



MEXICO



MEXICO CITY

<i>Size of the country</i>	1 958 000 km²
<i>Population</i>	99, 6 M
<i>Population density</i>	50,8 hab/km²
<i>Population growth rate (1993 – 1999)</i>	1,7%
<i>Part of urban population</i>	74 %
<i>Life expectancy at birth</i>	72
<i>Infant mortality (per 1000 live birth)</i>	30
<i>Access to improved water sources (% of population)</i>	83
<i>Ethnic groups, their percentages in the population</i>	Half-caste (Indian+Spanish): 60%, Amerindians: 30%
<i>Official languages</i>	Spanish
<i>Religions</i>	Catholic: 89%, protestant: 6%
<i>Gross domestic product</i>	429 billion USD
<i>Gdp per capita</i>	4400 USD / Hab
<i>Inflation</i>	9,6%
<i>Gdp growth rate</i>	3,5%
<i>Gdp repartition in different sectors (1999)</i>	Agriculture: 5%; Industry: 28,2% (manufacturing: 21,1%), Services: 66,8%.
<i>Unemployment rate</i>	4,1% (1996)
<i>Illiteracy (% of population age 15+)</i>	9 %
<i>Tourism</i>	9 M visitors (1996)
<i>Population of Mexico City</i>	17,9 M

TOURISM AND CULTURAL HERITAGE IN MEXICO CITY

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Introduction

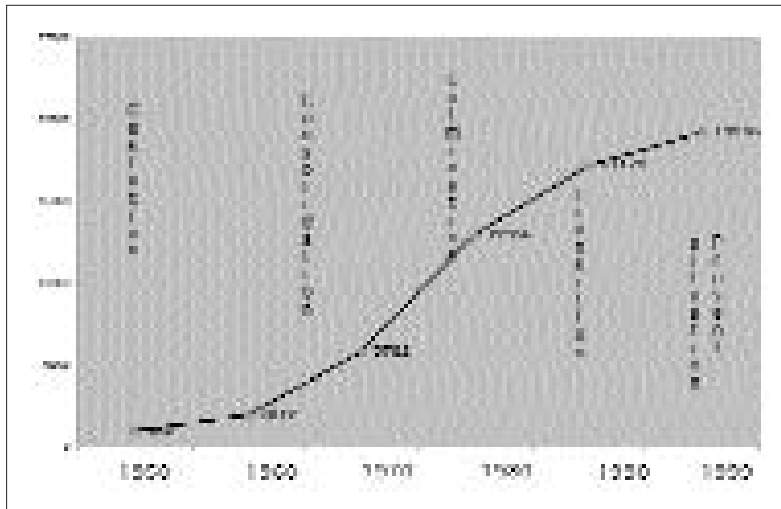


Figure 1. The Stages of Development of International Tourism in Mexico (Unit: thousands)

Tourism, which is a sector not well known to social scientists and often underestimated by them, has reached a level of sustained growth in developed societies¹. Some countries like Mexico have also joined in the phenomenon of mass tourism implanted in capitalist societies after the Second World War (see Figure 1).

The expansion of international tourism has been overwhelming. Since 1950, the tourist activity world-wide has been growing at a stable rate of 7.1 percent annually, with the number of tourists increasing from 25 million in 1950 to 563 million in 1965. At the same time, international tourist revenues have grown by over 12.4 percent annually, from U.S. \$ 2,100 million to 401,000 million².

The effects of the world crisis first felt at the end of the 1970s did not play a major role in the macro-trends of tourism, although it contributed to slowing down its pace, both in numbers of tourists and in international tourist expenditure. But it is evident that, given the context of the deceleration of the economy in general, the performance of tourism has been quite satisfactory.

During the last two decades, one of the most relevant changes in the dynamics of tourism has been the growth of interest in forms of tourism that strongly differ from the mass beach model associated with the Fordist phase of post-war capitalist development. Among these forms, urban tourism stands out. As Cazes and Potier have said:

" in a kind of cyclic logic, the cities are trying to rediscover the amenities that had defined their attractiveness before the devastating tide of industry and circulation, renewing a tourist function nowadays forgotten that had largely preceded the

*functional development of beach or mountain resorts.*³"

It is in this context of renewal of urban tourism that we shall examine the development of tourism in Mexico City, its main features, the impact on the urban economy and the location of the main tourist infrastructures. Furthermore, we shall also examine the new outline of the official project for tourism in Mexico City. Lastly, we shall discuss the benefits and the risks that would come from an increase of tourism in the Historical District of Downtown Mexico City, with special focus on traffic, personal security, pollution, and other uncontrolled urban problems.

Dimensions and Characteristics of Tourism in Mexico City

Although the three large Mexican cities (Mexico, Guadalajara and Monterrey) account for 30 percent of the total national supply of hotel rooms, Mexico City alone has 27.1 percent of the total and almost 70 percent of the rooms available in the three metropolises. Mexico City (Federal District and the surrounding municipalities⁴) currently has 731 hotels with 52,248 rooms in all categories⁵. It is undoubtedly the country's major tourist center in terms of supply in the hotel sector (see Table 1).

