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Displacing poverty or displacing social and environmental welfare?

Carter Hunt

Though there will be more obstacles to overcome, there is no turning back for a discharged arrow

Wang Jing, Chairman and CEO of HKND Group

Introduction

As the poorest country in the Western Hemisphere after Haiti, Nicaragua remains desperate for foreign exchange. Natural disasters, a 40-year dictatorship, the popular revolution toppling the dictatorship, and a bloody counter-revolution have all contributed to the country’s persistent poverty. Since the 1990s the Nicaraguan government increasingly turned to tourism as a means of capitalizing on natural resources and stimulating economic activity beyond that provided by traditional exports. While there is impressive performance in the tourism sector, the country chronically under-performs on economic indicators, including measures of absolute and relative poverty (Cañada, 2013).

Recently the Ortega administration wagered the country’s economic, environmental, and socio-cultural capital on the exploitation of a different resource – its geographic suitability for an inter-oceanic canal. In June of 2012 Nicaraguan granted a concession to the Hong Kong Nicaragua Canal Development Investment Company (HKND) to construct and operate the second inter-oceanic canal in the Western Hemisphere. The Nicaraguan government, HKND, and other proponents purport the canal will displace poverty by providing a much-needed boon to the country’s economy. Yet critics of the canal remain concerned about displacement of communities lying in the path of the canal and massive environmental consequences. In June 2013 the Nicaraguan National Assembly ratified the agreement with HKND and the initial phase of the canal’s construction began in December 2014.

As a contribution to this volume on the political ecology of tourism, this chapter builds upon a structural political ecology of tourism in Nicaragua (see Hunt, 2011) by bringing a post-structural perspective to bear on the ways that tourism has
transformed the government’s development discourse. As a contribution to the theme on dispossession and displacement, this chapter describes ways that tourism displaced anti-imperialistic discourses condemning foreign involvement in Nicaragua and, as a result, facilitated the hegemony necessary to move forward with HKND’s canal. To set the stage for this discussion, the next sections briefly outline structural and post-structural forms of political ecology, the role of the inter-oceanic canal in Nicaraguan history, and Nicaragua’s explosive growth in tourism.

**Political ecology: structural and discursive forms**

Political ecology “involves a clarification of the impact of unequal power relations on the nature and direction of human-environment interactions in the Third World” (Bryant, 1997, p. 8). Integrating elements of human ecology and political economy, initial “structuralist” writings on political ecology stemmed from the work of Wolf (1972) and came of age with the publication of Blaikie and Brookfield’s (1987) book *Land Degradation and Society*. Structuralist authors emphasize how the persistence of poverty is traced to exhaustion of natural resources and underdeveloped economies (Stonich, 1993). While developing nations are regularly blamed for resource exploitation, political ecologists assert that environmental problems in the “Third World” are not a result of policy failures in those countries, “but rather are a manifestation of broader political and economic forces associated notably with the spread of capitalism” (Bryant, 1997, p. 8).

Thus writings on “structural political ecology situated environmental change and resource conflicts in political and economic contexts with multi-scalar dimensions, ranging from the local to the global, and emphasized the historical processes influencing environmental change” (Campbell, Gray & Meletis, 2008, p. 202). In parallel to the structural approach to political ecology developed a post-structural, or discursive perspective that instead pinpoints discourse as a means of legitimizing certain forms of development at the expense of others (Brosius, 1999; Campbell et al., 2008). This perspective is often traced to the writings of Escobar (1996, 1999) and the influential collection of essays in *Liberation Ecologies* (Peet & Watts, 1996). This discursive approach focuses closely on ways that particular language use privileges certain viewpoints, institutions, and forms of development.

