IT’S A MATTER OF MARKET DEVICES:
PERFORMING THE RURAL REAL ESTATE MARKET IN VILCABAMBA, ECUADOR

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ABSTRACT

This work investigates how Vilcabamba, a small town in southern Ecuador, came to acquire the characteristics of a real estate market: buyers interested in buying, sellers interested in selling, and land as an object of exchange. It analyzes several market devices (Callon, 2007) created by International Living, Ltd. that transformed prospective land buyers into economic actors, and presents a new category of international retirement migration (IRM) – synthetic migrants – to identify this phenomenon. Considering the role of real estate agents, it examines the market devices they create to enact a transparent real estate market by standardizing the real estate process. Finally, it looks at how land is performed as a market object through a series of transformations in which real estate intermediaries take knowledge of the land out of networks of relational memory and deposit it into market repositories. Additionally, considering some detrimental effects of synthetic migration, it explores the role of market devices in creating inequality, in this case,
between the Ecuadorians and foreigners, and proposes that market devices might constitute an original way in which to study larger issues of globalization.

Using Vilcabamba, Ecuador as a case study, it investigates the knowledge economists, and by extension business practitioners provide for calculating and constituting the relationships between humans, nature and society and explores how economic science fundamentally transforms and reconstitutes the world by making it calculable, and therefore marketable.
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# Table of Contents

Chapter 1. Bienvenidos a Vilcabamba ................................................................. 1
  Performativity and Market Devices .................................................. 5
  The Strawberry Marketplace ........................................................... 8
Chapter Summaries ........................................................................... 11
  A Note on Data and Method Collection ........................................ 13

Chapter 2. Synthesizing the Buyer ............................................................. 16
  International Retirement Migration: Literature Review ............... 16
  International Living, International Buying ................................... 21
    Brief Introduction to International Living, Ltd. ....................... 22
    The Annual Global Retirement Index ....................................... 24

Chapter 3. Standardizing the Process ......................................................... 36
  Organic Migration ........................................................................ 36
  Synthetic Migration ..................................................................... 39
  Rogue Intermediaries .................................................................. 42
  Licensed Real Estate Agents ......................................................... 43
  Orienting the Buyer, Standardizing a Process ......................... 45
  Sellers’ Economic Agency ............................................................... 48
    Ranking possible states of the world ...................................... 51
    Filtering the world ................................................................. 52

Chapter 4. Enacting the Market Object ....................................................... 56
  Signing ......................................................................................... 57
  Managing ..................................................................................... 58
  Bordering .................................................................................... 67
  Fencing ......................................................................................... 71
  Translating ................................................................................... 76
  Marking ......................................................................................... 78
  Plotting ......................................................................................... 80
  Abstracting ................................................................................... 81
  Listing .......................................................................................... 84
Table of Figures

Figure 1. International Living’s Annual Global Retirement Index .........................26

Figure 2. Quotes from IL articles corresponding to each Index criteria ..................30

Figure 3. Marcel holding his real estate process sign ...........................................46

Figure 4. Photographs of Vilcabamba showing the geometric layout of the town ....59

Figure 5. Vilcabamba citizen point to land marks indicating property lines ...........70

Figure 6. A prospective buyers opening a wire fence on land tour .......................74

Figure 7. A photograph of a plot in Hacienda San Joaquin ...............................75

Figure 8. Photograph of Hacienda San Joaquin with superimposed property line ..79

Figure 9. Photograph of Hacienda San Joaquin with superimposed land plot lines ..80

Figure 10. Site plan of Hacienda San Joaquin .....................................................82

Figure 11. Example of property listings from Hacienda San Joaquin .................84
Chapter 1. Bienvenidos a Vilcabamba

Located in the southern Sierra (the Andes region of Ecuador) in the Loja province, Vilcabamba (pop. ~1,000; 4,000 with outskirts) was first established by Luis Fernando de la Vega on September 1st, 1756. Although it is structured like most small Ecuadorian town, it is far from typical. It first gained notoriety in the early 1970s when Tony Burman published a series of photographs of the town in *The New York Times*. Its profile was further raised when a number of studies (Davies, 1975; Halsell, 1976) reported the valley to have a disproportionate number of centenarians. Attributed to climate, diet, and lifestyle, the health and vigor of its older residents earned Vilcabamba one of its current nicknames: The Valley of Longevity. Although these claims have since been debunked as myth (Mazess and Forman, 1979; Mazess and Mathisen, 1982), Vilcabamba has retained somewhat of a cult status among tourists, hundreds of whom stop in the town every year on their travels through South America.

In the Seventies and Eighties, many of these tourists, looking to live apart from industrialized society, settled in Vilcabamba. Over the years, while still retaining their “gringo” status, they integrated into the community by marrying locals, having their children go to local schools, and working alongside the Ecuadorians. Despite their assimilated status, for the remainder of this thesis, I will refer to them as “organic”
migrants, to distinguish them from both the Ecuadorians and the “synthetic” migrants. This distinction is further discussed in Chapters Two and Three.

A walk around Vilcabamba’s central square reveals a nearly thorough inventory of the daily economic activities in which Vilcabambans engage. Several *tiendas* offer provisions, from bulk rice to soy sauce. The Sunday market brings the farmers down from the hills to sell produce to the community. Now that the road to Loja (provincial capital, ~45km from Vilcabamba) has been completed, delivery trucks weekly supply the tiendas with nonperishable goods. There are several Internet cafes equipped with fax and copy machines. Despite the ubiquity of cellular phones, there are a number of cabins with pay phones. In the bank, locals line up to withdraw money or, if they serve administrative functions in the town, such as teaching at the local school or working for the government, receive their paychecks. The tourists go there to break twenty-dollar bills due to a liquidity problem even the increased cash flow from tourism has not solved.

Many businesses in Vilcabamba are geared towards serving tourists - travelers who pass through Vilcabamba on their way to other destinations, staying for a few days, but having no intention of making it their permanent home. There are a number of restaurants that range from ones serving locals traditional fixed price meals to others offering a more cosmopolitan spread to tourists. Several hostels ranging in price serve

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1 Shop, store
backpackers, as well as wealthier visitors. White pick-up truck taxis border the park waiting for customers to shuttle to their hostels. Offices advertising horseback riding trips and artisan shops selling souvenirs offer tourists a memory to take with them when they leave. Large industrial sized trucks leave the park every morning, men packed into their beds, and return late in the evening to unload their cargo. Other trucks drive through the square transporting construction supplies.

While this degree of activity is unusual for a small Ecuadorian town, it makes sense here, considering the profound effects tourism has had on the kinds of services and amenities the town offers. More perplexing, however, is how many of these businesses service not just locals and tourists, but also the many foreign retirees that have arrived in the past decade, and continue to do so, looking to make Vilcabamba their permanent home.

Ask Yvonne, the local Internet technician, if business is going well, and he nods, but complains of being tired from traveling the surrounding hills installing Internet in private residences recently acquired or built by foreign retirees. Talk to the taxi drivers and they reveal that much of their business comes from chauffeuring foreigners on land tours. Follow the industrial trucks, and they lead to any number of construction sites where Ecuadorians are building houses for foreigners or to rivers and mountains being mined for building materials. Eavesdrop on the conversations in the
cafés, and you are likely to overhear people discussing the explosion of real estate activity in Vilcabamba. Pay attention to the signs above the entrances to business, and you will come across one that states: “Properties in Ecuador”, followed by “We do not service speculators”. In other words, spend some time there, and it becomes difficult not to wonder how a small, out of the way town like Vilcabamba became host to a frenzy of real estate activity, evidenced not only by the incessant conversations in the town, but also by curious fact of people as far away as Loja offering land in Vilcabamba for sale to tourists hailing from the town.

What are we to make of this situation? Who are these foreigners, and why did they decide to retire in Vilcabamba? What are the roles of real estate agents and the meaning of the aforementioned sign? Why are locals selling their land? And what is happening to the land as a result of this increased market activity? During my first trip to Vilcabamba as a WWOOFer\(^2\) in December of 2007, I became fascinated with these questions. My familiarity with the idea that economics performs, rather than describes economic activity left me unsatisfied with the explanation that the market was simply a result of the economic forces of demand (by wealthy foreigners for land) and supply (by poor locals of said land). I returned to Vilcabamba twice in the course of the year, spending a total of three months there, in order to better understand how the market

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\(^2\) WWOOF (Willing Workers on Organic Farms) is a worldwide network of organic farms that offer volunteers an opportunity to learn sustainable ways of living in exchange for food and accommodation. For more information, please visit: www.wwoof.org.
infrastructures put in place by various global and local actors have redefined the relationship between people, and between people and the land. Due to the nascence of the real estate market, I could not assume that land had always been considered an object of exchange or that the actors involved were naturally able to make the kinds of decisions required by what I will argue is a different real estate process than that which existed prior to this most recent wave of migration. Thus, I wanted to understand the process by which people become agents capable of economic calculation and by which land becomes a calculated object of exchange.

**Performativity and Market Devices**

The idea cited at the beginning of this chapter - that economic theories determine and shape markets - is a recent development in the sociology of economics. The work of its leading scholar, Michel Callon, a Professor of Sociology at the Ecole des Mines de Paris, focuses on applying principles of actor-network theory (Callon, 1998) to economic markets, highlighting the ways in which economics (and economics inspired disciplines) performs the economy. Rejecting the very idea that there exists “a thing – the economy – which a science – economics – has taken as its object of analysis”, Callon opens the possibility of constructing a social history of economics which shows how abstract notions from economic theory, such as supply and demand,
imperfect competition, and transparency “have been formulated in constant relation to practical questions, which in turn they help reformulate” (p. 2).

As a starting point for his analytical work, Callon (1998) cites Guesnerie’s (2006) definition of a market as a coordination device where agents “…perform economic calculations…” (p. 3). To be able to perform economic calculations, agents must have not only information on all “the possible states of the world”, but also a way in which to list these states, rank them, and identify and describe action which lead to the production of each possible state. This presupposes either that all the relevant information on the different states of the world and all the means by which they can be attained are preorganized by culture or institutions or that the agents are capable of doing this organizational work through mental calculation. What Callon argues is that in order to perform calculations agents must be equipped with calculative devices, and that in the context of exchange decisions, these devices are economic theory and its material embodiments.

Combining economic principles with material elements, agents create tools, spaces and practices of calculation that transforms other agents, human and nonhuman into economic actors. Thus, the homo economicus is not the natural state of man; rather, man is “formatted, framed, and equipped with prostheses which help him in his calculations, which are, for the post part, produced by economics” (p. 51). Building on
this work, Callon, Millo, and Muniesa (2007) name these protheses “market devices” and define them as “material and discursive assemblages that intervene in the construction of markets” (p. 2). In the Introduction of their book by the same name, they highlight the significance of market devices in the creation and functionality of markets. Market devices can perform a variety of functions: they can abstract or disembed objects and people, configure economic calculative capacities and qualify market objects. As mentioned before, calculative capacities reside neither in agents’ minds nor in some kind of cultural knowledge, but are the concrete result of sociotechnical arrangements, one kind of which is a market device. Likewise, qualities of goods and services are also the result of complex operations of qualification.

It is important that these market devices not be thought of as bifurcated from those who engage with them; rather, they are best understood as economic agencements3, which “render things, behaviours, and processes economic”. The authors place emphasis on the “rendering”, rather that on any “substantive definition of what ‘economic’ should mean”, noting that

The meaning of what it is to be ‘economic’ is precisely the outcome of a process of ‘economization’, a process that is historical, contingent and

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3 In Actor-Network theory, agencements are arrangements - which are simultaneously human and nonhuman, social and technical, textual and material – from which action springs. In the case of economic performativity, agencements as qualified as economic to indicate their being situated in economics rather than the laboratory (MacKenzie, 2007).
disputable. It seems undeniable that, in so-called advanced liberal societies, ‘economic’ often refers to the establishing of valuation networks, that is to pricing and to the construction of circuits of commerce that render things economically commensurable and exchangeable. (p. 3)

In the real estate market in Vilcabamba, this is the definition of economic that market mechanisms exact on the world. They make the objects and people in the world classifiable, standardizable, accountable, monitorable, comparable and manipulatable. The ways in which market devices are “tinkered with, adjusted and calibrated” affect the ways in which persons and things are performed as calculative and calculable beings.

**The Strawberry Marketplace**

One of the earliest works to discuss the transformation of a market and the kind of reconstitution of relationships between buyers and sellers upon which its success depends is that of Marie-France Garcia-Parpet on the creation of a strawberry marketplace at Fontaines-en-Sologne (Garcia-Parpet, 1986). Describing this marketplace as a “concrete realization” of a “perfect market” as defined by economists, she analyses all the investments required for its successful operation.

One material investment is the building, which serves to organize previously uncoordinated transactions of buyers and sellers by creating a space in which they
access techniques and tools that allow for precise knowledge of the product in terms of both quantity and quality. This knowledge allows the buyers and sellers to extract themselves from “personal relationships with intermediaries and shippers and enter into impersonal relationships” constituted by transparency – the embodiment of the economic principle of perfect information. In his review of this work, Callon (1998) describes the marketplace as a “space of calculability” in which actors are able to use material objects to determine several courses of actions and to choose between them. These devices allow the buyers not only to decide whether or not to buy the produce, but \textit{which} strawberries to buy and \textbf{at what price}, thus rendering them economic.