Likewise, the Federal District has a great capacity for attracting receptive tourism, as was confirmed in 1997 with the arrival of 1,740,044 foreign tourists — 21.3 percent of the national total — more than half of whom (50.3 percent) stayed in five-star hotels while 40.3 percent patronized three-star and four-star hotels. Altogether, over 90 percent of the receptive tourism inflow in the Federal District headed towards higher-class hotels (three-star and above)⁶.

Nevertheless, it is well known that the average length of stay in the Federal District is 1.98 days

for domestic tourists and 2.48 days for foreign tourists, as against an average in all destinations of 1.95 days for domestic tourists and 3.76 days foreign tourists. This difference is clearly due to the length of stay at beach resorts (5.13 days for foreign tourists and 2.43 days for domestic tourists). The difference between the Federal District and the beach destinations stems from the weight of business tourism in the capital, which tends to reduce the average length of stay, for both domestic and foreign tourists. Of visitors⁷ to Mexico City 88.3 percent are nationals, while the rest come from other countries. International flows from the United States account for 45 percent, Europe for 3.6 percent and South America for 0.9 percent (see Table 1)⁸.

On the other hand, between 1995 and 1997, the flow of domestic tourists decreased. All the indications are that this was due to conditions in Mexico City itself — namely insecurity, pollution, street hawking, etc. — decisive factors that inhibit the arrival of tourists. In turn, receptive tourism in the Federal District has

Table 1. Hotel Activity in the Federal District of Mexico City (1994-1997)

Year	1994	1995	1996	1997
Rooms	17,976	39,856	40,188	39,008
Available rooms	6,564,433	14,397,069	14,671,781	14,178,592
Occupied rooms	3,860,095	9,135,464	8,367,753	8,246,433
Occupancy rate	58.80	63.45	57.03	58.16
Total tourists	2,263,559	7,889,411	7,379,020	7,345,086
National tourists	1,456,983	6,203,578	5,736,494	5,605,042
International tourists	806,576	1,685,833	1,642,526	1,740,044
Tourist nights	5,535,319	16,390,311	15,436,383	15,385,496
National tourist nights	3,542,409	12,124,639	11,296,382	11,072,226
International tourist nights	1,992,910	4,265,672	4,140,001	4,313,270
Density (tourist/room)	1.43	1.79	1.84	1.87

shown a slight increase of close to 50,000 people in three years.

The number of foreigners staying at top-level hotels, especially five-star hotels, has increased remarkably in the last three years. This may be related to the stimuli given to business activities by the recent economic revival and the desire on the part of foreign visitors to stay at places that provide better services and more personal security. The devaluation of the peso against the American and Canadian dollars in 1995 have certainly also played a role⁹.

Estimating the impact of tourist activities on the urban economy is very complex. This is due to the fact that tourism is not an isolated activity, defined and characterized by a specific category in the statistics. On the contrary, income from tourism hinges on four central components: the transportation of tourists (international, domestic and even local, for example in tourist taxis), lodging; the presence of tourists at restaurants, bars and so on and, finally, recreational activities during their stay (visits to historical or archaeological sites, museums, urban circuits, etc.).

The complex of earnings from tourism has led to its impact being determined through estimates. A first estimate is that of the share of Branch 63 (temporary lodging) in the gross domestic product of the Federal District: estimates show that the share has risen from 5.8 percent in 1995 to 7.02 percent in 1998¹⁰. Using indicators such as the number of jobs per room, Hiernaux and Rodriguez estimate that there are close to 20,000 hostelry jobs in Mexico City, of which 6,650 are located in the Historical District, with 12,007 rooms (23 of the metropolitan total)¹¹.

One of the main characteristics of tourism is its capacity to have a substantial multiplier effect in terms of indirect employment in tourist activities. It can be safely said that one direct job generates about three indirect jobs¹². Indirect jobs develop out of the demand generated by tourist activities in other economic activities (banking, professional services to hotels, even agriculture, etc.).