Both structural and the post-structural forms of political ecology have been used to evaluate a number of specific development sectors including bananas (Grossman, 1998), coffee (West, 2012), cattle ranching (Edelman, 1995), forestry (Hecht & Cockburn, 1989; Peluso, 1992), petroleum (Sawyer, 2004; Watts, 2001), and biodiversity conservation (Adams & Hutton, 2010; Campbell, 2007) to name but a few. As the “largest scale movement of goods, services, and people that humanity has ever perhaps ever seen” (Greenwood, 1989, p. 171), tourism by its very nature involves unequal power relations and, for better and for worse, directly influences human-environment interactions. To the extent that it confronts the
issues of poverty, inequality, and the related exhaustion of natural resources, tourism may serve as a significant force for development (Hunt, Durham, Driscoll & Honey, 2015).

Through linkage with ideologies of free trade, economic globalization and the spread of capitalist relations of production (Hunt, 2011), tourism has grown into the world’s largest industry, supplying 9% of global GDP and one in eleven jobs worldwide (UNWTO, 2013). Not surprisingly scholars have thus recognized the utility of the political ecology approach for examining tourism. Stonich (1998) was the first to bring this perspective to bear on tourism, focusing on the Bay Islands of Honduras. Much like Campbell (2007) who explores the conservation and tourism interface in rural Costa Rica, Stonich (1998) demonstrated how locals have little influence on decisions related to the nature of tourism development in their own communities, and that little improvement in quality of life results from their participation in tourism except among previously wealthy elites. Similar descriptions put forth through research in Mexico (Young, 1999), Belize (Belsky, 1999), and numerous tropical islands contexts (Gössling, 2003) demonstrate how pre-existing tensions over structural inequalities in access to resources are often exacerbated by tourism.

Much as it has in other development sectors, the post-structural perspective can reveal the ways that discourses legitimize certain forms of tourism development, and thus certain forms of environmental impact, that are not always in the interest of local residents (West & Carrier, 2004). Political ecologists have criticized the inherent contradictions in discourses that promote tourism as a vehicle for environmental conservation and sustainable development, claiming that the reality is that tourism often does little in regard to these objectives and may actively undermine them (see Duffy, 2002; Fletcher, 2012). In Nicaragua tourism has become discursively linked to both foreigner investment and Nicaragua’s economic, social, and environmental well-being (Cañada, 2013; Hunt, 2011; Hunt & Stronza, 2011, 2014), and in doing so, it has opened the door for the administration to bequeath the country’s future to a foreign company. In order to demonstrate how this occurred, it is necessary to review Nicaragua’s past.

A canal in Nicaragua – Part I: In the shadow of the eagle

By the time Nicaragua gained independence in 1838, it was well-recognized as the most suitable location for an inter-oceanic canal in Central America (Figure 10.1). The favorable geographic conditions include a navigable river entering from the Atlantic Coast that connects upstream to the biodiverse Lake Nicaragua (known locally and throughout this chapter as Lake Colcibolca), and a slim 20km isthmus of land in the Department of Rivas separating this lake from the Pacific Ocean. As the US special chargé d’affaires to Central America Ephraim George Squier described it, the “Almighty hand has smoothed the way for the grandest enterprise which human daring has conceived, and which human energy seems now on the eve of accomplishing, the opening of a ship-canal between the oceans”
Despite this suitability, it would take 165 years for a canal to finally break ground in Nicaragua.

Cornelius Vanderbilt was one of the first to encourage the development of a canal in Nicaragua. Despite support from the Nicaragua government, Vanderbilt lost backing of investors and instead installed a railway across the 20km isthmus of Rivas in 1851. When American filibuster William Walker invaded Nicaragua with a mercenary army and declared himself president in 1853, Vanderbilt’s transit route was permanently disrupted (Walker & Jade, 2011).

Foreign interest in a Nicaraguan canal persisted through the 19th century. The US Nicaragua Canal Commission conducted feasibility studies in Nicaragua yet also hedged its bets with a $40 million proposal to take over French canal efforts in Panama, a proposal the French eventually accepted in 1904 (Heilprin, 1900). As detailed in the book Nicaragua: Living in the Shadow of the Eagle (Walker & Jade, 2011), at that time US interest shifted to preventing a canal in Nicaragua. An occupational force of US Marines subdued non-aligned factions in Nicaragua in 1912. When a civil war threatened US interests in 1927, the Marines returned only to encounter organized resistance led by Augusto Cesar Sandino. Luring the
Marines into a rural guerilla war, Sandino’s resistance forced their withdrawal in 1932. Under a flag of truce, the leader of the Nicaraguan National Guard, Anastasio Somoza Garcia, assassinated Sandino in 1934. In an election widely considered fraudulent, Somoza became president in 1937. Followed by two sons, Somoza initiated Latin America’s most corrupt and longest lasting dictatorship of the 20th century.