Furthermore, Garcia-Parpet suggests that, in addition to the material elements discussed above, we should consider economic theory itself as a form of capital. Pointing to the neoclassical economic education of one of the marketplace’s organizers, she says that it is no coincidence that the economic practices of the market correspond to those in economic theory, since the theory served as a frame of reference for the creation of each of the market’s elements. While it is not my goal to trace the direct influence of neoclassical economics on the construction of the real estate market in Vilcabamba, the centrality of several actors, some of whom are ideologically aligned with libertarian market principles and others who are educated in the efficient
execution of economic transactions concerning land, point to a subtle but pervasive influence.

What is most useful to understand from Garcia-Parpet’s example for the purpose of this work, is that calculativeness, in other words, our ability to make economic decisions, cannot exist without calculation tools, and that these calculation tools are comprised not only of material elements such as a building or a catalogue, but also of discursive elements of economic theory. They also allow us to make decisions that are more complex than “to” or “not to” and empower us to ask and analyze: under what circumstances should we undertake the execution of each option? Furthermore, just as the market at Fontaines-en-Sologne is the result of the work of a number of individuals - the young counselor who used his knowledge of economics, the governing bodies that created quality standards, the engineers who designed the electronic display - I, too, propose that the real estate market in Vilcabamba be considered “a social innovation resulting from a work of a number of individuals…” and not as “the spontaneous appearance of a mechanism for liberating economic energies” (p. 37). Using market devices as the objects of my investigation, I explore the ways which discursive elements of economics, such as the notions of rational decision making, transparency, and homogeneity, and their material components, in this case, indexes, processes, and digital repositories, respectively, are combined to
enact people and land as economic. This theme – that of rendering agents economic through the deployment of market devices – permeates the rest of this work.

**Chapter Summaries**

Chapter Two addresses market devices involved in the construction of demand both for the idea of retiring and buying real estate abroad, and for Vilcabamba as a specific retirement destination. Following a literature review of existing work on international retirement migration (IRM), I consider the role of International Living (IL), a publishing group that covers international real estate, in the construction of this demand. Specifically, I examine two tools IL created – the Annual Global Retirement Index, and the value of land pricing mechanism – that transform retirees into economic agents able to make calculated decisions about their retirement. Proposing the term “synthetic migration” to describe the orchestrated nature of these migrants, I set up the next chapter which addresses the effects of this new kind of migration on the real estate activity in Vilcabamba.

Chapter Three focuses more closely on real-estate related activities in Vilcabamba and considers the role of another actor – the real estate agent – in the construction of tools and practices that define Vilcabamba’s the market today. I contrast the organic migration of the Seventies and Eighties with the synthetic migration of the past ten years described in the previous chapter to identify the space in
which these agents operate. Taking the notion of transparency as characteristic of what Callon et al. (2007) refer to as “advanced liberal societies”, the chapter points to – The Real Estate Process sign – a tool created by these agents – which performs transparency. Furthermore, it argues that the real estate agent, in the case of Vilcabamba, acts as a kind of proxy for the sellers’ interests through another market device – The Buyer Questionnaire, which can stands as an example of market device used to enact a different definition of what it means to be economic.

Chapter 4 investigates the construction of a specific market device - the real estate listing. It considers the object of exchange in the real estate market – land – tracing the process by which land becomes a market object. Considering the way in which land differs from most other “goods”, I demonstrate that since land itself is not extractable or transportable, it is our knowledge of land that real estate agents and developers must extract from networks of practical memory, subject to a number of translations that render it calculable, and deposit into networks of market repositories that then perform its role as an object of exchange.

The Conclusion describes the effects of synthetic migration, and by extension of land purchasing on Vilcabamba’s natural, social, and economic environments. It comes back to one of the questions posed in the introduction, that of the construction of the seller as an economic agent, to ask why, considering the negative effects of
selling their land, do locals continue to do so. To answer this question, I explore what it really means to be an economic agent, and the role of market devices in defining this condition, in terms of the specific relationship of the buyers and sellers in Vilcabamba. I then extend these implications to the discourse on globalization, and into the fields of sociology and anthropology of economics.

A Note on Data and Method Collection

While I did not go to Vilcabamba in order to research real estate markets, it quickly became apparent that the town would be an ideal case study for this analysis. The real-estate related activities in Vilcabamba are a part of the much more global trend of people of retirement age, especially from North America, Canada, and Northern Europe, buying property and retiring abroad. Vilcabamba’s small size makes examination of these global matters manageable as it limits the number of actors involved. Its real estate market, characterized as primarily residential, deals with rural land, rather than with other forms of real estate such as buildings, apartments, or offices. Additionally, Vilcabamba’s relative geographic isolation and lack of infrastructure characteristic of the aforementioned advanced capitalist societies until approximately a decade ago, accord a point of departure from which we can begin to trace the construction of the market. Finally, many of the original actors still live there and enough foreigners have settled to ensure a rich data set comprised of
comprehensive interviews, authentic artifacts, direct observation, and informal conversations, which drives the bulk of this analysis.

My highly heterogeneous data is comprised of video footage, sound recordings, photographs, documents, artifacts, field notes, and of course, my own lived experience. Its heterogeneity accounts for myriad perspectives, pays attention to words, actions and tools, and is tightly intertwined with the context in which it was collected. For my analysis, I chose the grounded theory approach, one underlying principle of which is that "whatever comes the researcher's way while studying a substantive area" is data, including everything from interviews and observations to television shows and statistical analyses.

Grounded theory is a qualitative research methodology used primarily in sociology, which emphasizes generation of theory from data rather than testing of pre-given hypotheses. The process, pioneered by sociologists Barney Glaser and Anselm Strauss (1967) involves collecting data and marking the data with codes - recurring words or phrases often extracted directly from the text. These codes are then analyzed to be grouped into concepts, which make the at times unmanageable number of codes easier to manipulate. Finally, the concepts are further grouped into categories, which are then used to generate theory. Throughout this process, codes, concepts, categories, and hypotheses are generated from the data, and either retained or discarded through a
process of constant comparison between different pieces of data as new information becomes available.

While it would have been ideal to go back into the field more regularly, limited financial resources made repeat travel to Ecuador difficult. This is one instance, where despite a conscientious effort to adhere to both the process and ethos of grounded theory, my analysis takes a departure. Another such deviation concerns the matter of description, which in grounded theory is primarily used to illustrate the concepts generated by the analysis, rather than being its central feature. Due to the richness of my data and the desire for a hybrid of narrative and analysis, thick description (Geertz, 1973) features more prominently in my work than it might in a work that more strictly conforms to the prescribed grounded theory method.
Chapter 2. Synthesizing the Buyer

While the Introduction alluded to the growing number of foreigners that move to Vilcabamba for their retirement, this chapter more closely examines the nature of this movement, referred to as international retirement migration (IRM). It addresses the macro factors previously identified as having contributing to the growing interest of retirees in spending those years abroad. Specifically, in the case of Ecuador, it points to the country’s dollarization in 2000 as a feature that made the country a more favorable destination. After reviewing some existing IRM literature that identifies the reasons why individuals retire abroad, it argues that the source of these reasons cannot be singularly attributed to the individuals. Using International Living (IL), a company often cited as the catalyst for the interest in Vilcabamba as a retirement destination, as a case study, it shows the ways in which interest is generated in the idea of retiring abroad, the way in which this decision is enacted as being economic, and the market devices which transform IL’s readers into economic actors.

International Retirement Migration: Literature Review

IRM is defined as a “highly selective migration process, which redistributes [retired] individuals – and their concomitant incomes, expenditures, health and care needs – across international boundaries” (Williams et al., 1997). In the case of Vilcabamba, it describes people of retirement age, especially from North America,
Canada, and Northern Europe moving to the town and buying property there. Most studies of IRM focus on its implication for the retirees (Gustafson, 2008; Sunil et al., 2007; Bozic 2006): reasons for the move, the quality of life in the host country, cultural adaptation, aspects of personal identity, financial security etc. In his study of American migration patterns of those retired in 1990, Walters (2000) distinguishes between three broad types of later-life moves: “amenity seeking,” “assistance seeking,” and “disability-impelled” moves.

Amenity-seeking migrants are motivated by lifestyle considerations and tend to move to places that offer recreational opportunities, a favorable climate and scenic beauty, along with a low cost of living and low crime. Assistance-seeking migrants tend to be older than their amenity-seeking counterparts, and therefore tend to move towards younger family members. The third type of move describes those retirees who move into an institutional setting due to severe illness or frailty.

Of these categories, the first most closely describes the foreigners retiring in Vilcabamba, who cite the very same reasons for having retired in Vilcabamba. They consider both the climate and being able to realize substantial savings by relocating to a place with lower cost of living and less expensive real estate as what attracted them to Vilcabamba. Additionally, they identify antipathy to the United States, citing its political climate as no longer aligned with their political orientation. Lewis, a recent
retiree in Vilcabamba offers all three as his reasons for retiring abroad: desire to “live in a nice climate”, “dissatisfaction with the US regime”, and not being “in the [financial] position to retire in the U.S.” (Interview, Lewis, a recent retiree and the first licensed real estate agent in Vilcabamba). Patricia, another recent immigrant to Vilcabamba echoes this: “We needed a realignment of spirit, the U.S. just wasn’t the place for us anymore. Ecuador has perpetual springtime, and we can have everything here: a maid, a gardener…things we could never afford in the U.S.” (Interview, Patricia, a recent American retiree and now manager of one of the high-end hostels in town).

While the reasons indicated by the literature and the reflections of my interviewees identify reasons for retiring abroad, they do not account for the specific choice of Ecuador. After all, many countries have similar climates and costs of living and could serve as the escape from the United States. As Haas and Serow (1993) point our in their model of amenity retirement migration, the “attractive features of a particular destination can exert a 'pull' effect only on those familiar with or possessing information about the locale”. If this is true, from where does this information come, and what is its nature? The study that has come closest to identifying the decision making process of retirees in terms of destination is Curtis Roseman’s (1982) work on migration destination selection. He attributes destination selection to a combination of

4 At the time of the interview, Lewis was no longer engaged in real estate activities.
micro and macro factors, those attributes specific to one place, and those applicable to large geographic areas, respectively. In other words, he suggests that how the final decision is made is predetermined, but fails to explain by what. Thus, while Ecuador certainly fits the profile of an “ideal” retirement destination, there is no account according to what criteria this “ideal” was established.

Exploring the structural explanation for IRM, Sunil et al. (2007), identify two linkages that connect sending and receiving areas: long-standing economic and military linkages and tourism. These linkages reduce the cost of immigration and engender connections between people and potential retirement destinations. Ecuador and the United States have historically had amicable relations, centered on their mutual interests of maintaining democracy, combating drug trafficking, and participating in inter-American organizations. Furthermore, the presence of over 100 U.S. companies and 24,000 U.S. citizens visiting Ecuador annually, suggests that these links might contribute to the interest in Ecuador. My data, though limited to Vilcabamba, suggests otherwise; most of the retirees with whom I spoke had never visited Ecuador before, arriving for the first time with the intention of purchasing real estate and retiring there.

One event that speaks for Ecuador’s status as an attractive retirement destination for foreigners is its dollarization in 2000, when printing of the sucre was discontinued and the dollar became the official legal tender of Ecuador. While the
effects of this switch are multiple and complex\textsuperscript{5}, it has been cited as increasing the willingness of locals to sell land and the willingness of foreigners to buy it. In the years immediately following dollarization, consumer prices in Ecuador rose almost 100%. At the same time, the purchasing power of government programs eroded. In their discussion of the social dimensions of dollarization, Parandekar, Vos and Winkler (2002) state that as a reaction to loss of income, households sold assets, including working tools, when it became no longer possible to borrow money or obtain credit from storeowners. While prices later reverted when people refused to pay the inflated prices, one can still imagine that land might have been just such as asset, and the increased willingness to sell it, a reaction to the immediate effects of dollarization. For the foreigners, dollarization eliminated the risk of investments in Ecuador devaluing due to currency fluctuations, making it a less risky location for investment in real estate. While this provides an additional reason for why foreigners might decide to retire in Ecuador, it still does not explain the interest in Vilcabamba.

To summarize, while existing literature does an excellent job of explaining why retirees choose to retire abroad, it does not address how they decide whether or not retiring abroad is the right option for them, and how they choose the destination where they want to retire. In other words, it assumes that the origin for the criteria which

\begin{flushleft}
\textsuperscript{5} See Beckerman and Solimano, ed. (2002) \textit{Crisis and Dollarization in Ecuador: Stability, Growth, and Social Equity} for a comprehensive account of causes and effects of Ecuador’s dollarization.
\end{flushleft}
migrants list as their reasons for moving – climate, nature, low cost of living – is somehow internal to the retirees. How might we account for these retirees, who have never lived abroad, knowing by which criteria to judge a retirement destination in order to determine its fit as such? My data hints at one possibility, which I explore for the remainder of the chapter.