Because of these potential benefits, promoting tourism is now recognized as part of a core

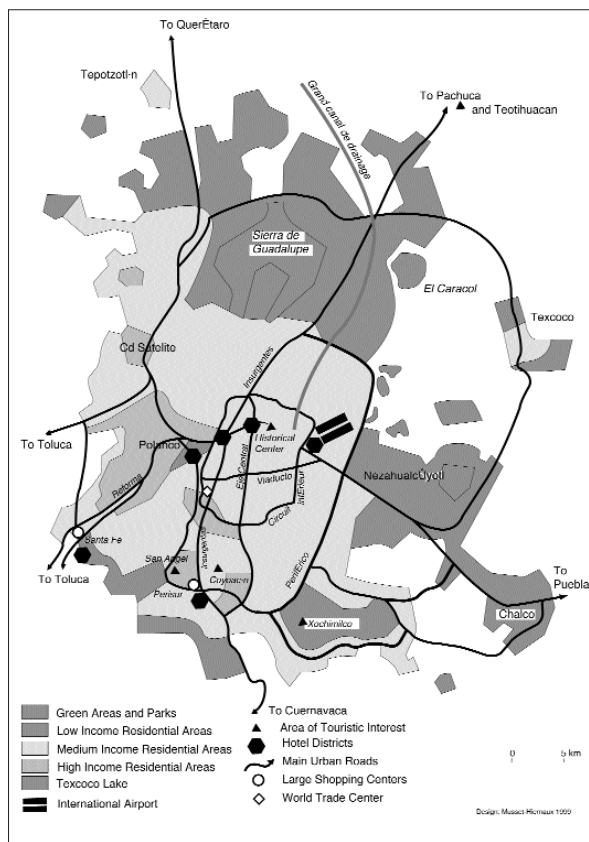
strategy to generate employment, attract investments and stimulate the economy of the cities, and is tipped to become the new " growth engine " of urban economies¹³.

Location of the Infrastructures for Tourism

Tourist activities in Mexico City are mainly concentrated in areas that have tourist infrastructures (hotels and restaurants) and tourist sites. Of the metropolitan total of 731 hotels and 52,248 rooms available, 80.8 percent of the former and 84.5 percent of the latter are located in the Federal District. Moreover, hotels in the surrounding municipalities are located in Tlalnepantla, Naucalpan and Teotihuacán.

In turn, hotels in the Federal District show a marked concentration. Of 591 hotels, 67.8 percent are located in the Cuauhtémoc District¹⁴; 7.4 percent in Miguel Hidalgo and 6.6 percent in Benito Juárez (see corresponding chart and Map 1). The Historical District alone accounts for 91 tourist quality hotels and 12,007 rooms, 90 percent being above the three-star category. In spite of this, it is possible to foresee the emergence of three nuclei: Perisur, with hotels along the peripheral freeway and on Insurgentes Avenue, the recently-begun Santa Fe Mega project, and, finally, the International Mexico City Airport (AICM), with several top-class hotels. These three groups are a response to the increase, that began in the 1990s, in economic flows between Mexico and the rest of the world, causing an accelerated growth of business tourism and activities such as entrepreneurial congresses, seminars and so forth.

Although Mexico has witnessed a slight diversification in the location of hotels since the opening up of the Mexican economy (with NAFTA), hostelry is predominantly located in the Cuauhtémoc District, including the Historical District. It is in fact along the Paseo de la Reforma that the construction of new hotels has been taking place recently. This has created a tourism-hotel corridor that runs from the



Map 1: Tourism in Mexico City

main square, Zócalo, to the Chapultepec Park. The overwhelming concentration of tourist attractions along this axis also needs to be recalled. The museums are mostly found in the Historical District and in the Chapultepec area. The best restaurants are located in the downtown area, Reforma, the " Pink Zone " (" Zona Rosa "), Polanco and along Insurgentes Avenue. The national heritage buildings in the Historical District also reinforce the great attraction of this axis for tourists and foster the creation of infrastructures towards this axis.

However, tourist attractions are not located only in the Historical District and along this axis. There are at least five important sites among the most visited places: Xochimilco, a symbol of traditional identity, much appreciated by both

Mexicans and foreigners; Teotihuacán, one of the oldest and most impressive archaeological sites in the Mexico Valley; and above all the internationally famous Coyoacán, whose attraction stems from its intense urban weekend life, along with several museums that reinforce its cultural position (Trotsky's House and Museum, Frida Kahlo's House and Museum and the Museum of (Popular) Cultures).

San Angel, with its Saturday Bazaar has become the center of the arts-and-crafts trade, along with the Museum of the El Carmen Convent, the Diego Rivera Museum-Study, outstanding restaurants and pleasant walks in the well-kept colonial district. Lastly, the Shrine of Guadalupe, which regularly attracts domestic and foreign tourists, is especially visited on December 12th, even if the pilgrimage does not yield as much in hotel occupancy as the more classic forms of tourism¹⁵.

The Shaping and Morphology of the Tourist Space

A little studied dimension of tourism is what is known as "residential" and weekend tourism. Mexico City is an important generator of this kind of activity as every weekend, holiday and vacation period sees thousands on the highways heading towards privately-owned houses or nearby holiday resorts such as Valle de Bravo, Ixtapan de la Sal and Malinalco, still the main destinations in the State of Mexico, while some also head toward the State of Morelos.