Sandino’s defiance inspired the revolutionary movement to overthrow the regime of the third Somoza, Anastasio Somoza Debayle. Encouraged by Castro and Guevara’s success in Cuba, and taking Sandino as their namesake, the FSLN (Frente Sandinista de Liberación Nacional, or Sandinistas) took up arms against Somoza’s National Guard throughout the 1970s. Human rights abuses under “Tacho” Somoza infuriated the Nicaraguan populace, and when the murder of ABC journalist Bill Stewart was captured on film, President Carter immediately withdrew US support. The resulting Sandinista-led popular uprising overwhelmed the National Guard and forced the dictator to flee to Miami.

Although a nine-person junta was established to govern Sandinista Nicaragua, Daniel Ortega was recognized as the de facto president even before being formally elected president in 1984 (Walker & Jade, 2011). Prone to fiery anti-imperialistic rhetoric, Ortega was labeled the “Man Who Makes Reagan See Red” on a 1986 cover of Time magazine. His version of Sandino’s anti-imperialistic discourse, updated for the cold war era, was indoctrinated into the populace through the far-reaching literacy campaigns of the early 1980s (Walker & Jade, 2011). When a US sponsored counter-revolution against the Sandinistas resulted in 70,000 additional deaths, popular support for the Sandinistas eroded. Ortega eventually lost the 1990 election to Doña Violeta Chamorro, who along with subsequent presidents Aleman and Bolaños, was more cooperative to foreign interests. Ortega steadfastly campaigned in each election until voted back into office in 2007.

Giving the strong opposition to foreign involvement in Nicaraguan affairs during Ortega’s first presidency, many feared his return to office signified a return to nationalization of foreign interests. Surprisingly, Ortega now openly endorsed foreign investment in Nicaragua. Consistent with intervening administrations, Ortega’s discourse heading into the 2007 election established a clear link between foreign intervention and poverty alleviation by stating that “we need to eradicate poverty, but you don’t do that by getting rid of investment and those who have resources” (Carroll, 2007). The Official Investment and Export Promotion Agency of Nicaragua (PRONicaragua), established in 2002 to promote foreign direct investment in the country, now emphasizes tourism as a priority sector of the economy. The president’s own son Laureano Ortega serves as PRONicaragua’s official tourism advisor.

While macroeconomic indicators improved under Ortega’s recent terms, his defiance of the country’s constitution to remain in office beyond 2011 led to fears of regression to authoritarian rule, a concern embodied by the rhyme, “Ortega y Somoza son la misma cosa” (Ortega and Somoza are the same thing). As the next section elaborates, the discursive linkage between foreign investment and economic prosperity in Nicaragua resulting from tourism paved the way, at least
in part, for hegemonic discourse legitimizing the concession given to HKND to construct and operate the inter-oceanic canal.

**Contemporary tourism development in Nicaragua**

By 1990 the unrest occurring throughout Central America in the 1980s had largely pacified. This facilitated tourism development throughout the region in the 1990s. Located in the middle of an isthmus book-ended by two of the world most recognized ecotourism destinations (Costa Rica and Belize), Nicaragua’s natural resource base positioned it well to take advantage of the worldwide growth in market demand for tourism (UNWTO, 2013). Yet, well into the 1990s the country struggled to recover from civil war. The government suffered one of the highest foreign debt ratios and it desperately needed foreign exchange (Hunt, 2011). With a Sandinista loss in the 1990 elections, subsequent administrations began to gamble on tourism’s ability to contribute to pressing development needs such as poverty alleviation, wealth redistribution, and reduced environmental deterioration.

