

Route to Destruction? Second Home Tourism in Small Island Communities

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Abstract

It is widely argued that second home demand causes the displacement of permanent residents. This study examines the displacement theory by looking at three case islands in the Stockholm archipelago, scrutinizing the development of population figures and second homes. Results show that the individuals migrating from these islands are improving their situation compared to prior to their migration; there are also signs that the decision to migrate is associated with major events in life such as studies, job opportunities and family formation. Hence, this study questions the simplified suggestion that there is a widespread displacement of people due to outside demand for second homes.

Keywords: Second homes, tourism, islands, displacement, Stockholm archipelago, Sweden

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Introduction

During certain seasons, rural and peripheral places turn into the destination for traffic and commodity flows (Christaller, 1963). This is the case for places that hold significant numbers of second homes. Occasionally, the outcome of this seasonal flow is somewhat problematic. From time to time, conflicts arise between permanent residents and second home owners. Different views may arise on issues concerning political influence in host communities, environmental impact of second homes, planning for future development and infrastructure management. These conflicts have generated a public and academic debate concerning the role of second homes in local and regional development (e.g. Clout, 1972; Coppock, 1977; Thissen, 1978; Gustavsson, 1992; Halseth & Rosenberg, 1995; Green *et al.*, 1996; Löfgren, 1999; Hall *et al.*, 2001; Aronsson, 2004; Halseth, 2004). However, one of the most controversial conflict issues is whether the demand for second homes poses a displacement effect on the permanent residents, forcing them to leave their homes.

Within the field of second home tourism and displacement, there are researchers arguing that permanent residents are displaced due to high demand for second homes, especially in exclusive locations (e.g. Jordan, 1980; Sharpley & Sharpley, 1997; Gallent & Tewdwr-Jones, 2000; Fountain & Hall, 2002; Folkesdotter, 2003; Gallent *et al.*, 2003, 2005; Visser, 2004). This argument is based on the local price inflation of dwellings, generated by external demand for second homes in the area. Buyers and owners of second homes in attractive areas are often recruited from upper-class segments of society, with a higher

socio-economic status than permanent residents. Therefore, second home buyers can outbid any competition from permanent residents, forcing the latter to buy dwellings elsewhere, even forcing them to leave due to escalating property taxes (e.g. Fritz, 1982). This is claimed to be the case in many attractive rural areas where price levels have recently skyrocketed. However, other researchers argue that the depopulation trend is rather caused by a restructuring of the rural economy (e.g. Ekholm, 1960; Clout, 1972; Shucksmith, 1983; Barke, 1991; Nordin, 1993a; Jansson & Müller, 2003; Keen & Hall, 2004; Müller, 1999, 2002a, 2002b, 2004; Müller *et al.*, 2004; Selwood & Tonts, 2004): a decline in traditional agriculture, fishing and manufacturing has resulted in rural unemployment and out-migration, leading to empty dwellings or potential second homes (Müller *et al.*, 2004). So, second home owners may only be filling a gap caused by rural out-migration, albeit seasonally. Of course, both arguments might have some bearing in specific contexts. This debate remains active, and it remains difficult to establish the extent to which second homes have contributed to problems in a specific area (Marjavaara, 2007). Given this context, an examination of second homes and their impact on rural change is timely (Müller, 2004).

This study seeks to evaluate the importance of second home tourism in the process of reshaping local communities. This is done by studying three island communities in the Stockholm archipelago and scrutinizing quantitative micro data on change of population and second homes over a 12-year period (1991-2002). Key questions answered are: Is there potential for displacement of permanent residents? Who migrates to and from these islands? How does the socio-economic status of migrants change following a move?

Unpacking Displacement

Displacement is a term used primarily within migration literature, describing a process of forced migration or mobility (e.g. Robinson, 2002). The involuntary movement of individuals is central to the displacement concept. As the prefix *dis-* signifies, it is the inverted meaning of being placed or rooted. It is also vital not to confuse *displacement* with *exclusion*. The latter refers to individuals who may want to buy a dwelling in an area but cannot afford to do so. In this paper, the displaced are defined as those who have to leave one of the case islands due to the temporal demand for dwellings among tourists.

Push factors that induce individuals to move include famine, war, political instability, industrial or infrastructure development (Boyle *et al.*, 1998). At times, the decision to move is made by the heads of the family, forcing the children to accept the decision to migrate (Manning, 2005). Displacement is also used in the context of urban gentrification, whereby revitalized districts attract individuals from the upper classes of society (Hamnet & Williams, 1996). People who already live there may be forced to move because they may not afford to buy the newly built dwellings. In second home research, displacement is conceptualized in a similar way. Central are the socio-economic differences between individuals who compete for the same place, and which result in the displacement of people from lower socio-economic classes, in this case the permanent residents. However, there are some basic differences between these situations. Urban gentrification deals with permanent migration in an urban context, whereby the displacers move into an area

permanently. Displacement caused by second homes is generated by temporal migration whereby the displacers are seasonally attracted to a place, often in rural locations. The issue of temporal migration, or tourism, is an often neglected field in migration literature.