The growth of Cuernavaca is due not only to a certain industrial and tertiary deconcentration away from Mexico City, but also to the great number of country houses, hotels and water resorts that attract the metropolitan visitor. This phenomenon has spread to every social class thanks to the variety of prices and types of tourist attraction available. It has extended beyond Cuernavaca and includes the Cuernavaca-Cuautla axis, the southern part of the capital of Morelos towards Jojutla and Tequesquitengo, and Tepoztlán, a traditional

village, in the north of Morelos State with a growing population of New Age hippies and a pre-Hispanic sanctuary.

Residential and weekend tourism has certain consequences beyond the sectors of tourism and travel: on the positive side, there is the rise in the employment rate, economic overflow and the stimulation of activities such as the construction industry and, on the negative side, the saturation of urban infrastructures and the increasing lack of water in the Cuernavaca Valley.

The development of tourism in the metropolitan and Central Region has had obvious consequences for the structuring of the metropolitan space. The creation of an axis of modernization in the central areas of the city, where tourism and modern activities are associated, has contributed to changing the physiognomy of these areas. The possibility of a rapid growth of urban tourism opens new alternatives for the revitalization of the Historical District. Yet it is also desirable to avoid the "museumification" suffered by many other cities, as well as a gentrification in which the recycling of the Historical District would result in an exclusive space for the more affluent classes¹⁶.

The fact that tourism attractions are not totally centralized in the Historical District also opens up the possibility for other districts and municipalities of consolidating their local economy through the development of tourist amenities. Nevertheless, lodging is still a fairly concentrated activity and visits to others sites have to be made by taxi or public transport. The supply of facilities for excursions to different sites is not yet well developed and tourists are forced to use their own initiative to reach them.

The existence of tourist attractions in the metropolitan area and the Central Region makes for the building of a tourist space of regional coverage that will benefit the consolidation of non-central spaces and the generation of economic activities in the outskirts where they are badly needed.

New Programs to Increase Tourism in Downtown Mexico City

Until 1998, the Federal government was in charge of promoting the development of tourism in Mexico City, while places like Teotihuacán depended on the promotion efforts of the Regional Government (The State of Mexico) and the Federal government. This was due to Mexico City's dual pattern of institutional tutelage. On the one hand, there were no local authorities *per se* in the Federal District. It was governed by a Regent appointed by the President. The Department of the Federal District, which administered the city, did not establish an agency for tourism. On the other hand, after the 1960s, the city started expanding toward the neighboring State of Mexico, which had its own institutions for the development of tourism in its territory.

The fact that tourist activities were dependent on the federal authorities hindered both support for a specific policy on tourism and the development of such a policy. The priorities for the national economy lay in fostering places of high tourist growth like Acapulco and, later, Cancún, Ixtapa and Los Cabos, and promoting investment in these places. These were destinations planned, built and promoted by the Mexican Government at the beginning of the 1970s (Acapulco had been the traditional center of Mexican tourism since the 1940s).

The recent democratization of the Federal District has led to the creation of a local government with characteristics similar to those of the provincial governments, but with some dissimilarities as well. The 1997 reform paved the way for the election of a new center-left government (inspired by social-democracy). This government, headed by Mr. Cuauhtémoc Cárdenas, decided to bring in a specific law on tourism for the Federal District and set up a Tourism Authority to promote tourism in the city. It started functioning at the beginning of 1998.

It was quite clear to the new government that the development of tourism in Mexico City could be an important factor in the economic reactivation of the city, which had been badly affected by the Federal Government's economic policies and reforms of the last fifteen years. By contrast, the cities in the central and northern regions of the country had experienced more significant growth.

Mexico City's Tourism Authority therefore lost no time in applying new programs to bolster tourism. At the end of 1998, it was decided, in an agreement with the Universidad Autónoma Metropolitana Xochimilco (Mexico City), to study tourism trends and consolidation strategies in the Historical District of Mexico City.

General Programs for the City

One of the government's aims for the 1997-2000 period has been to reinforce tourist activities because of their substantial effects on employment, the building industry and economic development in general. Moreover, boosting tourism has been seen as a revitalizing factor in urban life, which has been deeply affected by the economic crisis, insecurity and disastrous conditions of traffic and pollution. The Tourism Authority envisaged the possibility of encouraging integral tourism towards the city, especially toward the urban poles of tourism mentioned earlier.

Another decisive factor was the position of the Authority, which differed from that of the Federal Government in emphasizing the promotion of international tourism in Mexico City with a view to garnering foreign currency. In other words, the government of the city saw tourism as an inclusive activity designed to attract both international and domestic tourists. In the same way, it is felt that access to the city's tourist sites should be extended to all of the city's inhabitants. The sheer size of the

city itself (more than 1500 sq. km) meant that it was not necessarily possible for the inhabitants of the metropolitan region to visit the centrally-located tourist sites.