**Policy context leading to accelerated growth**

The end of hostilities in Central America mobilized both internal and external capital that had previously been tied up in armed conflict. Coupled with changes in foreign investment policies that included very attractive tax incentives for tourism development, Central America generally and Nicaragua in particular experienced dramatic tourism growth (Cañada, 2013). To capitalize on market demand, the Nicaraguan government created several economic incentives for foreign investment. The *Ley de Incentivo para la Industria Turística* (Law 306) in 1999 and 2004’s *Ley General de Turismo* (Law 495) (INTUR, 2012) offered developers and operators complete exoneration from importation, sales, materials, equipment, vehicle, and property taxes for both foreign and Nicaraguan individuals and businesses involved in tourism-related activities.

With these policies in place, tourist arrivals almost tripled in the 10 years between 2002 (471,622) and 2012 (1.2 million), while related tourist revenues soared from US$116.4 million in 2002 to $421.5 million in 2012 (INTUR, 2012). Tourism rose to the top of the export list in 1997 where it remained for 12 of the following 13 years (INTUR, 2012). At 18% of total revenue generation, tourism in Nicaragua accounts for a higher proportion of economic activity than in any other country in Central America (Cañada, 2013). As of 2010, it ranked second in Latin America in terms of forecasted tourism growth, had the region’s highest 10-year annualized real growth in travel and tourism GDP and employment, and had distinguished itself as one of few countries exhibiting positive growth in economically turbulent 2008 (WTTC, 2010).

The incentives offered by the new tourism policy are particularly attractive to speculators interested in vacation and rental home development (Cañada, 2013) and the opening of the Daniel Oduber airport in Guanacaste, Costa Rica, facilitated access to Nicaragua’s southern Pacific coast. As markets drove prices upward in
Guanacaste, the “balloon effect” pushed real estate speculation onto Nicaraguan real estate, residential tourism, and sand/sun/sea tourism offerings in San Juan del Sur and other parts of Rivas in the early 2000s. As a result, beachfront in much of San Juan del Sur is today in effect privatized (Cañada, 2013; Hunt, 2011).

**Widening disparities**

Most of the recent growth in tourism in Central America is driven by capital investments from regional and international companies (Cañada, 2013; Honey, Vargas & Durham, 2010). These investments take the form of high-end hotels, second-homes, shopping centers, golf courses, luxury services, cruise tourism (Honey et al., 2010), real estate development (van Noorloos, 2011), and ecotourism (Hunt et al., 2015). Nicaragua has followed these trends. As dense coastal tourism development marched northward from Guanacaste, the same patterns of deforestation and land concentration seen in Guanacaste (see Almeyda et al., 2010) materialized in Rivas (Hunt, 2011).

Now extending into Tola and adjacent Carazo (Cañada, 2013), the “tourism frontier” of resorts and second home complexes parceled into hundreds of second home plots and dozens of golf courses further jeopardize already threatened dry tropical forest ecosystems (Janzen, 1988). Economies of scale favor increased production, with many large developments awaiting investment for further enclave construction. These developments offer low skilled employment opportunities that do not offset the displacement of the rural poor. Forced into increasingly marginalized spaces, many residents are put under strain to increase household production via expansion, intensification, and diversification of subsistence activities. Such poverty traps favor real estate speculators who leverage land sales from the poor at under-market values, as has been documented in Costa Rica (Honey et al., 2010; van Noorloos 2011). Residents are pushed further inland, and this diminished access to important marine and forest resources and leads to declines in the yield of traditional subsistence activities (Hunt, 2011).

Recent developments in Nicaragua appear to be perpetuating this model of tourism development. Mukul, at Guacalito de la Isla, caters to an extremely affluent clientele, charging upwards of $2,000/night. This operation consists of 650 hectares of dry tropical forest, white sand beaches, multiple golf courses, and now-typical second home parcels. Indeed exposure to real estate opportunities is an inherent part of this tourist experience, as is a different spa treatment for each day of the week. Mukul, owned by the Pellas Development Group, required an initial investment of $150 million, an amount expected to grow to $350 million over the next 10 years (Cañada, 2013). A corporate social responsibility partnership between the Pellas Group and the Holland Development Service (SNV) offers training for small and medium tourism enterprises in the departments surrounding Lake Colcibolca. While the outcomes of this gesture are undocumented, with the Pellas Group’s immense capital at play in Tola, increase in land prices in this region of Rivas is documented. Land value rose exponentially from less than US$10,000 per manzana (0.7 hectares) in 2000 to more than US$250,000 per
manzana in 2007. The dramatic gentrification of the beaches along the Pacific Coast continues (Cañada, 2013).