Islands, Tourism, Second Homes and Displacement

Islands differ significantly from mainland locations. According to Macleod (2004), some of the defining factors of islands include their small scale, isolation, weak economies, separateness, differences in terms of politics, climate, geography, biodiversity and environment, their proneness to the vagaries of the market and, hence, dependency. A consequence of islandness is that island societies have limited alternatives for industrialization and self-sustaining growth (Cross & Nutley, 1999), resulting in economic problems and out-migration (cf. Royle, 2007). Such problems are not exclusive to islands but are also familiar to many rural and peripheral areas of mainland locations. Unique to islands is the sea as impediment (Andriotis, 2003), generating a *double isolation*.

Despite many problems and disadvantages, islands have found it comparatively easy to attract tourists. The sea, a lake or a river, surrounding an island has a high appeal among people and are considered as amenity-rich settings. Today, many islands have become attractive tourist destinations and are dependent upon tourism as a source of income and employment. According to the International Scientific Council for Island Development (INSULA, 2002), tourism is the most important source of income for 70% of European islands. In Sweden, the islands of Gotland and Öland, as well as the many offshore islands near the major cities, are key destinations for domestic and international tourism flows (Aronsson, 1997). Tourism has become a vital export product for islands and is rapidly replacing older commodities, albeit often on a seasonal basis.

The island perspective has a long tradition within tourism research (Lockhart, 1997). However, few have shown interest in the specific subfield of second home tourism impact on islands. Only occasionally is second home tourism mentioned, and often briefly (e.g. Ioannides *et al.*, 2001), despite the fact that second home tourism and islands have a close relationship. However, there are some exceptions (e.g. Ekholm, 1960; Nordin, 1993b; Aronsson, 1997). In a recent study, Jackson (2006) addresses the issue of second home tourism on islands near large urban settlements. However, this study lacks site-specific socio-economic data on important stakeholder groups such as permanent residents, second home owners, in-migrants and out-migrants. Clark *et al.* (2007) study gentrification on islands near the city of Gothenburg, Sweden's second largest city. However, the study maps the gentrification caused by permanent residents but does not address 'seasonal residents', or second home owners, a vital and important group. Economic restructuring of island economies, resulting in out-migration and empty dwellings or potential second homes, is a common type of change. In Sweden, around 16% of all second homes are located on islands (Marjavaara & Müller, 2007). Hence, second home tourism is often an important and inherent factor in the local island community.

The openness of small island communities to external events in combination with the attraction to second home owners has sometimes resulted in conflicts. The impact of

second homes in rural communities can result in a change in local culture and ways of doing things. Often, the fragile local communities are described as victims and losers in the equation. Jordan (1980) blames second home owners for creating a *fake* culture; while Gallent *et al.* (2003) blame them for *hijacking* the countryside, being *occupiers*, and even being responsible for *ethnic cleansing* (Skärgårdarnas Riksförbund, 2002). It has been argued that visitors are contaminating local culture through their seasonal presence and are a threat to islands' identities and physical environments, as well as the survival of the local community (Haasum, 2001). The permanent residents are often described in terms of protectors of the environment, living in symbiosis with nature, as opposed to visitors from urban areas (e.g. Öhrling, 1984; Blomqvist & Jaatinen, 1977). This debate is controversial and requires further research.

Data and Methodology

The data used in this study were generated from the geo-referenced database ASTRID (2002), produced by Statistics Sweden. The database is part of a project developing a geographical micro simulation model regarding population, at the Department of Social and Economic Geography at Umeå University, Sweden. The analysis made here contributes to the development of the model in terms of the effect of tourism on the regional demographic development on a geographical scale. The database contains information on all second homes in Sweden, including location, age, building area, building value, assessed property values and ownership, covering the period 1991-2002. Definitions used have been created by Statistics Sweden, and owners themselves state the use of the property during the annual taxation process. Accordingly, second homes are here defined as detached, single family dwellings for recreational and secondary use. A limitation in using this data set is that apartments used for secondary purposes are not included in this study. However, in the Stockholm archipelago, the dwelling stock is dominated by detached dwellings, meaning that the exclusion of multiple family apartment complexes does not undermine the significance of the results. Further, as the definition whether the dwelling is a second home or not is made by the owner, this adds some further uncertainties to the data. On the other hand, what is a second home or permanent home may not be better described than by the owner. It is also apparent that any displacement could have occurred earlier than during this period. However, due to data access, it is now possible to map these processes on a micro level in multiple locations. Even if the displacement situation may have occurred before this period, the debate is ongoing and claims are still made about the large scale problems caused by displacement.

