Azul de Cortez grants the twice-weekly flights from Los Angeles to La Paz on AeroMexico top billing, before noting that daily flights arrive in Los Cabos and that ground transportation from both airports is complimentary. http://www.azuldecortez.com/fact_sheet.asp accessed August 4, 2013. It bears noting that Hotel Buenavista and a number of the original fly-in fishing resorts remain in operation, although now they rely heavily upon travelers arriving through the commercial aviation hubs.

⁴¹⁶ Bahía de los Sueños. <http://bahiasuenos.com/sites/default/files/Bahia%20Fact%20Sheetrevised6.17.pdf> accessed August 6, 2013. Locals relish telling the anecdote of the original name of the site where Bahía de los Sueños is located. Rather than being “Bay of Dreams,” it was known as Ensenada los Muertos, or “Inlet of the Dead,” alternately attributed to stories of shipwrecked sailors, or of the fact that this coast was used to load beef cattle on ships for transport across the Sea of Cortés. Because there was no dock along the coastline, the cattle were driven into the water before being hoisted by block and tackle, with ropes around their necks, onto the decks of the ships. Cattle whose necks were broken by the maneuver were pushed overboard and washed back to shore.

visitors who crave experiences rooted in the place, not caught up in the placelessness that critics associate with Los Cabos. According to the Azul de Cortez website:

La Paz represents a simple, comfortable, authentic Mexican lifestyle, far from the touristy atmosphere of other Mexican resort towns. This vibrant community was built with a deep respect for the natural attributes of the desert landscape and the Sea of Cortez. The result is a laid-back lifestyle focused on interacting with people and surroundings.⁴¹⁷

These sentiments echo the views expressed by visitors to the earlier tourism complex centered in La Paz during the 1950s and 1960s, and speak to ideals of seeking both an experience of exoticism in foreign travel, and of leisure. There is potential to revive elements of the old tourism complex, even as the expectations that visitors have developed as a result of the CIP model and the rise of Los Cabos informs the amenities on offer. Developers lionize the relationship between people and place, emphasizing natural beauty and conservation of resources, while establishing golf courses and shopping centers. It remains to be seen if the experiences of the original complex will inform the development of the new one, or if the current tourism projects in La Paz will follow the pattern of Los Cabos and the CIP model of FONATUR, emphasizing intensive development and radical reordering of the environment.

One thing that is clear is that the international tourists who flock to the region have changed, in terms of many of their expectations and characteristics in comparison to their counterparts in 1955. Sport fishing remains, but has declined in popularity, and sand-and-sun tourism is the dominant form in the region. Contemporary tourists expect a destination that is oriented to serving their needs, not those of a local population, and as in the CIP model those local workers are housed on the fringes of the tourist poles. In La Paz, such a reordering is not possible, and perhaps for this reason the successful recent developments themselves occur on the fringes of the city, as are the cases in Costa Baja and the Grand Plaza. Neither La Paz nor Los

⁴¹⁷ Azul de Cortez. http://www.azuldecortez.com/fact_sheet.asp accessed August 4, 2013.

Cabos provides visitors with the isolation that they did in the 1950s, and they no longer have the air of exclusivity that fly-in or sail-in resorts once had. Azul de Cortez and Bahía de los Sueños clearly are attempting to replicate that exclusivity, but in the age of mass tourism and the ease of air access to Baja California Sur, it is unlikely that such a quality can fully be recaptured. The booming days of La Paz tourism and the small sites that surrounded it have been replaced by a sector much larger, more complicated, and more intrusive than the residents of the peninsula likely ever conceived when tourism was first mooted as the replacement for the bygone industries around mining and pearling. That the economy has grown, along with the population, and that the isolation of the southern peninsula has been erased is incontrovertible. Now the emerging question is whether the tourist economy has become a Faustian bargain, consuming the peninsula, its resources and its people in a quest for economic security.

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Abbreviations

AGEBCS	Archivo General del Estado de Baja California Sur
AGN	Archivo General de la Nación
AHPLM	Archivo Histórico Pablo L. Martínez
CIBNOR	Centro de Investigaciones Biológicas del Noroeste, S.C.,
FONATUR	Fondo Nacional de Fomento al Turismo
INEGI	Instituto Nacional de Estadística Geografía e Informática
PROFEPA	Procuraduría Federal de Protección al Ambiente
UABCS	Universidad Autónoma de Baja California Sur
UNAM	Universidad Nacional Autónoma de México

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