Although there are documented successes in Nicaragua in community-based tourism projects, like Finca Magdalena on the island of Ometepe, it is difficult to sustain such non-traditional activities in the rural areas. The traditional tourism sector often characterizes community-based tourism as a path to failure (Cañada, 2013). Current governmental policy provides greater exemptions for investment in excess of $50,000. This figure in effect prohibits small and medium enterprises from accessing the exemption and instead continues to incentivize large-scale tourism operations. The Nicaraguan government approved US$96 million in tax exemptions in December 2014 for new tourism projects, up 125% from the previous year (Vidaurre Arias, 2014). Recent projects include a US$12 million airport on Ometepe, a US$12 million private airport for the Guacalito de la Isla/Mukul project, a US$12 million Holiday Inn Express, and a US$16 million Hyatt Place.

High-investment developments provide the capacity to construct hegemony, leading policy makers and citizens to overlook the worsening of impacts and increase in conflict related to current tourism models (Honey et al., 2010). As Cañada notes:

> tourism development is not neutral. It carries with it competition and conflict related to territory, natural resources, and the coffers of the State. The logic of corporate tourist capital is to “generate” spaces that permit greater accumulation of capital, and to do that it is necessary to transform and “elitize” certain territories until they become exhausted, to only afterward migrate and conquer new areas on the pleasure peripheries.

(2013, p. 99)

Having developed a hegemonic discourse that situates the dispossession of lands and displacement of people on the basis of tourism-related economic development as being in the greater interest of Nicaragua, it is no coincidence that the Ortega administration is using precisely the same discourse to justify the development of HKND’s inter-oceanic canal in Nicaragua.

**A canal in Nicaragua – Part II: In the shadow of the dragon**

In June of 2012 Nicaragua granted a concession to HKND to construct a new 278km canal connecting the country’s Atlantic and Pacific Coasts. At US$40+ billion (Meyer & Huete-Perez, 2014), the estimated project cost is nearly five times the country’s current GDP (World Bank, 2012). Claiming the canal will generate 600,000 jobs (Oquist, 2012), the Nicaragua National Assembly ratified a renewable 50-year operational lease to HKND in June of 2013 (Figure 10.2). This lease includes the rights to construct related sub-projects: deep-water ports on each coast, rail systems and oil pipelines along the full length of the canal, industrial centers, airports, and duty free trade zones (ERM, 2014). HKND is also
entitled to the natural resources found in the buffer strips along the length of the canal.

Unlike 19th-century plans to navigate up the Río San Juan from the Caribbean Coast to Lake Colcibolca and cut across the narrow 20km isthmus in Rivas to connect to the Pacific Ocean, HKND’s canal will instead cut through the lowland rainforests of the Atlantic autonomous regions. Touted as a “maritime silk road,” the physical dimensions of the canal will occupy 30 times the area of the Panama Canal (ERM, 2014). At 520m wide and 30m deep, the Nicaraguan canal will necessitate more dredging in Lake Colcibolca than the Panama Canal has required in 100 years of operation. It will accommodate the largest cargo ships currently in operation – Maersk Triple E class capable of transporting up to 18,000 TEUs (standard 20 ft. containers) – as well as ultra large crude carriers capable of hauling 320,000 tons of petroleum, tankers carrying up to 400,000 tons of bulk cargo, and the massive ultra-post-Panamax vessels capable of transporting up to 25,000 TEUs that are still on South Korea’s drawing board. Transport time through the canal is expected to be 30 hours, with an annual traffic of up to 5,100 boats.