**International Living, International Buying**

One of the first questions I consistently asked recent foreign immigrants when interviewing them is how they first learned about Vilcabamba. Inevitably, the answer included a reference to International Living (IL) – a publishing group that provides information on retiring abroad and international real estate. When I asked locals to what they attributed the real estate explosion in Vilcabamba, their answers as consistently attributed to International Living. While IL is not single-handedly responsible for the demand for land in Vilcabamba, its frequent citation indicates the centrality of its role in constructing not only demand for the land itself, but for the idea of retiring abroad. Assigning IL this role draws the notion of demand from the ether of economic energies and grounds it in a traceable source. The question then, is how IL not only generated interest in Vilcabamba, but what tools did it provide for its readers such that they were able to navigate their way through a decision as complex as immigrating to another country. To answer this, I examine IL’s services, its
ideoogical orientation, and tools by which it enacts the decision to retire abroad as an economic one.

**Brief Introduction to International Living, Ltd.**

International Living began, in 1979, as a simple subscriber newsletter that published information about retiring abroad. The publishers originally wrote articles themselves based on their personal research and experiences of living abroad. Authorship soon expanded to include IL readers who had retired in foreign countries. Currently, it offers myriad services helping (mostly) Americans relocate, invest, or find vacation homes in places around the world. The company’s services are mostly found online and printed publications; however, it also has nine offices around the world, although none in Ecuador.

Although this does not factor directly into this analysis because it did not occur in Vilcabamba, it is worth noting that several years ago, in a radical move of diversification, IL began buying properties in their advertised countries and promoting these to its readers. In other words, it became a publishing company that invested in the very real estate booms that its articles cover. Couched in terms of helping their readers avoid “cowboy” real estate agents, this move towards vertical integration seemed to contribute to a perfect real estate ecosystem: buying land in the same areas which it promotes in its publications seems to almost guarantee IL profitable returns.
Its failure to disclose this conflict of interest led to critique of its business practices, until 2005, when the advertisements of the land began to include the following disclosure:

Important note: In the interest of full disclosure, we want you to know that International Living receives commissions from sales at [insert name of property here]. As with any development in progress, please remember always to buy what you see…not what is promised (International Living, 2005).

Despite the disclosure, many readers continued to question this practice. Possibly as a response to the criticism, IL established the spin-off Pathfinder Ltd in 2008, promoting it as its preferred real estate marketing firm. Pathfinder Ltd does not purchase land; rather, it “scours the globe to find the most unique and value-oriented real estate projects the world has to offer.” Pathfinder finds are cross-listed on IL’s website, making them accessible to its readership.

IL’s slogan – “Live Better...for Less...in a Tropical Paradise...Today!” - heralds its status as a “one-stop shop for libertarian living”, which promotes not just properties abroad, but more importantly, the idea that where one retires should be an economic decision, that is, based on a kind of cost/benefit analysis of living “better” for “less”.

The source of this ideological position is IL’s founder, Bill Bonner, the financial analyst and author of the e-mail newsletter the DailyReckoning.com and the books

Presenting it as the most economic option, this perspective normalizes the idea of retiring abroad. Furthermore, IL provides its readers with tools that permit this kind of decision-making, or more precisely, perform it as an economic one. On a more functional level, these tools – specifically, its Annual Global Retirement Index (from here on, the Index) and its real estate valuation mechanism – make it possible for foreigners to make the kinds of decisions buying real estate abroad requires such as determining the location and the acceptable prices for land.

**The Annual Global Retirement Index**

Published annually, the Index (see *Figure 1*) uses a combination of statistical data from external organizations such as official government websites and Interpol and field research by IL’s correspondents and contributors to identify the “very best places in the world to retire overseas”. Using this information, IL editors rank countries according to the following criteria (in order of weight): Cost of Living (20%), Health (20%), Special Benefits (government provisions such as property rights, tax rates, currency controls, etc) (20%), Real Estate (cost and ease of acquisition) (15%),

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6 For more information on how IL ranks countries and the 2008 rankings, go to http://www.internationalliving.com/Internal-Components/Further-Resources/il-s-2008-retirement-index.
Entertainment, Recreation and Culture (10%), Safety and Stability (5%), Climate (5%), and Infrastructure (5%). While IL explains how the Index is scored, nowhere does it cite the source for these criteria. Considering its beginnings, it seems that the original editors determined the criteria based on their own experiences, in other words, on what was important to them in a retirement destination. IL’s perspective that retiring abroad should primarily be a financially driven decision probably refined these criteria to reflect the financial advantage of retiring abroad. While the origins of the criteria deserve further research, for the purpose of this work, we consider that the index makes three primary contributions: it makes the decision of choosing a retirement destination economic, standardizes the criteria by which countries should be evaluated, and it names one country as the top retirement destination according to these criteria.

It is interesting to note, that even though the criteria of Real estate is weighted lower than those of Cost of living, Health, and Special benefits, the Index lists it first. Not only does this intimately entangle retiring abroad with purchasing real estate there, but it also positions cheap and easily acquired real estate as the primary criteria by which a retirement destination should be judged. Furthermore, the three categories with the most weight all focus on the costs associated with living abroad. Cost of living addresses this most directly, but both Health care and Special benefits are given a higher score the higher the cost advantages. It thus indicates not only the quality, but
also the economy of the decision, in other words it enacts IL’s ethos of “the most bang for your buck”.

![2000 Global Retirement Index](image)

*Figure 1. International Living's Annual Global Retirement Index.*

The literature review gives some idea of ways, other than economic, in which the destination decision can be made, primarily through already established links with the country. A case study of British retirees in Malta cited in Sunil et al. (2007) identifies the military linkages between Britain and Malta as the source of retirement migration. According to the authors, many British retirees who moved to the island reported former work or family connections with the country. For example, many men (and a

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7 I chose the 2000 Annual Global Retirement Index because this is the year in which Ecuador is ranked number one. Additionally, although the Index ranks 30 countries, I cropped the image at the top as an illustration.
few women) had been stationed on the island while in the military. Additionally, the large-scale migration of Maltese men to Britain during the 1950s and 1960s resulted in Anglo-Maltese marriages, establishing another cross-national pathway to retirement migration (Warnes and Patterson, 1998). In their own research, Sunil et al. identify high touristic activity as indicative of the close economic relationship between the United States and Mexico. They point out that the Mexican tourism industry is important because vacation experience is one mechanism by which connections to potential retirement destinations are established.

Both of these cases present examples relational decisions; in other words, a previous connection with the country, sometimes even in terms of actual familiar relations, which contributed to retirees choosing it as their retirement destination. IL’s Index, however, performs these destinations in an economic way, that is, isolated from individual experience, personal connections, or any other relational attributes. In the Index, the countries are related to each other and to the reader based on criteria of cost savings and wealth maximization. It thus, makes the decisions to retire abroad, an economic one.

Additionally, the Index consolidates on a single page all of the work that choosing a retirement destination requires. It does the research, calculation, organization, and ranking for the retirees, who would otherwise be left having to figure
out their own criteria and do their own extensive research. Just by looking at the Index, the IL reader can now identify not only how each country scores according to the criteria, but also how it compares with other countries. Moreover, now that they know the criteria, they can use them to evaluate any destination, even ones not specifically analyzed by IL. That it is published annually reinforces the criteria (thus negating the possibility that the criteria, or the weight which they are accorded might change overtime), yet determines a different country as the winner every year. This is particularly interesting given my findings that one often-cited effect of IRM on the host location is rising prices, both of real estate and cost of living. In other words, IL promotes a country based on its low cost of living to its readers, whose migration to the country results in rising prices (with often disastrous effects on local population), after which it chooses the next destination that can offer an economic advantage. This, is essence, is why, at least in Vilcabamba, foreign immigration has been criticized as “an invasion” that “prevents locals from buying land”. While this is further discussed in the next chapter, it is useful to understand the connection between IL’s practices and their results on the real estate situation in Vilcabamba.

For our case specifically, the Index is interesting because in 2000, it ranked Ecuador as the number one retirement destination, which coincided with Vilcabamba locals’ accounts of when the real estate boom began. Although the index does not
address Vilcabamba directly, the interest generated for Ecuador led IL’s readers to travel around the country looking for real estate, eventually discovering Vilcabamba. One such reader, Lee Harrison, formerly a professional in the U.S. electric power industry, now an IL “roving editor” for Latin America, published a series of glowing articles about Vilcabamba. His first account describes Vilcabamba as “paradise” where he acquired a two-acre, river front property for 34,000 USD as part of an IL Discovery Tour. He, along with several other IL readers who have bought land there, publish accounts about Vilcabamba to this day, continuing to promote its “perfect weather, healthy, pure environment, and ultra-low cost of living” (Harrison, 2002). These themes – cheap land, good climate, low cost of living – echo the criteria established by IL’s index (see Figure 2). Although each of these criteria is addressed to various degrees of detail in the accounts published by IL, through a combination of images and phrases, they all present a similar vision of Vilcabamba – that of the ideal retirement destination.

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8 Discovery Tours are trips organized by IL to show their readers potential properties. These are often lead by IL writers, such as Lee Harrison, who have lived and own property in the country of destination.
<table>
<thead>
<tr>
<th>Criterion</th>
<th>Quotes from IL articles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of real estate</td>
<td>“Prices range from $31,000 to $239,000--mountain lots to private canyons to riverfront estates” (Harrison, 2007)&lt;br&gt;“a small two-bedroom house…a mile from the village center, for $35,000…a 2.5-acre lot a few miles outside of town is $30,000” (Morril, 2007).&lt;br&gt;“…they managed to negotiate a price of $35,000…a good 25% under a pretty fair asking price” (Harrison, 2004).&lt;br&gt;“you can buy a 1,000-square-foot, two-bedroom quality home beside a stream for about $95,000,” (Morril, 2004).</td>
</tr>
<tr>
<td>Cost of living</td>
<td>“During our four years of owning a home in Vilcabamba, our cost of living was about $544 per month…” (Harrison, 2008).&lt;br&gt;“You can live well here on less than $1,000 per month” (Harrison, 2007)&lt;br&gt;“You can…hire a maid or gardener for $7 a day, a professional brick layer for $12 day…our taxes are $24 a year ….a shared taxi to Loja (45 minutes) is $1.” (Morril, 2004).</td>
</tr>
<tr>
<td>Culture</td>
<td>“…with significantly more restaurants and shops than you’d normally find in a town this size.” (Harrison, 2008).&lt;br&gt;“relaxed, colonial charm…its beautiful square…good restaurants…” (Harrison, 2007)</td>
</tr>
<tr>
<td>Safety</td>
<td>“People from the world over come to visit, and some decide to make it their home.” LH, ‘08</td>
</tr>
<tr>
<td>Health Care</td>
<td>“Vilcabamba claims to have the world’s highest percentage of people over 100 years of age…I attribute their longevity to the pure environment, organically grown food, perfect weather, lack of stress, and the tendency of the local people to get plenty of aerobic exercise.” (Harrison, 2008).&lt;br&gt;“clean air, good water, and easy living is a major factor in longevity” (Morril 2006).&lt;br&gt;…”valley of Vilcabamba …where 1,080 people per 100,000 lived on average to be 100” GS ‘04&lt;br&gt;“The food is simple, natural, and nutritious. The water has special health-producing minerals that come from high in the mountains.” (Morril 2006)</td>
</tr>
<tr>
<td>Climate</td>
<td>“Vilcabamba is my first choice for country living in Ecuador, because of its perfect weather…the temperatures are perfect all year; warm days in the high 70s, and cool nights in the 60s…,” LH, ‘08&lt;br&gt;“We get warm days and cool nights 365 days a year…there's no need for heat or air conditioning” (Harrison, 2007).&lt;br&gt;“…perfect weather” (Scott, 2004)&lt;br&gt;“The temperature ranges from 60 to 96 degrees Fahrenheit…The sun shines nearly every day.” (Morril, 2004).</td>
</tr>
<tr>
<td>Special Benefits</td>
<td>“It is not a typical Ecuadorian country village, thanks to its popularity among world travelers. The town square is clean, pleasant and inviting… Vilcabamba has the highest concentration of English-speakers of anywhere in Ecuador” (Harrison, 2008).</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>“…water, electricity, phone, health care, and maintenance for the car…” (Harrison, 2007).</td>
</tr>
</tbody>
</table>

*Figure 2. Quotes from IL articles corresponding to each Index criteria.*
To what extent the articles reflect the truth about living in Vilcabamba is not the purpose of this work; suffice it to say, IL’s hard-sell approach obscures many of the challenges foreigners ultimately cite facing upon moving to Vilcabamba. Additionally, despite recommending that its readers rent for several months before buying a property in a location, those present at IL events recall representatives who push prospective buyers to buy land “sight unseen”, leading, in one migrant’s words to “a lot of partially constructed houses and broken dreams” when foreigners abandon their houses because they can either no longer afford to keep building them, or realize that life in Vilcabamba is not for them. What is important to note is that the Index acts both as a standardization device for the criteria against which a retirement destination should be measured and as a calculation tool that enables choice between several possibilities.