The property value for permanent homes and second homes is based on assessments, and not the market value itself. In Sweden, assessed values represent some 75% of properties' market value, and consist of three components. First, the standard of the house itself; second, the market value of the land the house is built upon; and thirdly, the price level on other dwellings in the vicinity sold during a pre-defined time period. Transactions with high values will increase the assessed property values for other dwellings in the neighbourhood. Second homes and permanent homes are assessed in the same way by the Swedish national tax board. The property tax is based on the assessed property value. This

means that the property values used in this paper are assessed property values made by the Swedish national tax board, but in essence mirror the market value for each property.

The database also contains annual information on every individual in Sweden regarding such details as income, education, age, occupation, and migration history. The individuals also have a geo-reference with a geographical resolution of one hundred metres (330 feet). This means that socio-economic information and migration patterns are available for every individual stakeholder (permanent residents and second home owners/families) on a micro level. Further, the data is based on official records of where each individual indicates as a permanent place of residence. This does not necessarily mean that the individuals 'live' in that particular spot permanently. For some purposes (such as municipal income tax), individuals can state that they live in one place, but in reality live somewhere else. However, if this occurs in this study, it is not on a wide scale, due to the generally higher income tax levels in the municipalities surrounding metropolitan Stockholm than in more centrally located municipalities. Further, the data lack information on the individual's experience and migration motive, a clear limitation of this study and a necessity in future research. The dataset does give the opportunity to map the processes concerning individuals who move in and out from these attractive second home destinations and also the link to second home ownership.

Second Homes in the Stockholm Archipelago

The population change of the Stockholm archipelago has undergone two significant stages during the past century (Nordin, 1993a). From the early 1900s to the 1960s, the archipelago experienced a population decline. This occurred during a time when the decline in traditional sectors – fishing, agriculture, shipping and manufacturing – was a common feature in many rural areas of Sweden and elsewhere. As a result, extensive out-migration and a change in the population's age structure occurred. The youth moved out and the elderly stayed. From the early 1970s until today, the Stockholm archipelago has experienced a population growth, a result of the sprawl of urban Stockholm. Increasingly, individuals seek their future in ex-urban, rural settings due to increased property costs in more centrally located places as well as a desire for experiencing the rural utopia. However, population increase and in-migration have occurred mainly in more accessible areas of the inner archipelago, where daily commuting to Stockholm is possible (Marjavaara, 2007).

Stockholm County, and especially the archipelago, is unquestionably the most exclusive and dense second home region in Sweden. In 2001, Stockholm County had 74,690 registered second homes, some 25,227 of which were located on islands in the archipelago (ASTRID, 2002). Second homes represented almost 60% of the total property stock in the county, with a mean assessed property value of almost twice the mean for second homes in Sweden (ASTRID, 2002). The area also shows the largest increase in assessed property values during the period 1991-2001 (Marjavaara & Müller, 2007). One of the most important localization variables for second homes is the distance from the permanent home. As many as 50% of all second homes in Sweden are located no further than 37 km from the owners' permanent home (Jansson & Müller, 2003). Hence, the highest conflict

potential between permanent residents and second home owners is in the amenity-rich surroundings of large urban settlements. This indicates that the Stockholm archipelago has the basic conditions that could lead to displacement caused by second home demand.

As previously shown on a regional level, second home tourism is not the prime cause of any widespread displacement of permanent residents in the Stockholm archipelago (Marjavaara, 2007). Instead of being in a state of depopulation, the Stockholm archipelago is in a state of repopulation. Second homes are mainly converted to permanent homes, and most of the archipelago is experiencing population growth, even though the dwelling stock is dominated by the most expensive second homes in the country. Moreover, the price inflation of dwellings in the archipelago is mainly generated by the demand for permanent homes (Marjavaara, 2007). Still, displacement may possibly occur on a lower geographical level. Isolated cases, in which high external demand for second homes prevails and where dwellings are in short supply, can create a situation of increased prices and a displacement of permanent residents, who often have a lower socio-economic status than second home

owners. Permanent residents may be forced to move from an island to the mainland due to increasing property prices. These potential situations are not revealed on a regional level, but must be studied in detail on a micro level.