A document prepared for HKND by the China Railway Siyuan Survey and Design Group called the *Integral Design Project for Nicaragua’s Great Canal: Design Plan Report* provides details of the canal “sub-projects.” Designs include...
“various tourism complexes” along the path of the canal: i) a natural park resort near the port in Monkey Point on the Atlantic Coast; ii) a golf theme resort on the eastern shore of Lake Colcibolca; iii) a volcano sightseeing resort on Ometepe; and iv) a “coast relaxing resort” on the Pacific shore. The plans for the Pacific coastal resort feature a business center, a boutique hotel for high-end travelers, a mass vacation hotel for mid-range tourists offering a total of 1,400 rooms, and up to 761 coastal villa vacation homes. Projected employment is 3,000 jobs. Such development reflects further consolidation of the mass tourism model manifesting on the Pacific Coast of both Nicaragua and Costa Rica over the last decade (Hunt, 2011; Honey et al., 2010). While no specific plans for the other tourism projects are yet available, residents in those areas – Ometepe in particular – are voicing disapproval (Watts, 2015).

Projected impacts of Nicaragua’s inter-oceanic canal

The implications for the environments and communities lying in the direct path of the canal is clear – what will not be completely eliminated through the process of the canal’s construction will be relocated elsewhere. Jorge Huete-Perez, the president of the Nicaraguan Academy of Sciences (ACN), published a Commentary in the journal *Nature* describing the pending disaster. The canal threatens the largest drinking water reservoir in the region (Colcibolca); large autonomously governed indigenous regions belonging to Rama, Garifuna, Miskitu, Mayagna, and Ulwa peoples; four nature areas including the Cerro Silva Natural Reserve; and about 400,000 total hectares of rainforest and wetlands (Meyer & Huete-Perez, 2014). The entire path of the canal will be enclosed in fence, bisecting the Mesoamerican Biological Corridor. Impacts on threatened species and ecosystems, food sources and habitats, water composition and dynamics, regional climate, and other ecological processes will be extensive. Impacts on human populations is likely to be enormous as well, involving the resettlement of hundreds of villages and the in-migration of a large number of laborers, 50% of which are expected to be Chinese.

Forgoing its own social and environmental impact assessment, the Nicaraguan government has instead permitted HKND to commission its own studies. The result is a contract with Environmental Resources Management (ERM), based in Washington, DC. ERM’s past clients include British Petroleum, Rio Tinto, Shell, and the Northern Peru Copper Company. Their expertise is in remediation portfolios that “bring final closure to a contamination issue.” ERM and HKND maintain that not only will impacts be mitigated but that social and environmental conditions will actually improve (HKND: Canal interoceánico es viable, 2014). In December 2014, ERM made available a social and environmental impact assessment of the “initial works” on the canal just days before these works were to begin. The report outlines land clearing and road improvements needed to complete further seismic assessments and engineering studies.

Despite describing tourism as an important economic activity in the sector, the document provides a one-page assessment of the impacts on tourism, focused on
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Disruptions to traffic along the Pan-American Highway. Prescriptions are to establish a complaint management system for tourism businesses affected by transportation disruptions and to propose a means of mitigation of said traffic impacts along the Highway. The assessment concludes that the initial canal work will have an insignificant to minor negative impact on tourism (ERM, 2014).

Clearly, meaningful discussion of the implications of the canal for tourism is yet to appear from ERM or HKND. Concerns that remain unaddressed include but are not limited to the following: changes in destination image from a aesthetic natural landscape to one heavily altered by man; the impact of this change in demand on existing tourism operations including nature-based tourism and coastal/marine tourism; new visitation with the motive of observing the canal or engineering feats up close (including the current scoping of the path of the canal); changes in recreational offerings for tourists visiting the lakeshore inlet and the coastal outlet of the canal; the impacts of dredging and disrupted ecological processes on sport fishing in the lake and the rivers near the canal, and the impacts of dredging and depositing of sediments on Nicaragua’s popular surf tourism. Likewise absent is discussion of whether the facilitation of inter-oceanic mega-cruise liner travel and the deep-water ports will lead to dramatic growth in the cruise tourism industry in Nicaragua.