Pricing Land Valuation Mechanism

As demonstrated above, the Index frames the decision to retire abroad as an economic one by guiding the readers into making cost/benefit decisions by providing a set of criteria. The criterion of most interest to us is Real estate, which is evaluated on both its ease of acquisition and its cost. According to IL, one of the strongest arguments for retiring abroad is that it is cheaper than doing so in the United States, both in terms of cost of living and the price of real estate. The following analysis looks specifically at the mechanism by which IL frames real estate prices abroad as more advantageous,
specifically the pervasive comparison between land prices in the U.S. to those in the countries it is promoting.

While it may seem like a reasonable juxtaposition, it is a departure from the way real estate prices are typically presented to prospective buyers, that is in relation to other real estate in the same area. Even those cases that compare real estate values across neighborhoods, cities, or even states take care to do so with similar kinds of properties, and within the boundaries of a single country where the wealth disparity is lower than that between foreigners and Ecuadorians. To demonstrate this framing of the value of real estate, consider several statements from various articles on IL’s website (emphasis added):

For $28,500 you can buy 12.5 acres, with two houses, although one of them needs ‘renovation’… compared to the U.S., it’s eye-openingly cheap.

The prices of real estate in Ecuador have risen slightly in recent years thanks to Ecuador's growing economy, but they are still very inexpensive in comparison with U.S. prices and downright cheap when compared with real estate in Europe.”

The real estate prices remind me a lot of 1950s America.
All of these statements contain elements of comparing land prices in Ecuador with land prices in the United States. They suggest to IL readers that land prices in Ecuador should be evaluated based on prices the United States, rather than in terms of Ecuador’s own land valuation system. In a case of uncertainty – few of my interviewees had real estate background – IL provides an already framed calculation by which its readers can now judge their decisions, not only of what would be most financially advantageous for them, but the idea of retiring abroad as opportune. By judging their real estate decisions based on this pricing mechanism, IL readers integrate the already framed calculation provided by IL into their own calculations. In other words, their agency as economic actors is derived from the market devices provided by IL.

While comparing prices between the United States and Ecuador frames the decision to retire abroad as one that is advantageous for the foreigners, according to my research, this mode of comparison is the source of their willingness to pay far more for a property than would any local. As such, the advantage presented by IL is transformed into foreigners’ feelings that they have been cheated, which has had significant implications for the way in which the real estate market in Vilcabamba has been enacted. This is not a matter whether or not the Ecuadorians deserve to be paid the same amount for their land as they would were they selling land in the United
States. Rather, this speaks to the idea of how economic mechanisms both formulate, and reformulate the market, a subject Chapter Three addresses in more detail.

While the migration that characterizes Vilcabamba can certainly be classified as amenity-seeking, I would like to propose a more specific concept for the kind of migration to which Vilcabamba has been a host in the past decade: synthetic migration. Synthetic migration speaks to the idea that demand for Vilcabamba as a retirement destination was to some degree, synthesized in the laboratory of IL from elements of financial mechanisms, calculation tools, and published narratives. It is also synthetic in that it was constructed outside of an existing relational network that would include Vilcabamba. In other words, there is little, if anything organic about the interest of these retirees in Vilcabamba.

In order to be classified as synthetic, migrants must meet the following criteria:

- Fall into the category of “amenity-seeking” migrants, that is, they must be motivated by lifestyle considerations and a low cost of living.
- Have no first-hand knowledge of their destination before considering it as a destination. In other words, they cannot have been there in a professional, volunteer or recreational capacity prior deciding to live there.
• Have no familial or friendship ties to the destination. That is, they cannot have preexisting relationships with the people in the city or town.

• Identify a primary source they used in order to learn about the destination, specifically an information source that specializes in living abroad.

• Show evidence of having used tools, such as the Index, that emphasize the economic dimensions of the decision to move.

All of these characteristics point to artificiality in the migrants’ decision to move, and specifically, in their choice of a destination. They also point to the degree to which economic theory of rational decision-making, material organizational tools produced by this theory, and narratives reinforcing the advantages of this decision perform the process by which migrants choose a destination. The next chapter more extensively elaborates on synthetic migration, contextualizing it within previous migration patterns to the town, and shows how this change has reconstituted the real estate process in Vilcabamba.
Chapter 3. Standardizing the Process

This chapter further defines the migration pattern presented in Chapter Two by comparing and contrasting it with the original migration pattern of foreigners to Vilcabamba in the Seventies and Eighties. It points to this shift as having created a space in which a new kind of actor in the real estate market in Vilcabamba – the licensed real estate agent – could operate. Considering the historically controversial nature of land sales in Vilcabamba, it shows how an economic element characteristic of advanced liberal societies – transparency – performed the market through a market device created by the real estate agent. Additionally, it analyzes a series of decisions made by locals to show that economic actors cannot exist as such without market devices which allow them to list, rank and mobilize resources to attain them. It concludes by suggesting that in the case of Vilcabamba, in the absence of economic agency on the part of the sellers, the real estate agent became a kind of proxy for their interests.

Organic Migration

Before further exploring the nature and effect of synthetic migration (See Conclusion, Chapter Two), I would like to discuss a different kind of pattern of moving to Vilcabamba, one that I call “organic” migration. This kind of migration is best illustrated by the story of Marilyn, an American who arrived in Vilcabamba in
1975, and purchased land there in 1978. Her experience is representative of the experiences of foreigners who bought land in Vilcabamba before 2000. She recounted her story while making her famous whole grain bread, which she has been selling to the town *tiendas* for over 30 years:

I was raised in Colorado and New Mexico. I had just finished university in Denver and decided that I needed to learn a lot more besides what I learned at university. I felt I needed to come to South America. When I was in Columbia [the country], I met my husband. We stayed in Columbia for about eight months, and then came to Ecuador. I thought I was just coming for six months, but I ended up staying longer. I mean, I wanted to go back and live a simple life in the United States, so I figured why not just stay here? Here you can live simpler; you don't need a car to live here. Here there's public transport that will take you anywhere. So you can live here without a car and just use public transport, and you're not polluting the environment.

This passage is illustrative of the way in which many foreigners came to Vilcabamba in the Seventies and Eighties. Like Marilyn, they were traveling through South American and upon arrival in Vilcabamba decided to stay for a while, eventually settling there and buying land. Whether or not experiencing life in Vilcabamba prior to purchasing land was a conscious decision to make sure it was the desired location or
simply a result of a temporary stay turned permanent is irrelevant. What is worth
noting is that the process of moving to Vilcabamba began with residency (however
unofficial), which later led to land acquisition. As the rest of Marilyn’s account
illustrates, she lived in Vilcabamba for several years before buying land there:

We had been renting for a while, from this local guy who had the farm here.
But then, my father died and left me some money, so we asked the guy who
owned this farm to see if he would sell us this spot, just this spot, or rent it to
us, so we could build a house on it, but he said he would rather sell the whole
farm. It was three hectares, which is about eight acres, and we paid 100,000
sucre, which, at the time, was 4,000 USD. So, in 1979 we did the negotiations
and moved into the house in 1980 (Interview, Marilyn, long-time resident of
Vilcabamba).

Marilyn’s story demonstrates the advantages of living in Vilcabamba before buying
land. By the time they made the decision was made to settle in Vilcabamba, Marilyn,
and others who came during that time, were well connected in town, spoke the
language, and understood the local valuation and economic system. This allowed them
to interact directly with sellers of land, negating any need for intermediaries.
Likewise, it ensured that they were certain about wanting to stay, and decreased the
possibility that they might change their minds and leave the community.
The term “organic” seems appropriate for this type of migration because it reflects the natural way in which these foreigners settled in Vilcabamba. Their interest in living there was the result of the relations they had established with the town and the people in the town. This does not mean they were completely uninfluenced by ideology. In fact, many of them either explicitly self-identify as hippies, or express behaviors and ideals that are associated with the hippy movement: desire to live close to nature, contempt of the U.S. government, disdain for money, treatment of plant based drugs as sacred, and a communal view of property. While these ideals can certainly be interpreted as criteria generated by a certain political perspective, there is no evidence of either the kind of constructed comparison mechanisms presented in Chapter Two or tools of calculation that identified Vilcabamba as the ideal location based on a set of criteria. According to Marilyn, she could have lived a “simple life” anywhere, including the United States. As she noted to me later in the interview, “We stayed because of the people, and that hasn’t changed”.

**Synthetic Migration**

What changed, however, is the nature of migration, although not the reasons behind it. In fact, the reasons given by the two groups have an uncanny similarity: living closer to nature, dissatisfaction with the political climate in the United States, and an overall simpler life. In addition to the framing of the decision to move, the
financial statuses of the two groups are significantly different. As Marilyn notes, it was not until she acquired an inheritance was she able to buy land. Conversely, although they may consider the United States as too expensive for retirement, synthetic migrants are considerably better off financially, as indicated by their middle or upper class statuses, many years of working in a professional capacity in the United States, and very simply, the lower cost of real estate in Ecuador. In terms of the framing of the decision, as mentioned above, for members of the organic migration, the decision to stay in Vilcabamba was largely determined by the relations they had established with the town and its people.

For those part of the synthetic migration, as indicated in Chapter Two, the decisions was framed by a cost/benefit analysis, and as such, was economic in nature. This contributed to what can be characterized as a reversal of the order in which the real estate market process was carried out. Rather than land purchasing being a result of living in Vilcabamba, it became the purpose of going there in the first place. Unlike the organic migrants, the synthetic migrants did not speak the language, lacked existing connections in the town, have a poor understanding of land value, and while looking for land, were limited by time constraints. The knowledge they did have of Vilcabamba was largely determined by what they had learned from International Living, which is that this place fit the prescribed criteria for an ideal retirement
destination and that land prices should be compared with those in the United States. They were unaware, however, of the effects of their arrival on the social and economic fabric of Vilcabamba.

In their accounts of the changes in the past decade, local residents of Vilcabamba describe the arrival of the foreigners as abrupt, and closely intertwine their presence with the increased real estate market activity. Tito, a municipal worker who has lived in Vilcabamba his entire life recalls, “Before the whole world came here, it was different. Now, the entire world is here: French, English, Chinese, Japanese, and all buy land for high prices and build on it. And they buy their land from the people of Vilcabamba” (Interview, Tito, municipal worker). Julio, a local farmer, echoes his observations: “Now, there are people from the all the world here. Until twenty years ago it was not like this. If they bring a good concept, such as to conserve, it is ok. But they can’t come to make business of the land. They can’t come to buy all the land and leave the natives that remain with nothing” (Interview, Julio, resident of Vilcabamba since birth, local farmer). The references to the past in these accounts seem to indicate that at some point in the past, Vilcabamba was homogenously Ecuadorian, and only recently became an international destination. In fact, as the preceding discussion indicates, Vilcabamba has had a foreign presence since at least the sixties. What
changed is the type of migration, which altered the real estate process creating intermediaries.

**Rogue Intermediaries**

The only criterion necessary to be an intermediary at the time was being able to speak both Spanish and English. These original intermediaries, ones I will call rogue, repeatedly misused their position to take advantage of both buyers and sellers as evidenced both by accounts of these behaviors and by a slew of lawsuits that ensued after some of them had been exposed either in informal forums such as Ecuador_Expats Yahoo! Group or in formal ones, such as the legal system. Their practices, which both locals and retirees identify as destructive to the community, included building-in commissions of as much as 80% (the legal is 5%-8%), and “flipping land”. 9 Both sites of exposure contributed to prospective buyers’ heightened awareness of possible misconduct on the part of intermediaries.

It is important to understand then, that it was not simply the arrival of the foreigners that created real estate agents that could be held accountable and transparency in the real estate process, but also the informal, and often fraudulent activities of the original intermediaries. The distinction between the rogue

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9 Land or property flipping happens when property is purchased then quickly resold for a large profit. When properties are flipped, usually minimal, if any, improvements are made to justify a higher price. Flipping (and flippers) has been blamed for the rising land prices and rising mistrust between Ecuadorians and foreigners.
intermediaries and the licensed real estate agents lies both in the legal status of the latter, and in the lengths to which they go to differentiate themselves from the rogue intermediaries by acquiring licenses, setting up real estate offices, and broadcasting the transparency of their practices.

**Licensed Real Estate Agents**

Licensed status accords real estate agents legitimacy to perform the day-to-day operations of the job. These include interpreting real-estate related rules and regulations provided by the Ecuadorian government, complete forms and contracts, and analyze information on subjects closely related to real estate, such as appraisal, taxation, and property management. Currently, the only licensed real estate agent in Vilcabamba is Marcel, originally a French urban designer and architect, who runs the propertiesinecuador.com website and two real estate office in the town center. While my data does not indicate the degree to which the license is important to retirees, the fact that the first object Marcel handed me was a binder that includes a copy of his license, which he earned after a year of classes from an Ecuadorian real estate association, is somewhat telling.