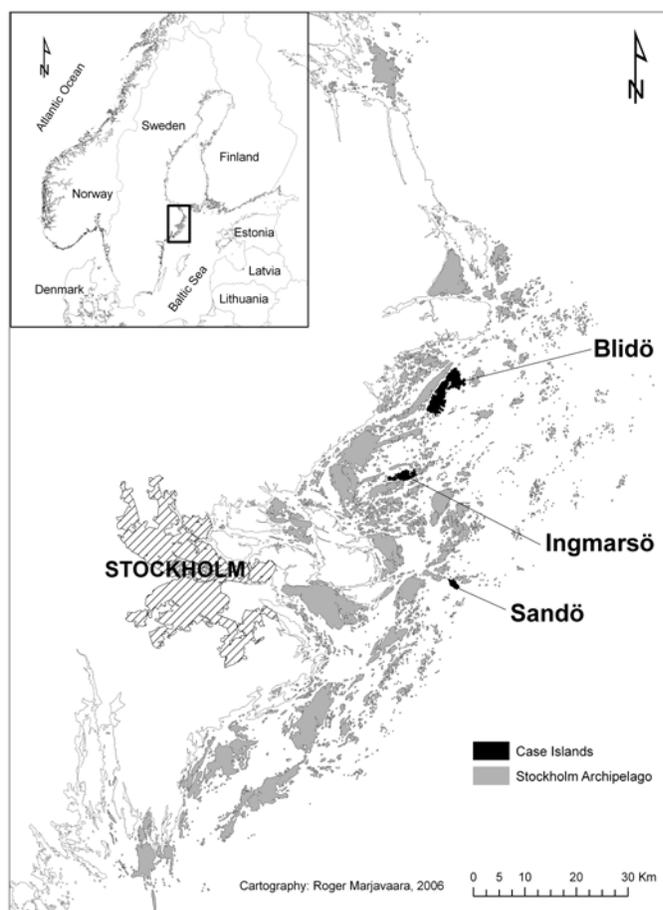


Figure 1: The Archipelago of Stockholm and Selected Case Islands

Potential Locations for Displacement?

It is not possible to scrutinize all islands on a micro level while studying displacement caused by second home development. Therefore, three islands in the Stockholm archipelago were chosen for further enquiry: Blidö, Ingmarsö and Sandö (see Figure 1).

Selecting cases is a difficult task. Important characteristics of the selected case islands in this study were: decreasing or lower-than-average increases in population, large second home stock, high property values for second homes, and a population large enough to constitute a community. According to advocates of the displacement theory, these

characteristics are necessary to harbour a displacement of permanent residents. It is argued that increased competition for dwellings is boosting the property values and, hence, property taxes, making it impossible for less affluent permanent residents to handle. This is expected to be manifest as weak population growth in an area otherwise characterized by higher population increase. However, these characteristics are indeed troublesome to quantify and delimit. In selecting a sample of islands for investigation, all those with an above average (for the whole archipelago) share of second homes and second home property values were selected. The population level necessary to constitute a community was set at a minimum of 100. (Cases with only a few individuals or properties leave much of the development over time to pure chance.) Blidö and Sandö were also selected due to their stated vulnerability, since they are singled out by the Swedish National Rural Development Agency as exposed to negative impacts from second home tourism (Glesbygdsverket, 2001). Blidö and Sandö are also attractive but peripheral recreation and tourism destinations. Ingmarsö was also selected because it is the island in the archipelago that shows the largest population decrease during the period 1991-2002 (ASTRID, 2002): this could prove to be an important indicator of displacement.

In Table 1, the situation for the selected islands is described in terms of second home development. Both Blidö and Ingmarsö show a small increase in the number of second homes, as opposed to Sandö. In the archipelago as a whole, the number of second homes decreased by 2.9%, or 742 dwellings during the period.

Table 1: Second Home Development on Case Islands and the Archipelago

	Blidö	Ingmarsö	Sandö	Whole archipelago
# second homes 1991	1,261	214	299	25,227
# second homes 2002	1,295	222	268	24,485
Change	+34	+8	-31	-742
Change %	+2.7%	+3.7%	-10.4%	-2.9%
Share of second homes 1991	88%	82%	87%	85%
Share of second homes 2002	87%	83%	85%	81%
Change %	-1%	+1%	-2%	-4%
Mean property value for second homes 1991, in '000 € ¹	41.6	38.0	43.6	41.2
Mean property value for second homes 2002, in '000 € ¹	60.1	68.8	110.7	74.8
Change	+18.5	+30.8	+67.1	+33.6
Change %	+44%	+81%	+154%	+82%
Second homes' share of total property value 1991	84%	78%	83%	80%
Second homes share of total property value 2002	82%	77%	83%	74%
Change	- 2%	-1%	±0%	-6%

Source: ASTRID (2002). ¹Values adjusted for inflation. Exchange rate 1 €= 9.13 SEK = 1.29 USD (Feb 7, 2007).