Displacing discourses: post-structural political ecology of the Nicaraguan canal

With a complete impact assessment still outstanding as of early 2015, it is not surprising that concerned residents, environmentalists, and even the US embassy are apprehensive about the lack of transparency surrounding the canal, the lack of proper impact assessments, and the dearth of information about mitigation efforts (Watts, 2015). While the Ortega administration and HKND officials steadfastly maintain that the environmental and social consequences of the canal’s construction will be offset by the economic boon it will provide to the country, objections to the canal continue to emerge along two lines. The first relates to the direct environmental consequences of dredging Lake Colcibolca and the indirect effects this ecological disruption will have on social and economic conditions (Figure 10.3). These concerns are voiced largely by NGOs and the academic sector.

After the canal was brought to the attention of the scientific community with the article published in Nature (Meyer & Huete-Perez, 2014), the ACN initiated an independent assessment of the canal at a symposium in Managua in November 2014. The meeting reiterated the scientific consensus that the social and environmental consequences will be disastrous and that the impacts assessments are woefully inadequate. Despite near daily attention in the press, neither the NGO sector nor the ACN have slowed the canal’s development. On the contrary, scientific opposition to the canal appears to have instead stimulated a greater effort to mobilize a discourse that not only legitimizes the canal as a form of “development” whose benefits to the country outweigh any drawbacks, but also
dismisses the scientific discourse as anti-nationalist and standing in the way of the Nicaraguan progress (Watts, 2015).

A second and even louder objection to the canal centers on dispossession and displacement of communities lying in its path. Protests over land expropriations have occurred almost daily, notably in the communities of El Tule on Lake Colcibolca’s eastern shore and in Potosí on its western shore. Proponents of the canal again countered these protests with by legitimizing the canal as a form of development that comes at the expense of some but that, ultimately, is in the greater good of the country. This portrays the canal as an economic savior that will improve quality of life by bringing much-needed employment and income while also generating revenues for environmental protection. This discourse, likewise, brands opposition to the canal as un-Nicaraguan, anti-national, and against the interest of the greater good of the country.

Sen (1999) refers to discourse that places the greater good of the country ahead of local and regional interests as the “Lee thesis” (in reference to a former Prime Minister of Singapore). Despite many documented uses of such dictatorial development rhetoric, as Sen argues, the idea that these authoritarian approaches to development will result in more favorable outcomes is not supported in cross-country comparisons. On the contrary, top-down discourse actively undermines the creation of favorable economic climates. Unfortunately, the indications in Nicaragua are that from here on out, all interests will be subordinated to those of the canal’s construction and operation. Hetherington and Campbell (2014, p. 191) characterize such justification of infrastructure as:
one of many analytic tricks which refocus explanatory attention, claiming priority for a particular set of phenomenon over others...while some infrastructure projects may have eventually become part of the landscape, at least as often they remain monuments of bad deals, uninterested lenders, or questionable governance in the years after they initially appear.

Only time will tell in Nicaragua.

Conclusion

As the political ecology of tourism continues to evolve and develop, attention to both structural and post-structural forms of political ecology will be important for extending our understanding of the phenomenon of tourism. Fortunately, as Escobar (1999) notes, this is not an “either/or” issue and there is much opportunity for dialogue between these two perspectives. The present essay demonstrates how a post-structural perspective, taking a cue from environmental and development anthropology, can build upon earlier efforts to outline a structural political ecology of tourism. It is argued here that by linking foreign investment to the country’s prosperity, tourism growth was critical to the ability of the Ortega administration to create the necessary hegemony for placing the country’s future in the hands of HKND’s new canal. Given the disapproval among scientists, academics, and the soon-to-be-displaced residents along the path of the canal, as well as Ortega’s former anti-imperial stance toward foreign intervention in the 1980s, this discursive shift is no less impressive than it has been effective. In HKND Ortega has found a partner that ensures that the country remains a relevant – if contested – ideological, geopolitical, and environmental battleground for years to come.

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