Still, when choosing an agent, many foreigners rely on word-of-mouth recommendations from other foreigners, often a more powerful factor in the final decision, than the intermediaries’ official status. Roger, an American looking to buy a
plot of land in Vilcabamba, explained why he chose Santiago, a non-licensed intermediary, to help him: “I came to town and started asking questions to anyone who spoke English. I was told that Santiago is a lot more transparent, and on the table. A lot of these real estate people don’t let the buyer meet the owner, and therefore the profit in the agent’s pocket is bigger. With Santiago, everyone meets each other…” (Interview, Roger, prospective buyer). It seems then, that the legitimacy of real estate agents is not constituted by their licensed status as such, but by the degree to which their practices are made transparent to the buyer.

The notion of transparency is one that is fundamental to the definition of an advanced liberal economic market, and one that results in relationally disentangled sellers, buyers, and objects. The notion of transparency, and its subsequent material manifestations, frame the actors and their relations as economic, rather than relational. In this case, the expectation of transparency leads the buyer to the real estate agent, and prevents him from ever making the decision to buy land a relational one (by engaging directly with the sellers). The real estate agents, in order to maintain their legitimacy, provide market devices that speak to that expectation. One such device is the real estate process sign created by Marcel.
Orienting the Buyer, Standardizing a Process

When asked to describe his real estate process, Marcel holds up a sign he is hanging in his office (See Figure 3). The sign illustrates Marcel’s real estate process step by step and builds on the activity of creating a list of properties (discussed in more detail in Chapter Four) based on the answers provided by the buyer questionnaire. At first glance, the sign seems very straightforward. Once Marcel generates this list, he presents it to the prospective buyer, who is then encouraged to peruse the properties and compare their prices. This process is expected to result in a decision, at which point, the buyer returns to the office to meet the owner of the chosen property. Finally, adherence to this process culminates in the buyer getting the “best value”.

Data collected while following prospective buyers on trips to look at properties, however, indicates that the process is far more complex. Each individual typically makes visits to multiple properties and each visit requires several hours and involves a lot of physical exertion. The buyers then spend significant amounts of time, sometimes months, comparing properties, not only based on price, but on how closely the land’s characteristics fit whatever criteria they have accepted for evaluating properties. Once a decision has been reached, the buyers engage in a complex process of negotiation and bureaucratic activities to close the sale. None of the complexities that make up the real-estate buying process are reflected in the sign.
Furthermore, the sign also omits a crucial step in the real estate process, that of negotiation. This is because Marcel has recently instituted a fixed price policy, citing his frustration with the pricing practices of the locals as the reason:
People from here, they change the price…they have a way of negotiation that is very difficult for us…they think that we are bad people. So, they quote one price to us, and if the perspective buyer goes to them directly, they give him a different price. So the buyer thinks that we are lying. We are in between these two all the time.

Pointing to a listed property, he continues

The property here is listed at 295,000 USD but it’s not the real price. Maybe the real price 260,000 USD because we leave a margin for negotiation. But if the buyer meets the seller, they know that it’s 260,000 USD, so they tell me that I’m selling too expensive. So, now we are changing the policy to fixed prices (Interview, Marcel, local real estate agent).

The sign does not indicate negotiation as a step in the process because it no longer fits Marcel’s practices. Moreover, the introduction of a fixed price policy dictates a very different process than buyers expect and one that is not characteristic of a perfect market. Making this step invisible, and emphasizing other ones, allows Marcel to construct a new version of the process, and use the sign to institutionalize it.

The role of the sign, then, is not to accurately describe the actual process, but to prescribe the one intended by Marcel. The second step on the sign, encouraging buyers to come back to the office after comparing properties, fixes Michel’s role in the
process because it directly leads to the third step: meeting the buyer. As mentioned earlier, the foreigners experience fear of being defrauded by rogue intermediaries, who were able to build in high commissions by maintaining distance between the sellers and buyers. The centrality of the “meet the owner” step on the sign both persists this fear, and acts an insurance against it. Furthermore, its placement right before getting the “best value” clause suggests to the buyer that meeting the owner is imperative to getting the best value, and that Marcel is the link to the buyer.

Once hung, the sign’s materiality further advances its prescriptive agency. Big, bright, and organized, it acts as an authority to standardize the real estate process. To the buyer, it communicates that if their experience deviates from the sign, they are at risk of being defrauded. As such, the sign functions both as an orienteering device that steers the buyer in the right “direction”, and a standardizing body that institutes a correct version of the real estate process. It allows the foreigners, then, to choose between two possible states of the world: an ordered and a disordered one. By providing a standard process, the sign translates uncertainty into risk, allowing the buyer to make a calculated choice, thus constituting him as an economic actor.

**Sellers’ Economic Agency**

It is interesting, also, to examine the way in which Ecuadorians used to see the activity of selling their land as relational, and the how the introduction of synthetic
migrants has made it economic. Describing the way they used to sell land, Julio says “We only sold land through references, by word of mouth...there was always a reference.” This suggests that relationships were an important factor in the decision to sell land; additionally, the idea of references suggests that another member of the community ensured the potential buyer’s credibility. “Word of mouth” was then the device that allowed the decision-making, and it reflects the relationships between people in the community, rather than an abstracted, calculated process.

The arrival of the synthetic migrants transformed this decision into one that more closely resembled an economic one, as defined in advanced liberal economies. Jorge, an architect and native Ecuadorian who has spent significant time abroad in both Europe and the United States explains the Ecuadorian reaction in the early days of the arrival of synthetic migrants:

Suddenly, somehow in Vilcabamba things have started to go crazy and why? Because the first gringo came and bought a hectare for 100,000 USD...and the seller’s neighbor thinks ‘My neighbor is selling for that, but my land is better. It has a river and better view, so I’ll ask for 150,000 USD.’ So, another crazy gringo comes and pays $150,000 USD and, so the next neighbor thinks ‘I have 10 hectares, I’ll sell for 1.5 million USD’” (Interview, Jorge, Ecuadorian architect).
While Jorge exaggerates\textsuperscript{10}, his account can be understood as the extension of IL’s land price valuation mechanism (see Chapter 2) and its effects on the market in Vilcabamba. To better understand this, we should consider the role of the rogue intermediaries who played a key role in connecting buyers and sellers. As I mention above, they were bilingual members of the community, but removed the practice of actually introducing the two parties. This was permitted because, as members of the community, they constituted the “reference” that assured the credibility of the buyer. Eventually, it became clear that they did, in fact, sell indiscriminately.

Furthermore, because the organic migrants had, to a considerable degree, integrated into the community, there was no way for the Ecuadorians to predict the result of the decision to sell to synthetic migrants. As Callon (1998) points out, for an agent to be calculative, he not only must be able to draw up a list of actions that he can undertake, but also “describe the effects of these actions on the world” (p. 5). Without a device, which might allow the local to discern the difference between the two kinds of migrants, they are left in a relational space, relying on “word of mouth” and former experiences in order to make their decision.

\textsuperscript{10}In 1970, one hectare was being sold for 1,000 USD. In 2005, it was sold for 10,000 USD. Today, depending on the land and the location, it is difficult to find a hectare for under 30,000 USD.
Ranking possible states of the world

Only once the effects of the practices of both the rogue intermediaries and the synthetic migrants are made visible as being different from the first wave of immigration, are the locals able to articulate the potential consequences of their decisions to sell. Once their Julio expresses the growing concern of the effects on Vilcabamba by differentiating foreigners’ intentions:

The concept that has to bring foreigners is, ‘If I go to Vilcabamba, if I want to remain there, I buy a little piece of land in order to live, but no more than that.’ But if I want to buy up everything in order to sell, make business and leave the natives without land, then it’s not good.”

Arturo, a former farmer, echoes Julio’s distinction between acceptable and unacceptable motivations:

Some foreigners come with an ecological idea, they defend the trees - this I like. I think that there are good people that come with good ideas and also there are people that are not that good; above all, they come for the business.

There are good and there are bad.

Although the Ecuadorian sellers are now able to generate more than one possible state of the world, one in which foreigners respect the land and the people, and another, in which they act solely in a self-interested manner, and even ranked then in terms of
better and worse, in order to have agency, according to Callon, they must also
“mobilize the resources required to attain them” (Callon, 1998, p.4). At first glance, it
seems that there is no such device because land is still being sold. Yet, further analysis
reveals that in the case of Vilcabamba, the conflation of the licensed real estate agent
as a member of community able to imagine these different states of the world, and as
someone with resources, allows him to make the choice on behalf of the community by
creating a calculating device that acts as a filtering mechanism to separate, in Arturo’s
words, the “good” from the “bad”.

Filtering the world

Speaking about his reasons for opening a real estate office, Marcel emphasizes
preservation of Vilcabamba from the increasing number of foreigners:

I decided to open a real estate office because…I knew that Ecuador, with the
dollarization, would have a lot of people coming to the country, so I wanted to
preserve Vilcabamba…people are going to come regardless, so my main goal is
to attract more ecologically minded people. Before there were Americans
coming here but with another attitude: very simple, ecological living. Today
has changed a lot. Before people wanted less road, but now everybody wants a
road because everybody wants a car…another car.
This is very similar to the idea expressed by Julio and Arturo – that the kind of foreigners that should be allowed to buy land in Vilcabamba is one that respects its environment and people. When I asked about how he knows when a potential buyer embraces this attitude, he responded, “you notice the people that want to do some activity, like agriculture…and you notice selfish people…I don’t sell to people like that; I just show them the worst land…”

While intuition certainly plays a role, the “noticing” that surely goes in Marcel’s head also has a material component in the form of a Property Sourcing – Data Collection Sheet, a questionnaire prospective buyers fill out with relevant information. It states that its purpose is “for potential buyers to provide information which will assist us with the process of sourcing suitable properties”. Additionally, it recognizes that “people come to live in Vilcabamba…for many and varied reasons” and that depending on “their expectations of what they want to do here”, property specifications and preferences differ. While the questions cover a broad scope of topics, from contact information to the kind of view the buyer prefers and are certainly used by Marcel to service his clients, several questions focus specifically on eliciting the kinds of information that can help identify to what degree the perspective buyer is ecologically minded.
Question number four directly addresses the matter of road access: “Is it absolutely necessary for your property to have existing road access?” While the question certainly contributes to better understanding the needs of the buyer, it also reflects their attitude towards road construction – an issue specifically tagged by Marcel as representative of people’s commitment to ecological living. Likewise, question number six generally asks the buyers to identify “What will you primarily be using your land for?” and prompts them to detail whether or not they will be running a business, creating a garden, and/or building structures. As Marcel considers the purpose of moving to Vilcabamba for agricultural reasons acceptable, the responses allow him to ascertain the intentions of the prospective buyers. Finally, question number thirteen asks the buyer for the “driving factors behind [them] becoming interested in buying property.” Once again, Marcel can use the answers to better judge the acceptability of the perspective buyer.

To what degree these questionnaires are effective is difficult to ascertain. What is certain, however, is their intended role in performing the real estate market: a filter mechanism for sifting the “entire world” to separate out “ecologically minded” buyers. Additionally, one of the steps on Marcel’s “Real Estate Buying Process” sign might also be understood in a new way. Perhaps “Meet the Seller” is not only to benefit the prospective buyers by ensuring transparency, but also to recreate at least one element
of the reference based real estate process. In other words, this step also performs “word of mouth” to ensure that the sellers are able to evaluate the buyers. It is the resource that Marcel mobilizes to render the kinds of decisions Ecuadorians are faced with, economic.

This chapter compares organic migration with synthetic migration to show how the latter transformed the real estate process from a relational one to an economic one. It points both to the role of intermediaries, as well as, the market devices they construct based on economic principles of transparency and qualification that shape the current market. It concludes by showing that in the case of Vilcabamba, in the absence of economic agency on the part of the sellers, the real estate agent became a kind of proxy for their interests. While the previous two chapters examined how the buyers and sellers are transformed into economic actors, the next chapter considers the processes by which land was enacted as a market object.
Chapter 4. Enacting the Market Object

This chapter examines how real estate intermediaries in Vilcabamba construct their clients’ knowledge of land as a market object. It shows that intermediaries use land mapping and surveying technologies to create a series of inscription devices that translate relational knowledge of land into its economic and market knowledge. This translation process involves extracting existing knowledge of the land from local networks of relational memory, subjecting it to a number of material and discursive transformations, and depositing it into a network of market repositories as a real estate listing.\(^{11}\) These material and discursive transformations include the ways in which land is marked in order to make it recognizable as a market object; the ways in which existing human-made infrastructures are repurposed to serve market needs; and, the ways in which land is re-presented to highlight market related information. The chapter concludes with tracing the destinations of these re-presentations, to show how this market knowledge of the land is used to make land acquisition an economic decision.

\(^{11}\) Land – as an object of exchange - presents a unique challenge due to its property of being non-transportable. That is, land cannot be extracted from its geographic location and be physically exchanged between two parties. While we frequently speak of buying and selling land, what we really mean is transferring rights to that land from one entity to another. Typically, these ownership rights are transferred via the deed – a document inscribed with knowledge of the land as property which stands in as a representation of the actual “good” in order to legalize the exchange between the two parties. Similarly, then, it is economic knowledge of the land, rather than the land itself, that is exchanged in a real estate market, albeit via a different document - the real estate listing. For a tracing of the process by which land becomes property, see Alain Pottage’s (1994) article “The Measure of Land”.
Signing

The road to Vilcabamba snakes through mountains and valleys of the Andes, green and misty in the rainy season, brown and overexposed in the dry. Houses dot the hills separated by vast spreads of land. If one is concerned with issues of land, one might wonder to whom this land belongs and what function it serves. Even a cursory knowledge of the issues deliberated in Vilcabamba leads to questions of whether it is farmland regularly worked to sustain a local family, or farmland ceremoniously passed down from generation to generation of urban dwellers. Perhaps, it was formerly a forest, burned to pastureland to host cattle that act as guardians of property to prevent squatting? Or, perhaps, it is a government-protected reserve visited by multitudes of tourists making their way down the Inca trail. There are so many different categories and narratives to consider.