When the composition of the property stock is examined, it is clear that these islands are dominated by second homes. The change in the property stock reveals that the general decrease of the second homes' share is not as large on the selected islands as in the archipelago as a whole. On Ingmarsö, the second homes' share of the property stock is even increasing. As for the property values for second homes, Sandö is the extreme case, showing considerably higher property values than on the other islands, as well as a more rapid increase (+154%). The situation on the islands regarding the share of second homes in total property values in 1991 was similar to that in the whole archipelago. In 2002, the share had decreased by 6% for the whole archipelago, whereas the decrease is slower on the case islands and even unchanged for Sandö. In 2002, the second homes' share of the total property value is higher on all case islands compared to the whole archipelago.

Table 2 displays the population characteristics of the selected islands and the archipelago. The archipelago increased its permanent population by 7,036 inhabitants, or 39.5%, during the research period. On Blidö and Sandö, there has been a population increase, but relatively weaker than the whole archipelago. On Ingmarsö, there was a decrease in permanent residents of 16 individuals. The age composition in the local communities reveals that in 1991 both Sandö (41.7) and Blidö (41.2) had a higher average age than the total for the archipelago (38.1), whereas Ingmarsö registered a lower average age (35.3). When looking at the changes during the period, Ingmarsö shows dramatic ageing: an increase of the mean age by 7.8 years or 22.1% during an 11-year period. A generally ageing population naturally means that a higher number of people have their income from old-age pensions. In 2002, the case islands all had an above-average share of permanent residents (compared to the whole archipelago) with an income from old-age pensions. However, the situation was much better in 1991 for Ingmarsö, with a lower than average share of old-age pensions.

Looking at the unemployment rates (income from labour-market policy) for the islands, it is striking to see that the levels are well over those of the whole archipelago, for both 1991 and 2002. On Ingmarsö, the unemployment rate increased during the period, and at a faster rate than for the whole archipelago. In an examination of the level of higher education for permanent residents, it is apparent that all the islands have a lower rate of people with university degrees compared to the whole archipelago. In this case, the minimum qualifying factor for a university degree is three years or more at university. The weakest development is yet again for Ingmarsö, with lowest relative quantity and increase. Finally, what is the economic status of the permanent residents on these islands compared to the whole archipelago and what has been the development over time? Disposable income level is an indication of economic strength. For the case islands, the disposable income level is well below the average for the archipelago.

In sum, the case islands manifest a trend similar to that of many rural and peripheral areas: no population increase (or a limited increase), ageing population, high unemployment rate, low education levels, low income levels and a dwelling stock dominated by second homes for recreational purposes. The preconditions for displacement are present.

Table 2: Population Characteristics of Permanent Residents & Development on Case Islands

	Blidö	Ingmarsö	Sandö	Whole archipelago
Population # 1991	545	148	90	17,834
Population # 2002	612	132	112	24,870
Change	+67	-16	+22	+7,036
Change %	+12.3%	-10.8%	+24.4%	+39.5%
Age average (yrs.) 1991	41.2	35.3	41.7	38.1
Age average (yrs.) 2002	45.6	43.1	42.5	39.1
Change	+4.4	+7.8	+0.8	+1.0
Change %	+10.7%	+22.1%	+1.9%	+2.6%
Income from old-age pension 1991	24.6%	11.5%	24.4%	18.0%
Income from old-age pension 2002	30.1%	21.9%	20.5%	19.1%
Change %	+5.5%	+10.4%	-3.9%	+1.1%
Income from labour-market policy 1991	6.8%	8.8%	7.8%	2.3%
Income from labour-market policy 2002	5.6%	10.6%	8.0%	2.9%
Change %	-1.2%	+1.8%	+0.2%	+0.6%
University degree ¹ 1991	4.8%	2.7%	5.5%	7.2%
University degree ¹ 2002	7.2%	3.8%	7.1%	11.6%
Change %	+2.4%	+1.1%	+1.6%	+4.4%
Disposable mean income 1991 in '000 € ²	11.5	9.1	11.2	13.2
Disposable mean income 2002 in '000 € ²	13.0	11.5	11.3	15.6
Change	+1.5	+2.4	+0.1	+2.4
Change %	+13.0%	+26.4%	+0.9%	+18.0%

Source: ASTRID (2002). ¹ 3 years or more. ² Values adjusted for inflation. Exchange rate 1 € = 9.13 SEK = 1.29 USD (Feb 7, 2007).

Who are the Potential Displacers?

Who are those that potentially displace permanent residents? Potential displacers who have an impact on the local community can be divided into two major groups: in-migrants and new second home owners who buy or build a second home on the island. According to proponents of the displacement theory, these two groups show a significantly higher socio-economic status than permanent residents, facilitating a displacement effect.

The characteristics of potential displacers are shown in [Table 3](#). On Blidö, the number of in-migrants is significantly higher than the number of second home buyers; while on Sandö, the number of second home buyers is higher than the number of in-migrants. There are also some differences between the two groups and the islands in terms of average age. Blidö shows the highest average age for both second home buyers and in-migrants (46.6 and 39.6 years, respectively). Naturally, the number of individuals with income from old-age pension mirrors the age structure. Notable is the high level of old-age pensioners represented by both the groups on Blidö.