To achieve this goal, the Tourism Authority of the city launched a program called "Live your city." It aimed to promote both public knowledge about the genuine attractions of Mexico City, especially its tourist amenities and areas, and access to them. The program initially took the form of independent activities by the local government, geared toward the internal promotion of the important tourist sites, aimed, *inter alia*, at obtaining a greater awareness of the quality of the city among its own inhabitants. On the other hand, the Tourism Authority was trying to set up extensive tourist circuits to cover the city's main natural and cultural attractions. These circuits were to rely on special public transport and the city's great traffic avenues, offering the possibility of smooth transportation between sites.

The Promotion of Tourism: A Strategic Program for the Historical District

The Historical District covers an area of approximately 10 square kilometers in the middle of Mexico City, around Zócalo, the city's main square beneath which lies the heart of Tenochtitlán (the ancient capital of the Aztec empire before the Spanish conquest)¹⁷.

The rich heritage of this Historical District is unquestionable. Apart from its rich Aztec heritage, of which only a tiny fraction has been brought to light by excavations, the district was also the political and economical center of the city built during colonial times. Its position was reinforced at the end of the XIXth century and the beginning of the XXth (under the dictatorship of Porfirio Díaz, known as the *Porfiriato* period). These reasons explain the fact that a special study of the Historical District was commissioned in order to foster and consolidate tourism in this major area of the city. The main strategies and actions that emerged from

this study will be examined below.

Several reference documents define the guidelines for action by the current administration of the Federal District: the government program "A City for Everyone," the 1998-2000 Government Plan, the Strategic Plan for the Regeneration and Integral Development of the Historical District of Mexico City issued by the Trust Fund of the Historical District of Mexico City (Fideicomiso del Centro Historico de la ciudad de México) and, the program "Live your City" by the Tourism Authority.

All the documents point to the need to consolidate and expand tourist activities in the Federal District, especially in the Historical District, because of their obvious positive effects on direct employment and, through the multiplier effect, on a great many other related activities. Likewise, the Strategic Plan notes the importance of achieving a symbiotic relationship between tourist development and the regeneration of the Historical District.

Based on these considerations, a number of major strategic guidelines have been defined to direct the institutional tasks related to tourist activities in the Historical District:

1. Creating a positive image of the Historical District through tourism. To achieve the renewal of urban centralization as mentioned in the Strategic Plan, it is essential to recreate a more positive, more vital and stronger image of the Historical District. Such an image should be based on an assessment of the historical heritage and of centrality itself.
2. Developing tourism for all, that is seeking to encompass both domestic and receptive tourism. Similarly, every level of tourism should be taken into account, whether luxury, traditional or low-cost tourism. Finally, the strategy recommends supporting tourist activities well as sightseeing in downtown Mexico City.
3. Developing a tourist district inside the Historical District. The strategy includes a proposal to develop a district oriented

towards tourist activities, as defined for similar industrial districts (such as those in the Third Italy). A kind of entrepreneurial local world, with an industrious atmosphere and a shared system of values, are some of the actual characteristics of the Historical District. Every feature that fosters the creation of a "tourist environment" suitable for the development of tourism will be supported in order to reinforce district integration.

4. Making a joint effort to develop tourism: democratic management is planned for tourism in the Historical District. This strategy encourages the participation of every group that lives in Mexico City and makes it so that it can become a "City for Everyone." Great importance is attached to promoting interaction between tourism entrepreneurs and public institutions as well as to encouraging the participation of the inhabitants of the Historical District in efforts to develop tourism in their area.

The first step was to determine the strategies and actions that would erase the negative image of the Historical District. Two levels of action have been defined: the first relates to measures that will improve the general conditions (security, pollution, traffic, economic and social problems) in the Historical District. The second step is the definition of a set of six specific strategies to guide the framing of proposals and modes of action (see Table 2).

The Strategic Plan has also laid down several objectives to guide the strategies that underpin the renewal of the Historical District through tourism. In other words, the development of tourist activities is expected to support the projected revival of the Historical District in the following aspects:

1. The generation of new infrastructures: tourism is a way to achieve a positive effect on the flow of resources that will generate useful investments for the renewal of the Historical District. These infrastructures will also bring additional support to tourist activities.

vities.

2. The optimization of the existing infrastructures: there are several unused and under-utilized infrastructures, in both abandoned and semi-abandoned buildings. This is partly a consequence of the outward migration of people and economic activity. With the development of tourism, these infrastructures could be restored or better used.
3. The modernization of the downtown urban economy and the generation of new jobs: given the nature of the activities generated by tourist services, the modernization of the economy in the Historical District may be achieved through tourist-driven activities with the introduction of new technologies and the creation of a better-trained work force.
4. The restoration of historical buildings to be used by activities directly or indirectly linked to tourism (inns, hotels, museums, crafts centers, etc.): a substantial part of the heritage in the Historical District is under-exploited and faces immediate destruction unless alternative uses are defined very soon. With this in view, several proposals are being prepared. The guidelines will hinge on the will to rescue the built-up heritage.
5. The revival of downtown centrality through the development of tourist activities: the development of modern activities that are profitable and beneficial to the restoration of the Historical District will also contribute to the revival of a partially lost centrality. All this is also considered to be suited to the renewal of the demographic base of the Historical District, attracting new investments and the emergence of a recentralization effect in the city.
6. The generation of a positive international image that will benefit the development of the Historical District and attract investments in other sectors.