As the bus breaks its way down the mountain, “se vende” signs appear and disappear, blurred by the forward motion of the bus, but increasing in frequency as the road approaches Vilcabamba. The markers, though barely readable, indicate whether or not the land is for sale – information crucial to the hundreds of potential buyers that travel to Vilcabamba in search of land every year. The bus, however, does not slow down for potential buyers to note the information on the sign (usually just a phone

\[12\] “For Sale”
number), or take stock of the land. As each new sign marking another piece of land becomes indistinguishable from the last, it is unlikely that the potential buyers will make a return trip to these signs to get the details. More probable is that once in town, they will seek out other means to achieve their goal. Considering the current land market situation in Vilcabamba, it seems that simply marking land as ‘for sale’ is not enough to make it an object of the real estate market. Additional work is necessary to transform rural real estate into such an entity.

**Managing**

Descending into the valley offers a bird’s eye view of the town of Vilcabamba, and of the marked difference between the town and the surrounding hills. A geometric eyesore in the midst of rolling hills, the town’s layout is suggestive of most Spanish colonial communities founded as part of Spain's policy to civilize the New World – “a grid of streets stamped in perfect rectangularity upon curvilinear nature” (Richardson, 1982, p. 421).
While ubiquitous in the Spanish colonies, the grid layout is not native to Spanish towns. According to Foster (1960), older Spanish towns appear as “veritable spider webs” with “narrow and twisting streets often coming to dead ends”. The careful planning of Latin American towns is clearly not a byproduct of Spanish culture, but the intentional application of a particular town planning approach to a new context. The “grid-plan” is a way to centralize and therefore facilitate the bureaucracy involved in establishing and maintaining control over the town and its residents. The central space – el parque central\textsuperscript{13} – allows for proximity among government offices, and thus more efficient management of resources, people, and documents. The grid layout creates

\textsuperscript{13} Central Park
visibility into the town, decreasing opportunities for uprisings and rendering them
easier to detect and disperse.

But what about the rural land surrounding the town? While walking the hills of
Vilcabamba, it is easy to imagine them as free of the effects of human organizational
systems. Yet, the prominent trail, the occasional wire gate, or a house in the distance
gives it away: humans have managed this land since the time of the town’s inception.
The Inca ruins point to a time even before that. Though it is not my intention to trace
the historic management of the land, the little bit of history that follows serves to create
context for how Ecuadorians were historically constituted as landowners. It centers on
the land reform of 1964, generally considered as the turning point for the government’s
involvement in land redistribution.

The first institution established to govern the Andes by the Spaniards – the
encomienda – actually merged European mercantile mode of production with
preexisting Andean notions of kin-based reciprocity and redistribution (Andrien,
1991). Under this system, the conquistadors provided military protection and religious
instruction in return for taxes and labor. Due to poor management on the part of the
Spaniards, however, the encomienda system eventually broke down, resulting in a
more active form of participation by the Spanish Crown as it concerned land
distribution.
Andrien points to the mid-1500s, when local *kurakas* sold *ayllu* land to Spaniards to enrich themselves, as the time when “European notions of private property were beginning to overcome Andean traditions regarding communal property ownership and reciprocity” (p.82). He suggests that Spanish landholdings, regardless of whether they were established on lands left vacant by depopulations, acquired from Crown officials, or bought from local chiefs, were a “key link in the emergent market economy”. Despite these differences of opinions, most scholars agree that the Andean people did not sanction individual ownership of lands, and European ideas about private property, and specifically, written legal titles were alien to the people of the Andes.

This is not to suggest that the Andeans did not define geographical space, but only to point out that the Spaniards’ ideas of private property emphasized precisely defined geographical areas validated by written documents, such as maps, censuses, and land surveys. According to Andrien, by late sixteenth century, the result of this imposition of written documents forced Andeans to adopt “foreign ideas” about what constituted just claims to land, and furthermore, produced “new ideas ways of thinking, of projecting political power, and of exercising dominion” over the Andean peoples (p.150).
The hacienda system replaced the *encomienda* system as the primary system of land ownership in the late 1500s. Haciendas were large grants to minor nobles, which included land along with all of Indians then living on the land. They were characterized by feudalistic tenancy systems, such as the *huasipungo*. The peasants (*huasipungos*) worked for the landlord, both on agricultural and non-agricultural tasks, and in return, were granted the right to farm small plots of lands and graze cattle within the hacienda. Some Sierra households were actually semi-feudal arrangements where the peons were not obligated directly by the hacienda system, but instead, participated in sharecropping arrangements with the patron. This semi-feudal arrangement controlled most land and labor in the countryside and is structurally the basis for latifundio-minifundio, a highly inegalitarian remnant of semi-feudalism that characterizes the Sierra today.

In the 1950s, the semi-feudalistic system began to unravel due to indigenous protests and expansion of Ecuador’s domestic market (Commander and Peek, 1986). This reform outlawed the *hacienda* system, and turned the land over to the families who had farmed them. Anticipating the land reform, many *hacenandos* subdivided their estates, ended huasipungo labor relations, and converted their estates into “productive” capital-intensive farms. Thus, they were able to keep the best lands, while being exempt from land reform expropriation (Zamosc, 1994). Another land reform
law was passed in 1973, which further expropriated land, but the inegalitarian land holding system remained in place, creating a large minifundo population. In 1974, although 78 percent of the rural land parcels were five hectares of less in size, they accounted for only 13 percent of the land (Waters and Buttel, 1987). While I do not have specific information on how the land reforms affected Vilcabamba, the Ecuadorians I spoke with reported that they received their land from the government, and paid very little, if anything for the legal rights to the land. The land plots in Vilcabamba include both latifundios and minifundios, and are sold without subdivision by the Ecuadorians to foreigners, which then either hold it as a whole, or subdivide it and resell it.

This section serves to point out that private property was not a concept brought with this last wave of foreign immigration; it has existed since the Spanish colonization in the 1500s. At the same, as this chapter will show, attitude towards land as being communal property has remained an important factor in the way land is treated. Neither was the focus on precise measurements and land-survey instruments a recent introduction to land management practices. Rather, the goal is to examine changes to the land and knowledge of it since the most recent immigration to Vilcabamba began in 2000, particularly how physical borders, such as fences, came to perform the concept of private property, and how increasingly more sophisticated technologies
were employed in order to transform knowledge of land to prepare it for the global market.

While this chapter mostly focuses on the way in which land was transformed by both developers and real estate intermediaries, in order to emphasize the renewed interest in precise borders of and in Vilcabamba, it is worth examining the general ambivalence the government exhibited until the recent real estate boom. In 1966, the Directorate General of Land and Appraisal (DINAC) ordered a national land survey. Normally, this would involve carrying out a cadastre, which is a comprehensive register of the real property of a geopolitical area, in this case, the parish, which includes details of ownership, precise locations, dimensions, cultivation, and value of individual land plots. Through the production of documents, diagrams, sketches, charts, maps and most recently, computer software, the cadastre ensures reliability of information for land valuation and taxation. However, rather than the execution of a cadastre, the goal of Decree 869 was the development of a national rural land map based on existing documents owned by the municipalities for the purposes of tax collection. Sadly and predictably, the existing documents were highly heterogeneous in terms of the quality of the recorded information. Unlike the urban areas, which were under the exclusive governance of the municipality, responsibility for the governing of the rural lands was split between the ‘states’ and DINAC. As a result of the distributed
responsibility, the accuracy of these inventories and valuations was low. The resulting documentation was ultimately dubious, used by the municipalities to update land use records, but woefully inadequate for the purpose of tax collection.

To what extent the 1966 land survey accorded Vilcabamba any detailed examination is unclear, but we can imagine that even if the resources of the DINAC were greater, Vilcabamba would not have been at the top of their priority list. Until 2000, Vilcabamba was an unimportant little parish whose tax revenues were so small as to elicit little interest from the government and whose people were so poor as to place little importance on exact determinations of property.

Recently, the government has taken a much more active role in determining not only the exact borders of Vilcabamba, but also in the collection of detailed data about all of the individual properties in the parish. From 2004-2008, the Universidad Nacional de Loja (Loja, Ecuador) in partnership with the Universidad de Santiago de Compostela (Santiago de Compostela, Spain), carried out a cadastre covering the entire parish of Vilcabamba. Although the government of Galicia, Spain sponsored the project, the choice of Vilcabamba as a pilot, is interesting. What might account for the government’s seemingly sudden interest in having such detailed information about Vilcabamba? One obvious explanation is that as land prices, and therefore land value increase, the taxes government is able to collect become more significant. While this
is certainly valid, Sebastian, a computer programmer who was involved in the cadastre project, offers additional insight:

The question we are trying to answer is ‘What is the final purpose of people buying land?’, because some people buy land for tourism, others simply to preserve, and yet others for agricultural purposes. We want to know who is buying the land for agriculture, and who is just interested in buying and selling. Some people have a lot of money, but their neighbors are poor, so we are working to identify the privileged people. Vilcabamba has a lot of potential for tourism, so it is important for the government to have information about the land (Sebastian, software programmer for the cadastre project).

This commentary highlights some of the effects the real estate market has had on the socioeconomic situation in Vilcabamba – increased infrastructural development, environmental destruction, and increasing economic disparity. This research can serve as an entry point for government involvement in regulating the market. It also suggests that the collected information might be used to increase transparency in the market. To date, there is no empirical evidence to confirm this, and most participants in the real estate market remain skeptical that this information will be deployed in such ways. While contemporary cadastral surveys and their relationship to governance deserve more research than it has been afforded, this is outside of the scope of this work.
Bordering

The reasons for the execution of the cadastre provide insight into the increasing importance placed on determining exact borders, and their role in the changing landscape of Vilcabamba, as well as, their relationship to the idea of property. As Callon (1998) notes, without property rights, which “define the right to use certain assets, to derive an income from them, and to sell or transfer them definitely”, calculation, and therefore markets become meaningless (p. 21). The establishment and evolution of these rights, then, have an irreplaceable role. In the case of Vilcabamba, however, it is not an issue of property rights as a legal element, but as a spatial one. Unlike areas populated by indigenous peoples contesting the right to legally own their land, landowners in Vilcabamba, for the most part, have the legal papers confirming their right to transfer ownership of the land. The physical expression of the borders of their properties, however, has not generated a lot of investment. As described earlier, it is only recently that the government has concerned itself with establishing precise borders in this area. Until then, it seems that both the government and the people were satisfied with imprecise borders, as long as they performed their function. In other words, borders were understood in relation to their practical role rather for their symbolic one, as accurate coordinates on a map or exact area measurements on a deed.
The satisfaction with relational borders is demonstrated by several accounts. Sebastian recalls the task of pinning down borders, not only of land lots within Vilcabamba, but also of Vilcabamba itself:

When we started this project, the borders of Vilcabamba were not established. We used the bordering parishes to determine the borders of Vilcabamba. One part of the border is the Podacarpus National Park so there the borders were well defined. With San Pedro, another parish bordering Vilcabamba, it was also easy because it has a river so the river was the border. With the other three parishes we had problems because Vilcabamba didn’t have any official documents. But the other parishes had documents like maps etc. So, we mapped out the other parishes and what was left was Vilcabamba. [laughter] There were historians who wrote about the border, but we don’t know where the documents are...

How can a government, even one as small as la Junta Parroquial (the governing body of the parish) govern without borders? How does it know where its responsibility for basic infrastructures and services ends and that of the next parish begins? One answer is that administrative functions were largely non-existent as most household were self-sufficient. But this question, although logical, also presumes that borders, in order to be useful, must be exact. And not only exact, but also documented and referenced; in
other words, they must be part of an administrative archive. This treatment of borders reflects a perception of documentation as more reliable than contextual sources of information. A place like Vilcabamba offers a different storage system for borders, what Pottage (1994) calls “networks of organic or practical memory”, and what I will call “networks of relational memory”. While these concepts are similar in that they are both nonmaterial ways of storing information and that neither can be harnessed for precision, the term relational accentuates the entanglement of the borders within the networks of relations of the citizens of Vilcabamba and the landmarks they use to determine property.

Imperfect boundaries are good enough because most local social services falling under the jurisdiction of Vilcabamba’s government - the school, hospital, and water and power plants - are clearly located within the parish, in the town center. Taxation is the responsibility of the government in Loja, who, as mentioned earlier, did not express a strong interest in Vilcabamba until recently. La junta did not accord maps the attention more scientistic communities would expect because it was able to govern successfully using relational borders.