Table 3: Characteristics of Potential Displacers on Case Islands

	Blidö		Ingmarsö		Sandö	
	SH buyers	In-migrants	SH buyers	In-migrants	SH buyers	In-migrants
# 1991-2002	67	494	81	80	135	84
Age average (yrs.)	46.6	39.6	35.3	37.3	33.2	31.8
Income from old-age pension	26.3%	20.9%	10.9%	16.3%	10.7%	8.3%
Income from labour-market policy	2.2%	11.7%	2.1%	20.0%	2.9%	7.1%
Income from study loan/support	5.8%	5.1%	6.7%	12.5%	6.9%	4.8%
University education ¹	21.9%	4.5%	23.8%	5.0%	26.3%	5.9%
Household mean size	2.8	2.5	3.2	1.9	3.5	2.6
Disposable mean income in '000 € ²	16.1	14.6	21.8	12.8	28.9	12.3
Second home owner prior to migration	-	29.4%	-	13.8%	-	12.0%

Source: ASTRID (2002). ¹ 3 years or more. ² Values adjusted for inflation. Exchange rate: 1 € = 9.13 SEK = 1.29 USD (Feb 7, 2007).

In terms of income from labour-market policy (here termed unemployment), the pattern is as one would expect, namely lower unemployment for those buying a second home, compared to in-migrants. The individuals who can afford a second home can also be expected to have a more stable form of income. For the variables *income from labour-market policy* and *income from study support/loan*, Ingmarsö shows significantly higher levels for in-migrants compared to the other two islands. The variable 'household size' indicates what kind of family status the second home buyers and in-migrants have. Second home buyers are family oriented to a larger extent compared to the in-migrants. Moreover, the second home buyers generally have a higher disposable income, especially on Sandö. For the in-migrants, it is also interesting to see if they had had any connection to the island prior to their migration. This would indicate the attraction of the island for permanent living later on in life. Blidö is obviously more attractive for permanent living among second home owners than the other islands; almost 30% of all in-migrants were second home owners prior to their decision to migrate. Note that this is only if they were second home owners during the research period (1991-2002) and not if they had a second home on the island earlier than 1991, meaning that these levels could be even higher.

In sum, it is reasonable to argue that displacement can occur and that it can be caused by second home buyers, due to their higher socio-economic status compared to permanent residents and in-migrants. In general, second home buyers have a higher educational level, lower unemployment rate and higher disposable income than do both the permanent residents and in-migrants.

Who are the Potentially Displaced?

If there is a favourable situation for a displacement of permanent residents, who are those potentially displaced? Is their displacement caused by second home demand? The characteristics of the potentially displaced, or the individuals who left the islands during the research period, are shown in Table 4.

	Blidö		Ingmarsö		Sandö	
	Out-migrants	5 yrs. later	Out-migrants	5 yrs. later	Out-migrants	5 yrs. later
# 1991-2002	366	-	93	-	57	-
Age average (yrs.)	34.4	-	30.3	-	31.8	-
Income from old-age pension	11.2%	12.1%	7.5%	6.8%	14.0%	25.9%
Income from labour-market policy	11.5%	11.6%	9.7%	6.8%	17.5%	14.8%
Income from study loan/support	12.0%	12.9%	20.4%	4.1%	8.7%	0.00%
University education ¹	3.5%	6.0%	2.1%	5.4%	1.7%	3.5%
Household size average #	2.3	2.1	2.4	2.4	2.0	2.5
Disposable income avg. in '000 € ²	12.9	12.8	14.3	11.5	14.6	16.8

Source: ASTRID (2002). ¹ 3 years or more. ² Values adjusted for inflation. Exchange rate: 1 €= 9.13 SEK = 1.29 USD (Feb 7, 2007).

The average age of the out-migrants is relatively low compared to that of permanent residents (Table 2) and potential displacers (Table 3). This can be interpreted as the young leaving the islands more frequently than the other way around; this applies for all the islands. Regarding income sources, it is clear that the individuals leaving the islands have an income from old-age pension to a lower extent than do in-migrants. Sandö deviates from this general picture, having a higher share of out-migrants than in-migrants with income from old-age pension. Table 4 also shows the situation for out-migrants five years after their move. Income from old-age pension increased significantly for out-migrants from Sandö as well. For Ingmarsö, the share has decreased slightly. The unemployment rate (income from labour-market policy) is higher for out-migrants than for the whole archipelago. Comparing unemployment with second home buyers, the difference is even more evident. In-migrants to the islands have a high unemployment rate that is practically on the same level as that of the out-migrants, except for on Sandö. Five years later, the out-migrants have significantly improved their unemployment situation. For Ingmarsö, it has dropped some 2.9%, and for Sandö the drop is 2.7%. For out-migrants from Blidö, the situation is almost unchanged. Out-migrants from the islands have a high degree of income from study support or study loan. From Ingmarsö, some 20% of the out-migrants have some sort of study-related support. This indicates that many of them are in a life-cycle stage at which educational opportunities are a major factor in life. Five years after out-