The modernization or restoration of historical buildings for the medium-income and high-income population: with the presence of new commercial and cultural activities related to tourism, the medium-income and high-income population will be motivated to return to the Historical District for prestige occupations (trade, high-level services, offices, etc.) as well as for residential purposes.

Table 2. Specific Programs and Strategies for the Renewal of the Historical District

a. Rescue, Conservation and Assessment of the Historical and Cultural Heritage

- A program for institutions to " adopt " facades for renewal.
- Specific lighting for facades.
- The homogenization of existing urban facilities: telephones, news-stands, lottery stands, valet modules etc.
- Sign-posted pedestrian walks.
- Evening opening hours at museums.
- Complementary activities in restaurants, such as book presentations, cultural exhibitions and exhibitions related to the Historical District.
- The creation of new museums, such as the Museum of Low-Income Housing (" Museo de la vecindad ")
- Encouraging the creation of cultural centers for different countries: Spain, Chile, Colombia etc.
- Increasing the commercial, tourist and cultural use of traditional housing.
- Giving tax incentives to rescue forms of (popular) housing and turn them into new forms of dwellings (the concept of tourist and working-class housing).
- Attracting representation offices of the State Governments.
- Permanent program to rescue, maintain and clean squares and public areas.
- Linking the Church to the tourist-cultural activities.
- The creation of linkages between cultural activities and tourism (e.g. Historical District Festival).

b. The Improvement and Development of Tourist Services

- High-level specific training for tourist jobs.
- Specific programs for tourist guides in co-operation with the National Institute of Anthropology and History, universities, etc.
- The creation of a specialized magazine on the options and alternatives of the Historical District.
- The preparation of guides for occasional visitors.
- The preparation of a neighborhood register for consultation, invitations and making decisions.
- Establishing tourist information booths (Alameda and Zócalo).
- Developing a special service to assist tourists with legal advice.

- Linking educational centers (such as universities and technical schools) to the development of tourism through social service programs, academic research, practical activities for tourist students, etc.
- The revival of the Official Mexico City Bookstore with brochures and books about the city.
- Building hotels for low-income groups.
- Developing a program of inns and youth hostels.
- Increasing transportation facilities between the hotel zone on Paseo de la Reforma and the Historical District.
- The development of integrated packages (dinner and show, plus transport etc.).
- Safe local transport services (such as the " Safe Cab " Initiative)

c. Development of the Product

- Centers for the production, teaching and sale of arts and crafts.
- The integration of activities of indigenous groups in tourist zones. Organizing itinerant performances by the " concheros " (Indian dancers) in public squares.
- The establishment of thematic circuits (culture, commerce, gastronomy, etc.) using the existing street-car program (the tramway system) as means of transportation.
- Encouraging cultural and artistic projects (art galleries, high quality cinemas).
- Providing pedestrian spaces for second-hand booksellers during weekend street sales.
- The integration of existing commercial markets and malls as options for tourist shopping (San Juan, Mixcalco, Lagunilla, Merced, Pino Suárez, Meave...).
- The rescue of the business tradition and vocation of the Historical District through specialty occupations such as tailoring, footwear and jewelry shops.
- Developing a portfolio of new semi-tourist businesses (postcard business, snack bars, gastronomic counters, cybercafes, etc.).

d. Marketing the Historical District

- Making intensive use of the status of Heritage of Mankind given to the Historical District by UNESCO in 1984.
- Using television space to promote the Historical District
- Improving existing radio program.
- Creating and developing of Internet pages.
- Transforming the negative image of the center through media campaigns.
- Preparing an album of collector's stamps on the historical heritage.
- Setting up a Cultural Tourist Program for children.
- Publishing brochures on tourist services.
- Development and selling software on the attractions of the Historical District in CD, DVD and video formats.
- Establishing the concept of the Historical District as a differentiating element, e.g. by incorporating it into the address of establishments.
- Installing information computer terminals in hotels and museums.

e. Institutional Management

- Permanent follow-up meetings on tourist activity in the Historical District between local authorities, universities and entrepreneurs.
- The presence and permanence of the Historical District Festival. A permanent task for the sponsors.
- The creation of an Advisory Council on Tourism in the Historical District.
- Monitoring compliance with the regulations (on traffic, markets, street trading, etc.)
- Sanctions against pollution-creating establishments (waste, garbage, trash, etc.)
- The incorporation of the area's education centers into a common project.
- The creation of a new tourist police force in the Historical District.
- The participation of businessmen and neighbors in important decisions on tourism, i.e. relating to street ways, official celebrations, etc.

f. Financing the Development of Tourism

- Looking for resources for the restoration of historical monuments.
- Using a part of the 2% hotel tax for the specific promotion of the Historical District.
- Subsidized system of purchase and sale of heritage sites for their restoration.
- Adoption by companies of heritage sites (" Adopt a building ")
- National Lottery raffles for the conservation of the Historical District.
- Preparation of a catalog of investment opportunities and alternatives.
- Acknowledgement and incentives to outstanding investors.