Within rural Vilcabamba, borders dividing parcels of land were historically vague. Consider again, Sebastian, describing the process for identifying the various plots of land:
This process comes later with the help of the people. We asked the people working with us from Vilcabamba because they knew whose land was whose. It was easy to see what land was from whom because the photographs have imaginary boundaries. We put the [aerial] photos on the floor because it looks like you are flying over it. On the photos, the locals saw the swimming pool, the church…meaningful landmarks, so they said ‘Oh, my cousin’s land is next to the church.’ They used specific architecture to figure out where the land begins and ends [See Figure 5].

Figure 5. Vilcabamba citizen point to land marks indicating property lines on an
There are several points to consider here. First is the absence of physical dividers, such as fences, that are typically erected to separate individual properties from one another. If one were to walk across the boundary, the transition would be seamless and one would be right to doubt that there is, in fact, more than a single property here. Second, the term ‘imaginary boundaries’ implies that these boundaries are not real, but that they exist merely in people’s imaginations. Yet, as Pottage suggests, they are not in their imaginations. Rather, the borders are in the collective memory of the people, anchored in a network of relations and understandings, directly tied and dependent on the other actors in this network, both human and nonhuman. The human actors include neighbors and family, which the nonhuman, architectural and natural landmarks. Together, these borders step in to do the work of the absentee dividers. And if these dividers materialized, would we still have the same Vilcabamba?

**Fencing**

Indeed, Julio explains that when his parents were alive “…there were no walls, no limits in Vilcabamba. All was one only.” As he continues to explain some of the changes since his parents time:

From here to where the hill of the mountain makes a river was of one person, on the other side there was another person, but there wasn’t a wall, there wasn’t
wire or metal, nothing, but beautiful earth. In order to grow a chakra, they made
only a site where they were to grow, only a site. The place where they were to
harvest they left alone, only made a little fence of wood, no more. It was not of
metal, only wood, you understand? They put it only around their crops, such as
cane, coffee, corn… they made walls but only around what they were
growing… it was more open…

What are these ‘limits’ to which Julio refers? Are they the same limits that are marked
by the absence of dividing structures in the previous narrative? And now that there are
limits, in what forms have they manifest and what has their presence made visible? It
seems that Julio is differentiating between the natural and the manmade. Borders have
always existed, but their constitution has changed. The mountain and the river in his
account are limits constituted by natural characteristics of the land itself. In this case,
it is not humanity, but the land, which dictates where one property ends, and the next
begins. In doing so, the land exhibits a form of agency in how it is to be divided and
distributed. Just like the people pointing to the Church as an orientation landmark,
Julio’s description of a former Vilcabamba refers to a local sense of place and property
that is intertwined with physical features of the land. Despite still being human-made
and imposed upon the landscape, lines of property follow lines of topography
according to the logic of localized practice, rather than lines calculated and affixed according to external standards.

When he does bring up fences that existed in his parents’ time, Julio contrasts the “little fence of wood” with “walls made of wire and metal”, revealing that fences played a very different role than what we might imagine (See Figure 6). They were constructed, not to separate private properties, but to protect the planted crops from animals. While the concept of private property historically existed in Vilcabamba and was constituted in the form of land titles and inheritances, this distinction was not acted upon in day-to-day life to the same extent as it is presently. This is not to imply that there were not accepted practices about what one could and could not do on the land of another, but only to highlight the different role that fences and other technologies of land division played.

Today, those practices remain in some situations. For example, because travel outside the main roads is done mostly on foot or with animal, the paths are not direct from point to point. To arrive at someone’s house or land, one might have to pass through several other properties. The fences and gates that separate them, if any, are simple, and the only rule is to close the gate behind you so that animals do not escape.
Figure 6. A prospective buyers opening a wire fence on land tour. Passing through properties does not require explicit permission from the owner.

A single property may have multiple gates, separating the gardens from the pasture, so the passage through one does not necessary signify crossing property lines. Moreover, because the gates that indicate property lines are no different from the others, one is free to wander on these paths, traversing across multiple properties without any attention to ownership.

As real estate agents/developers continue to subdivide the land into smaller lots to prepare it for entry into the market, existing fences have been repurposed to function
as property dividers. Consider this photo of a plot of land in Hacienda San Joaquin, a gated community development advertised in International Living and targeting foreign buyers (See Figure 7):

![Figure 7. A photograph of a plot in the gated community, Hacienda San Joaquin.](image)

The white picket fence, manicured lawn, paved path and row of trees are a stark departure from Julio’s description of the “no walls, no limits” Vilcabamba of the past, or even from the wood and wire fences of Paul’s yet undeveloped property. Instead of
an imprecise natural border based on the geographic features of the land or a roughly constructed fence of wood, the plots are clearly demarcated. In subdividing land, the developers draw fresh boundaries, which cannot immediately be located according to the landmarks of local memory. How, otherwise, to explain the bafflement of one local woman who shared a story of having spent her entire life driving cattle through this land to reach her pastures, but now has to increase the length of her trip five-fold to avoid private property demarcated by new picket fences?

It is worth pausing our journey through the hills of Vilcabamba to reflect on how, over the past decade, the real estate intermediaries have transformed the land into a market object ready for entrance into market repositories. What demands did the market exact on the land, and what work was necessary to meet those demands?

**Translating**

While existing fences acquire a new role in turning land into a real estate market object, they are not sufficient in the cases where large plots of land are bought for resale as smaller parcels. In these cases, new fences, such as the ones in the above image of Hacienda San Joaquin, must be constructed which make the land visible. This process relies heavily on technologies of mapping and surveying. The deployment of these technologies by individuals in the pursuit of profit rather than by
government for the purpose of overseeing its land and people does not alter the outcome of their use.

As mentioned in Chapter Three, one of the requirements of an advanced liberal market is transparency of information concerning the object of exchange, a requirement that both the buyers and intermediaries bring with them as constitutive of what it means to be economic. Transparency means that economic agents, in this case the prospective buyers, should have perfect knowledge of the quantity, quality, and price of the products on offer. In the case of land, its quantity is available to be measured only if the aforementioned borders have been made precise, its quality, in terms of proximity to a river, can be assessed by a visit to the land, and its price can be confirmed by a conversation of the seller. The case of land as the object of exchange between a foreigner and an intermediary, however, is more complicated. The financial resources required for repeat visits to Ecuador are significant, and land, which as previously mentioned, cannot be extracted from its physical location, cannot be gathered in a marketplace. Thus, land must be made transparent at a distance, using a set of what Latour (1986) calls inscription devices that translate physical knowledge of the land into economic knowledge, and produce immutable mobiles - physical representational objects that are easily transported without corruption in order to facilitate the creation and population of market repositories. These objects then act as
feedback mechanisms for the real estate agents/developers to determine where to place the physical barriers. In other words, land no longer dictates borders; instead, they are calculated and imposed on its surface.

As an example of such a translation process, this chapter focuses on the site plan of Hacienda San Joaquin, a land development a mile outside of Vilcabamba. The final version of the site plan can be found on the website of Hacienda San Joaquin. It is there to allow potential buyers to learn about the available properties in the development. Scrolling down the page, the viewer can follow the transformation of the land into a market object. While the images documenting the progressive abstraction of the land are presented in an orderly fashion, the source of these images – the desk of San Joaquin owner Joe - is far messier. Joe is a slight man with a degree in architecture and divinity. He sits down at his desk, which is covered by layers of draft paper. Only he can make sense of them, in part because of his architecture degree, but also because he has full control over the space. Thumbing through the sheets, he stops at one and pulls it out the stack: it is the plan of San Joaquin, one of the final products of the translation process. This process, however, begins with placing a dotted line on a photograph of the valley where the development is being constructed.

**Marking**

Here is a bird’s eye view of the property as it is presented on the website:
Figure 8. Photograph of Hacienda San Joaquin with a superimposed property line.

The words superimposed on the image above identify it - Hacienda San Joaquin - and the superimposition of the property line begins the process of mapping the land (See Figure 8). The ‘where’ of “where the hill of the mountain makes a river” of Julio’s account is replaced by a white dotted line. The amorphous mountain ridge and the shifting river are replaced by a static mark on the land. Take them away, and Julio is lost. But as long as we have a map with coordinates and precise area measurements (Joe has calculated the area of the development as 663 acres), the river and the
mountain lose their centrality in orienting us. Take them away, and we would still know where Hacienda San Joaquin begins and ends.

**Plotting**

The next step is to subdivide the 663-acre piece of land into plots of land bound for the market (See *Figure 9*):

*Figure 9.* Photograph of Hacienda San Joaquin with superimposed land plot lines.

Subdividing the land creates new boundaries external to the landmarks of local memory. Each plot is neatly packaged and displayed, like a store shelf, and the land is
converted into a catalog. “*My cousin’s land next to the church*” is simply plot number Q14. The Offices and Reception Center replace the Church as the gathering point of the community and the organizing landmark. The mountain ridge is no longer simply a border, but it is now a Hiking and Horseback Riding Trail, and the river: an indicator of more or less valuable properties. As Pottage suggests, “land is rediscovered through the map as a form of thematic map, in which topography and notation are drawn and interpreted as indicators of the economic potential of the estate” (p.371).

**Abstracting**

While any settled land is always a hybrid of the natural and the constructed, this translation process makes this hybridity visible. Yet even this level of abstraction is insufficient for the real estate market. The land is further transformed in order to accommodate increasing demand for detail of notation. The land is inscribed as a geometrical two-dimensional shape and it is no longer clear that the Hiking and Horseback Riding Trail follows the ridge of a mountain (See Figure 10). The plots of land break all ties with the land itself and are reborn as color-coded rectangles.
Figure 10. Site plan of Hacienda San Joaquin
Each plot reflects neither the experience of being there, nor even its relationship to the neighboring plot or to the river. Instead, preference is given to its market status: yellow for sold, white for available. Furthermore the spatial relationship is now dictated by the road, which directs movement across the land. There no passable gates between plot Q7, Q8, and Q9. One must exit Q7 at the designated exit, travel down the road past Q8, and enter Q9 in its respective entrance. Thus, the borders, enacted by fences, dictate where people may walk, where they may perform their recreational activities, and with whom they socialize. This land is indeed far from the limitless, wall-less Vilcabamba of Julio’s account.

Hacienda San Joaquin presents, perhaps, the most thorough documentation of the processes that translate physical land into documents. In cases where fewer resources are available to both survey the land and aggregate the results, these documents occur to a lesser degree of detail: even the poorest sellers create representation documents, which can be as simple as hand sketches of the property’s layout. What the presence of the intermediaries contributes is an additional step of further converting these documents into real estate listings and aggregating them in the aforementioned market repositories.
Listing

Once the land and its features have been made visible, the intermediaries further abstract this information into a real estate listing (See Figure 11). Each listing is coded, thus linking it to an index of aggregated real estate listings managed by the intermediary.

<table>
<thead>
<tr>
<th>Property</th>
<th>Sq. Meters</th>
<th>Hectares</th>
<th>Acres</th>
<th>Price</th>
<th>per m²</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Q-3A Hillside</td>
<td>19,499 m²</td>
<td>1.95 hect.</td>
<td>4.87</td>
<td>$155,000</td>
<td>$7.95</td>
</tr>
</tbody>
</table>

Figure 11. Example of property listings from Hacienda San Joaquin.

The description includes several different kinds of categories of information: features, size, and price. The size is typically provided in several measurement systems – English, metric, and South American (hectares). Since Ecuador’s official currency is the US dollar, all prices are shown using the USD. The features vary widely, but often include the incline of the land (how hilly or flat is it), whether or not it has road access, electricity, and water, the views, and potential for building or cultivating. Despite a certain degree of variability, these posts are largely standardized. The real estate listing is the ultimate result of carrying out the work of surveying, mapping and representing the land described in the chapter. Its purpose is to relate the size to its
price. It is difficult to argue against pricing land according to its size; however, it is worth noting that once this relationship is locked in as being the most important one, it leaves no room for other criteria and categories. Furthermore, by extracting land from any other relational features, such as adjacent plots, further contributes to anonymizing, and therefore, economizing the land.

**Aggregating**

Once the intermediaries have created these listings, they aggregate them in market repositories. A market repository combines the real estate listings into a single location where buyers can compare the different available properties. Market repositories are found in physical and virtual states, and their information is often identically reproduced in each. The physical spaces are the offices run by the agents. There, they either take the form of rudimentary catalogues (stapled printouts from the website) or standing displays, both of which are used to facilitate communication between agent and seller. In the virtual spaces – the websites of intermediaries – they are made accessible to the buyers for comparison. The pertinent similarity is that the create a space of calculation in which actors are able to use a combination of visual, discursive, and material tools to determine between several possible properties. Thus, market repositories function in a similar fashion to International Living’s Annual Global Retirement Index in that, they too, dictate both the criteria by which land
should be evaluated (features, size) and allow for comparison with other plots of land, thus functioning a pricing mechanisms. Like the standard developed by the Comite Economique du Val de Loire for table strawberries, the intermediaries provide a standard for our knowledge of the land as that of the relation of size to price. As Callon (2007) suggests markets are typically marked by “circulation, pricing and exchange” (p4). Without this market repository, movements that animate the Vilcabamba real estate market would be virtually impossible.