migration, the level has dropped dramatically for Ingmarsö and Sandö. The educational levels of out-migrants are also lower than for all the other groups. However, five years after the out-migration, the situation has improved and the migrants have raised their educational level, indicating again that higher education is an important motive for their move. Regarding family structure or family size, it is notable that out-migrants from all the islands have smaller households than do in-migrants and second home buyers. The disposable income for out-migrants is surprisingly high considering their young age, high unemployment and high share of students.

Looking at the target destinations for the potentially displaced can indicate whether they move to urban Stockholm for such pull factors as greater opportunities or to other islands to regain their lifestyle. For all the case islands, only a minority of the out-migrants choose to migrate to other islands in the archipelago: Blidö (9.6%), Ingmarsö (23.1%) and Sandö (11.6%) (ASTRID, 2002). Most of the out-migrants decide to move to the mainland in metropolitan Stockholm; Blidö (72.1%), Ingmarsö (70.5%) and Sandö (65.1%) (*ibid.*).

Any Support for Second Home Induced Displacement?

It is clear that the case islands have some major structural problems to deal with. The islands are small communities, located on the periphery surrounding the national capital, sometimes having a difficult commuting situation, with a weak local labour market and public services. They support an ageing population, causing closure of schools and necessary services, which are needed to attract younger families to move there. The unemployment rate is high on the islands compared to other locations in the archipelago, making it difficult for permanent residents to stay and making the islands less attractive for in-migrants of working age. The retired can stay because they can locate their home independent of job opportunities in the surroundings to a much higher extent than can individuals dependent on job income. The permanent residents have a lower disposable income than do people in the whole archipelago, an indication of the age structure with its larger share of old-age pensioners. The dwelling stock on the islands is dominated by second homes and there has been a major increase in property values in recent years.

However, the situations on the selected case islands are different. On Blidö, there is a positive population development during the research period (+12.3%). This development occurs parallel to an increase in the number of second homes on the island, indicating a use of second homes as permanent dwellings. This is supported by the observation that second homes' share of the total property stock is decreasing. In terms of property values for second homes, Blidö shows the slowest increase (44%). Compared to the other islands and the archipelago as a whole, this must be considered moderate. The property values for second homes are also lower than on the other islands and the whole archipelago. Concerning property value development, second homes' share of the total property value for the island is decreasing, further supporting a situation in which changes in the assessed property values of permanent dwellings (owing to qualitative enhancement and increased property prices in the vicinity) are fuelling the rise in prices on the island and giving shelter to an increasing population. In terms of age composition, Blidö must be considered an "old-age paradise": in 2002, the mean age of permanent residents was 45.6 years,

significantly higher than for the other islands and the whole archipelago. This can also be read in the number of individuals with income from old-age pension, which was some 30% of the population in 2002, the highest among the case islands. Also, the age of the in-migrants is the highest of all the case islands. Interesting to see is the high amount of in-migrants who owned a second home on the island prior to their move, lending support to the argument that second home tourists are to some extent future permanent residents, attracted by the amenities in the location. The second home becomes a stepping-stone to a more or less permanent transfer of residence upon retirement (King, 2002). For the local community, future residents could form an important group owing to their larger household size, higher educational level, higher disposable income, lower unemployment rate, and so on. In examining the potentially displaced, it is notable that they are generally younger than in-migrants and permanent residents, are engaged in studies of some kind, and have lower disposable income. They also have a higher unemployment rate than the other permanent residents, supporting the idea that the reason behind their decision to migrate is not caused by second home demand in the area, but is brought on by other social events in life. Five years after their move from the island, they have improved their educational level significantly, but many are still engaged in studies, giving them rather low disposable income levels.

In the case of Ingmarsö, the population development is negative, a possible indication of displacement. However, although both the number and relative share of second homes are increasing on the island, the second homes' share of the total property value is decreasing. The level of prices on second homes is around the same as for the whole archipelago. This indicates a situation similar to Blidö: namely, that prices for permanent dwellings are increasing more rapidly than for second homes. The mean age of permanent residents has increased dramatically, due to youth out-migration (the lowest mean age of out-migrants from the case islands) and the high mean age of in-migrants. Indeed, the share of individuals with old-age pensions has doubled during the period. Permanent residents on the islands have low levels of university education. Out-migrants have higher rates of unemployment and income from study support/loan than do permanent residents. This indicates that the young are leaving the islands in search of job opportunities and higher education. For out-migrants, the move has positive features: the share of individuals with university degrees has increased, their unemployment rate has fallen, and they are better able to support themselves from job earnings.