Conclusion: Benefits and Risks

Several of the actions proposed in the program, which was launched in June 1999, have already been implemented. Some of them, like the Tourist Street Car (Tramway), have also been set in motion in the Coyoacán area outside the Historical District.

In general terms, it may be said that the program has been very well received by the entrepreneurs who feel that, for the first time, real co-ordination has been achieved between representative institutions and the city authorities who work for its development in line with Federal interests but have a more locally-oriented vision. The Tourism Advisory Council of the

Historical District of Mexico City was set up in 1999 to improve communication and contacts between entrepreneurs and the local government, to adjust tourist policies and programs. In the same way, at the beginning of this year, a new Tourism Institute was created with the specific objective of promoting the city, and especially the Historical District, as an international tourist destination. This is relevant to the improved co-ordination of action.

Nevertheless, it can be said that not everything is positive. The Safe Cab program implemented in 1999 was aborted by the existence of strong interests against it among the different taxi

trade unions. Likewise, it is extremely difficult to co-ordinate the different government offices involved in the Historical District so that they adapt their approaches in unison to the tourist project proposed by the Tourism Authority. Their divergent interests complicate the task of moving ahead to consolidate the tourist project for the Historical District.

On the other hand, it is true that the structural problems of the city have been alleviated. And yet there are no viable short-term solutions: delinquency has decreased through more intensified and effective police action and better surveillance, but it is nevertheless a titanic task which can hardly be completed within a few years. The Ministry of Security and Police recently announced a 25-percent decrease in breaches of the law since 1997, but the main target of the offenses is tourism.

The issue of street vendors who take over many places of tourist attraction is also a matter of major concern for the development of tourism. Nobody can deny that a certain amount of street hawking is favorable to tourism, but the actual number of vendors in the Historical District is so great that it affects the heritage of the city and makes it difficult to reach important sites. The government of the city has taken steps to reinforce surveillance to prevent street vendors from setting up in major streets. At the same time, the presence of armed guards with shields and helmets does give the impression of a state of siege, and this is clearly not auspicious for tourism.

Another central problem is the depopulation of the downtown area. Less than 200,000 people now live in the Historical District. This is the consequence of the expansion of commercial activities and buildings, as well as of living conditions, both exacerbated in turn by depopulation itself. A vicious circle has set in by which the reduction in the number of businesses in the area makes it less attractive and drives away more local residents, even further reducing trade possibilities. Because of depopulation, the Historical District of the city is

practically deserted after certain hours, and is not very appealing to the tourists who stick to their hotels. The area is even dangerous, and the lack of night life does not encourage the opening of restaurants or respectable businesses for the local population.

Finally, downtown traffic is still heavy, not because of the population, but because of the daytime concentration of employment, which is still dense in the Historical District. The inflow of commuters generates pollution and traffic jams in the narrow thoroughfares of the Historical District.

Even if these problems are affecting the development of tourist activities, it looks as if the trend towards a change and (re-evaluation) of the Historical District has now been set in motion. Several entrepreneurs have placed stakes on the improvement of the downtown area. For instance, a five-star Holiday Inn Hotel and two brand-new youth hostels have been built, and several restaurants and high-quality stores have opened recently. A chain of multiplex cinemas is planning to open several cinemas downtown. Finally, the restoration of housing in historical buildings is continuing apace, while developers have started building medium-level housing in the main core of the city with a serious concern for their architectonic integration.

The effects have been immediate. A positive and dynamic image of the Historical District is being generated to the benefit of the development and consolidation of tourist activities in the area.

Lastly, it is also important to note the latent risk that the downtown area will become more expensive as a result of tourist activities. The remaining population may not be able to continue living downtown, and this will bring about the transformation of the central space into an open-air museum area. This could be paralleled by a possible "gentrification" of the downtown area, e.g. with the recovery of popular spaces by high-income segments of the population, members of the upper middle

classes and “yuppies.” Yet, the strong presence of lower-income groups, which is more marked among local workers and street vendors than in the population itself, seems to indicate that gentrification may not happen in the near future.

The risk, however, is latent in the long run, especially in view of a new preference for downtown urban life among the high-income social groups, which may be tempted to preserve their insertion in the local culture as a social and economic competitive advantage in an otherwise globalized work-style and lifestyle. From this perspective, the rich cultural heritage of Mexico City may provide a strong motivation for moving to the Historical District.