This chapter has traced what can ostensibly be called the process of commodification, by showing how land was made economic through a series of transformations which resulted in it becoming a market object – one that can be compared, priced, and bought. The land has been transported out of the Valley of Vilcabamba, accumulated in the physical and online offices of real estate agents and developers, and labeled with captions and descriptions. It has been reduced to a few lines of texts and several photographs. One cannot breathe the famed Vilcabamba air, hear the river, taste the fruit of the trees growing on the land, but one can look and determine whether or not the land is in one’s price range, the possibility of constructing a house, and how soon one is likely to be able to plug in the toaster. Now that the land has been made mobile, immutable, flat, and reproducible, it can finally exit the network of local knowledge and enter that of the market repository.
Chapter 5. Conclusion

This is, then, the story of how a small town in the south of Ecuador came to acquire the characteristics of a real estate market. Having demystified the processes that produced the current state of the real estate market, the activities and the actors who engage in them should now be somewhat less baffling. The foreigners, sitting in the cafes, getting into the taxis, and chatting about real estate are there because, using a number of market devices provided for them by International Living, they have decided that Vilcabamba is their ideal retirement destination. They can choose among all the different properties even before they arrive in Vilcabamba because Marcel and other intermediaries have abstracted knowledge of the land and made it accessible in the form of real estate listings. And once in town, they know what their experience of buying land in Vilcabamba should be because Marcel has hung up a sign describing the process. They are no longer simply economic forces of supply and demand working towards equilibrium over a scarce good, but economic actors performed as such by a number of market devices - principles of rational decision-making combined with material elements that transform the people and objects to conduct and participate in the calculating activities that define market.

Because my work focuses on how the market was structured, the body of my thesis does not address its broader effects on the Vilcabamba community. I would like
to discuss some of the effects synthetic migration, and the related activity of land purchasing, has had on the life in Vilcabamba. While I have alluded to some of these, they are worth discussing in more detail to better understand how markets shape society and transform the categories by which its members understand the world. The effects of this migration can be broadly categorized as environmental, social and economic. The environmental category includes changes to the natural environment, specifically to the negative effects of increased infrastructure due to the more demanding lifestyle of the foreigners, but also to the positive effects of their “greener” practices. The social category explains the different perceptions of the gated communities and their reconstitution of the social fabric of Vilcabamba. Finally, the economic category, likewise, concerns both disruptions and improvements in the way in which locals participate in the economy. Within each category, the effects are closely intertwined, and the three categories themselves, are linked. Every issue seems to have pros and cons, and the citizens of Vilcabamba, local and foreign alike, oscillate between the two, granting each some level of validity.

**Environmental Effects**

The environmental effects can be further broken down into issues of preservation and development. Alison, originally from Argentina, but a long time
resident of Vilcabamba, reflects on the environmental changes due to the increase in infrastructures such as roads:

There were plants and huge trees everywhere, everything was greener - all was cut down to make wider roads for cars. They pave the roads for cars, “improving” they say, but there is no room for people—they forgot about the people. They left only these narrow pedestrian paths, so people still walk in the road, but with the cars! People used to ride their pigs in the street, maybe disgusting but picturesque. And the three new antennas! We tried to explain that they destroy our view—to explain about the visual impact the towers make. But most people wanted them built. Pacifitel, Porta, Movistar - cell phones sold so quickly. You see people with donkeys and a cellular phone (Alison, long time Vilcabamba resident, owner of a local hostel).

According to Alison, the foreigners’ demand for more infrastructure contributed to the degradation of natural features of Vilcabamba, such as the trees and the view. Yet, in the same account, she also points to the positive environmental changes, “But there are some good things that come from the gringos. They help reforestation, using native trees because they want nice trees around.” Thus, foreigners fail to preserve some aspects of Vilcabamba’s environment, and succeed in preserving others. Alison’s
account also points to the negative side of “development”: roads, cars, and cellular phone towers. Lewis considers the additional infrastructure a positive effect:

Now, there is more infrastructure. For example, you can’t wire the Andes [referring to landlines], and foreigners needed cell phones, so now there are several towers and two companies doing business. People [referring to Ecuadorians] care about their cell phones. They wouldn’t want to go back. All of this gives people option of participating in the rest of the world.

His assessment is also valid, as locals do depend on their cellular phones for communication, and would understandably not want to go back to having no way to communicate remotely.

Social Effects
As mentioned previously, Vilcabamba has had a significant foreign presence for over half of a century, creating a relatively integrated community. With the establishment of Hacienda San Joaquin, a new kind of community was introduced to Vilcabamba – a gated community. These kinds of developments, closely resembling the retirement communities in Florida, are not unique to Vilcabamba. San Miguel Allende in Mexico is very well known location, which has myriad gated communities, often organized by nationalities.
Hacienda San Joaquin owner Joe has been accused of creating an artificial division in the community, one that makes socioeconomic disparity even more explicit. Many in the community are critical of Hacienda San Joaquin because it further eliminates the imperative to integrate with the local community. Lewis, however, explains some of reasons why people might choose a gated community: “People are looking for privacy; they are concerned if anyone can see into their little compound. I do see, for some people who really don’t want to assimilate, who just want to enjoy the weather, and have contact with people like themselves, this is an alternative.” And while clearly states that he would never choose this kind of retirement for himself, he also sees these developments as

…less disruptive, in some ways than all of us who bought our hectare or two, built our big house, our guesthouse, our caretaker house, our garage. I have to wonder, in a detached way, if the environmental and cultural impact of that is not worse than a development. The development we have is in an enclosed valley; you can’t see it from anywhere. It’s at the end of the road, at the edge of the valley. So, certainly, buying in a development where there eventually will be a resale market is probably less disruptive than buying your own piece of property, building a house about 60% of the way, running out of money or deciding this is not for you and abandoning it, leaving a big scar on the land…
In response to Hacienda San Joaquin, Marcel has begun building a community, as well, although his project is non-gated:

Three years ago, there was not one gated community in Ecuador, now you have more than six, and one of them here. There was a gated community already here, so I decided to make an open ecological community…to have a mixture...I call it socioeconomic permaculture - all kind of people, all kind of nationalities.

Marcel’s term of the word community describes a land development, albeit one that does not have the fences and borders we saw on the plans of Hacienda San Joaquin. While the actual effects of these communities on the Vilcabamba community remain to be seen, they create space of exclusivity, which can cause rifts in a society already rife with tension over the matter of land.

**Economic Effects**

In terms of economic effects, those too, are presented as either negative or positive, and sometimes as both, depending on the speaker. Once again, Alison points to the positive economic effects of the foreigners, albeit with hesitation:

The gringos come and buy large tracts of land, then sell different pieces to other gringos, making lot of work for locals. Locals are well paid. There are new jobs like gardener, carpenter - these jobs never existed before.” While this is
true, it should be nuanced with my findings that while the locals who work for foreigners are indeed “well paid.

This also means that local residents are unable to hire workers because they cannot meet the wages set by foreigners. But it is Marilyn’s comment about the rising prices that resonated with me most: “The saddest thing is that local people can’t buy land anymore, because of the land prices [which have risen significantly].” Jorge elaborates, stating: “locals cannot buy land, even though in the past, there might have been an opportunity to buy land, now its gone… they sell it for cash.”

How are the citizens of Vilcabamba to decide to what extent the presence of foreigners, and their effect on the environment, the community, and the economy, is beneficial or harmful for them? With no way to organize all of this information, rank it in order of preference, and mobilize the right resources in order to enact leaves them without a way by which to make collective decisions which concern the entire community. And, if someone proposes such a device, what criteria would they choose to rank the different possible outcomes, and according to what principles would they frame the decision?

**Market Devices and Globalization**

While this is a cursory review of the effects of the retirees’ presence, both in terms of the kind of infrastructure they expect, and also the effect their ability to pay
significantly higher prices for land, it serves two purposes: a) to frame my question, and b) to frame two broader critiques of synthetic migration which attempt to answer it. The question at the heart of my research is why, if it leads to community conflict, environmental degradation, and economic disruption, did locals begin and continue to sell land?

When I asked this question during my interviews, I received explanations that either framed foreigners as taking advantage of the locals, or vice versa. The first explanation considers the locals “naïve” for selling land in exchange for cash, and frames the foreigners as “enslaving the locals”. Armed with “pockets full of cash”, the locals are buying up all the land, thus raising the prices so as to be unaffordable to the members of the community. Thus, the inequality is attributed to the mental capacity of the locals as unable to understand that, which is happening to their land. In other words, they are selling their land because they do not know any better. The second explanation, on the other hand, calls into question the integrity of the local culture, as cited by one recent retiree of “fraud” being “the order of the day here”. In order words, it attributes the locals’ willingness to sell land as opportunist to the culture. As for the foreigners, one explanation frames them as fools for not performing the necessary research, although I have shown that is clearly not the case considering the number of market devices at their disposal. The other explanation conceives them as exploiting
Vilcabamba, yet in their interviews, they speak far more about desiring a peaceful lifestyle, than profit making arrangements.

Based on this analysis of what it means to be economic, and the role that market devices play in making us such, my answer rejects both of these critiques. It suggests that the issue is neither that foreigners are invaders and locals, naïve, nor that local culture is opportunistic and that the foreigners’ actions are in any way natural. In other words, the explanation for why Ecuadorians sell their land is located neither in their individual minds, nor in their collective experience (Callon, 1998). Rather, I suggest that one group has access to a set of particular calculative devices and the other does not. Foreigners make decisions armed with a number of market devices such as International Living’s Annual Global Retirement Index, which perform them as economic agents, in whose case economic, driven by IL’s libertarian perspective, means according to the “so-called advanced liberal societies” of Muniesa et al. account.

The locals, as shown in Chapter Three, have tools that allow them to make relational decisions, but not economic ones; that is, their tools do not anonymize actors and objects from the networks of personal relationships to make them calculable and comparable to the same extent, if at all. In other words, practical knowledge still plays a significant role in how people and land are conceptualized, and the way in which
they participate in market activities. When confronted with the results of economic decision making, but with no understanding how this knowledge was constructed or what fundamental ideas produced it, it is understandable that Ecuadorians may not be able to act in the communal interest. More specifically, introducing economic decision-making based on enacting the interests of an individual into a space where decision-making took the interests of the community into account, produces inequality. Perhaps, instead of looking towards issues of culture or wealth as responsible for inequality, we should look towards market devices.

What might correct this inequality? The obvious answer seems to be to equip the Ecuadorians with market devices of their own. It seems that since the devices used by foreigners have framed the issue of real estate as an economic one, locals must too come up with calculative devices that are economic (again, as defined by liberal economics) in order to be able to draw up, rank, and most importantly mobilize resources to attain their goals, thus reproducing the calculative spaces, devices, and decisions of the advanced liberal economies. Are there devices that might be based on a different economic theory, and therefore produce a different definition of what it means to be economic. In a way, Marcel’s use of the Buyer Questionnaire is one example of such a device, where although it does the kind of work market devices do, it performs a definition of economic more closely aligned with socialist principles.
Still, it seems that in most cases, it is market devices, with their underlying theories of perfect markets, rational decision making, and transparency that not only act as lenses for seeing the world and the people and objects in it in a particular way, but perform them as economic according to the very narrow definition of what this means in advanced liberal economies. As such, perhaps market devices deserve a greater consideration in the discourse on globalization as the conductors of these definitions, and thus ways of understanding the world.

**Contributions and Further Research**

In addition to its potential for globalization studies, this research also contributes to the ongoing work in the fields of sociology of economics and anthropology of market devices by focusing on relatively simple market devices and holistically addressing an entire market. Currently, much of the work on market devices studies sophisticated financial tools that make up global financial markets. While this is indeed pertinent, it is important to remember that many places in the world are less directly affected by such devices; rather, they are far more impacted by nascent markets, and the tools by which they function. Likewise, the complexity of advanced financial markets makes it difficult to study them in their entirety outside of long-term projects. This work is return to the kind of work done by Garcia-Parpet, which tries to
link all of the different actors, devices, and social implications to create a comprehensive analysis of the construction of a real estate market.

Although this case study was limited to one town and constrained by the time frame and financial resources, it nonetheless provides many additional avenues for additional research. International Living’s Annual Retirement Index is one market device that deserves further consideration, both in how it was originally conceived and how it is reconstructed every year. Tracing both its statistical components and the subjective input provided by the editors would provide more insight into how the countries are ranked, and possibly explain how the top annual destination is chosen. Additionally, more research on how prospective synthetic migrants actually use the Index can provide insight on which elements of the Index, and of International Living’s services they rely most in order to make their decisions.

This work has shown the importance of market devices in the formation of markets. Regardless of the level of their complexity, they are fundamental in performing people and things as economic objects. In Vilcabamba, they not only construct the buyers, create the market object, and standardize the process, but are also a key factor in the conflict concerning land between the Ecuadorians and the synthetic migrants. While their role in creating inequality and extending specific definitions of economic decision-making deserves more research, what is certain is that the
construction of the real estate market in Vilcabamba, Ecuador is a matter of market devices.
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