For the current central-left government, it is

clear that the possibility of gentrification does not conform to its vision of the city. At the same time, the will to modernize the city, eliminate poverty and improve living conditions in the Historical District, may lead to an involuntary gentrification. Such a trend will be observed and eventually controlled through a permanent monitoring of the evolution of tourist activities in the Historical District.

Finally, there is no doubt that tourism is the main activity that will allow the Historical District of the city to recover its heritage. In the programs undertaken by the government, it is clear that the actions to encourage tourism play a decisive role by tangibly improving the image of a city with an extraordinary historical heritage.

Notes:

1. A tourist is a person who travels from his permanent residence for at least 24 hours and stays away for the night to carry out non-profit activities related to the use of spare time. There are several different forms of tourism: beach tourism, cultural, religious, sports and even business tourism. International tourism is the one that crosses international borders, being either "receptive" (people entering a country) or "egressive" (people leaving on holidays).
2. World Tourism Organization, *Turismo Panorama 2020: Nuevas Precisiones* [Tourism Panorama 2020: New Precisions] (Madrid: World Tourism Organization, June 1998).
3. Cazes, Georges, Françoise Potier, 1996, *Le tourisme urbain* [Urban Tourism] (Paris: Presses Universitaires de France, Collection Que Sais-je?, 1996).
4. Mexico city — the largest metropolis in Latin America — has grown up to near 19 millions inhabitants in 2000. It includes the Federal District with 16 delegations or districts with elected mayors, and 27 municipalities, which are part of the surrounding State of Mexico. Therefore, Mexico City is a major conurbation under two political entities.
5. 1997 figures. The re-classification of hotels carried out in recent years causes a big leap in statistics between 1994 and 1995, from 17,922 rooms, to 39,856. This clearly does not arise from a process of opening up new rooms but from the revision of the categories and the lax granting of the "tourism lodging" category to a greater number of lower-level hotel facilities.
6. It is worth mentioning that an undefined proportion of receptive tourism does not lodge in hotels, having relatives or friends in the city. This is a growing situation due to the current boom of "Chicano" tourism (Mexican-born Americans).
7. When referring to visitors, receptive tourism is included, as well as national tourism and sightseers (people who are not tourists but who visit the city without staying the night, mostly residents from the Central region). The sightseers represent almost 22 percent of the visitors in Mexico City.
8. BIMSA, *Estudio del mercado turístico en la ciudad de México* [Study on the tourism market in Mexico City] (Mexico, Secretaria de Turismo, 1997).
9. NAFTA and, more generally, the wide opening of the Mexican economy since the 1980s, have generated a substantial increase in international tourism, as a result of business tourism. 58 percent of total (national and foreign) business tourists have a positive appreciation of Mexico City, while 67.8 percent stated that Mexico City was like what they expected and 16.7 percent even considered it better than expected.
10. Data reported by the General Direction of Research and Registration of Tourism Services of the Federal District Government (April 1999).
11. Hiernaux-Nicolas, Daniel, Rodríguez Woog, Manuel, *Tourism and Absorption of the Labor Force in Mexico*, Working Papers, (Washington, D.C.: Commission for the Study of International Migration and Cooperative Economic Development, 1990), p. 14.
12. Hiernaux and Rodríguez, *Tourism and Absorption of the Labor Force in Mexico*.
13. Metropolis, "Un réseau de villes pour un monde de citoyens" (synthèse des travaux des commissions permanentes), paper presented at Metropolis Meeting 99, Barcelona, 16-19 March 1999; Judd, Dennis R. Y, Susan Fainstein S. (ed.), *The Tourist City* (New Haven: Yale University Press, 1999).
14. As noted in endnote 4, the Federal District is divided, in "delegaciones." Thanks to the actual democratization process of the city management, the new governor of the Federal District has recently been elected for a six-year term, while the "delegates" hold 3-year terms. But the "delegaciones" are not full municipalities since their constitution is different. Therefore we prefer to translate the concept of "delegación" as "district" as long as the constitution of full municipalities is not achieved.
15. Three million pilgrims visit the Shrine of Guadalupe every year on 12 December, although many of them are locals and therefore do not count as tourists.

16. Erasmus University of Rotterdam and Ca' Foscari University, Venice, " Tourism Management in European Heritage Cities: Networking the Practices and Sharing the Experiences " (Rotterdam: Joint Project of UNESCO Venice, mimeo, December 1998).
17. The central core of Mexico City was declared " Historical Monuments District " on 11 April 1980 by the Federal Government. It includes a

9.7 sq. km are, with 668 blocks, 9,000 plots and more than 1,500 protected historical buildings. In 1984, the area was also declared Patrimony of the Mankind by Unesco Fideicomiso del Centro Histórico de la Ciudad de México, *Programa para el desarrollo integral del Centro Histórico de la ciudad de México* [Mexico City: Program for the Development of the Historical District of Mexico City, 2000], p. 8.