For Sandö, the situation is the opposite of that on Ingmarsö. Sandö shows a relatively large increase of permanent residents: 24.4%. This has had a direct impact on the number of second homes: in this case, a 10.4% decrease. Also, the second homes' share of the total property stock has decreased but the share of the total property value is unchanged. This can be interpreted as a trend towards conversion of second homes to permanent homes, but also the erection of new permanent homes. The property values for second homes are the highest among the case islands and the development over the period is dramatic (+154%). This is also an indication of the relative attraction of settling permanently on the island, meaning that the second home stock becomes the target for permanent use, imposing price inflation on second homes. The average age of the permanent residents on Sandö is the lowest of all case islands and not far from the archipelago average. Sandö has had a slower

increase in the mean age than the whole archipelago. This is due to a rather young population deciding to move to Sandö and a rather young age structure among second home owners or future permanent residents. The out-migrants from Sandö are older than those from Ingmarsö, slightly slowing down the average age increase. This age structure has even decreased the number of old-age pensioners on Sandö by 3.9%. The in-migrants are younger than on the other islands and are largely employed. They also have the largest household size of all in-migrant groups recorded, giving the island community a more favourable age profile. In-migrants share a similar socio-economic condition with the permanent residents, measured in terms of disposable income and educational level. The out-migrants are about the same age as the in-migrants, but have a considerably higher unemployment rate than the permanent residents. Further, out-migrants are also those with the highest degree of old-age pension, and five years after their move, the share of old-age pensioners had increased. This indicates that there are two groups migrating from Sandö: the young in search of education and job opportunities; and the elderly, due to limited elderly care and a demand for better service. For the out-migrants, the unemployment rate has decreased after their move and the mean educational level has risen. The share of individuals on study support/loan has been erased. There has also been a significant increase in household size, indicating that migration reasons like family formation must not be ruled out. In addition, a large increase in disposable income for out-migrants is registered.

Second home buyers or builders have the strongest socio-economic situation among all the interest groups, which confirms earlier findings by Aronson (1997) on the Swedish west coast. This group is long-since established in the labour market, with a high disposable income and low unemployment rate, and has a high educational level, meaning that their position in the labour market is more favourable. Hence, the socio-economic differences between second home buyers/builders and permanent residents, which is important for displacement, are present. This is true especially for Sandö, where second home buyers/builders have high disposable income. This is also the place for the highest property values and largest increase of second homes in the whole archipelago. Such a group has the highest share of university degrees, but has also the youngest second home buyers/builders. Sandö also shows the lowest rate of in-migrants who owned a second home prior to their move. This indicates the large attraction of Sandö as a tourist destination among the younger and affluent groups of society. Sandö attracts interest from a larger segment than merely individuals with historical links to the island. Certainly, this interest means increased pressure on the local community in terms of competition for dwellings.

Concluding Remarks

Change in terms of economic restructuring and out-migration is a fact in many peripheral areas in the western world, in mainland locations as well as on islands. People move from the countryside to urban areas in search of jobs, education and services. This is a slow but, for many, dramatic change. For those who move to the city, it means leaving behind the rural lifestyle and social networks of the small community. Individuals who stay witness a gradual decline and dismantling of their home village. For a few locations, year-round

street life is substituted by seasonal street life generated by tourism flows; these are mainly places in the rural countryside located in close proximity to larger population centres with attracting amenities. The islands in this study have a favourable situation compared to more remote locations due to their relative proximity to urban Stockholm, guaranteeing seasonal traffic and commodity flows. The expansion of Stockholm also poses a potential for in-migration to these islands, especially with expanding communication and transport infrastructure. However, the island location, with a more finite and scarce land supply, means that space for new dwellings is limited. This causes higher price levels on dwellings than in remote rural regions on the mainland. The semi-permanent second home migrants also present substantial economic opportunities for these islands: investments in properties that would otherwise fall into decay and at least a seasonal boom in the service industry in an area with only limited economic opportunities available. Hence, second home tourism is a viable option for these island communities. However, this situation is present for only a limited number of places. Many remote and rural locations, including many islands, face an ongoing depopulation and, in the end, complete abandonment.

Second home tourism is often blamed for creating price inflation on dwellings. Still, it is important to note that property prices within a community can rise because of any influx of outside demand, not only simply because of second homes. This may appear obvious; however it has recently not been acknowledged within the public and academic debate (Gallent *et al.*, 2005). As shown in the island cases above, even though the number of second homes is increasing (on Blidö and Ingmarsö), the second homes' share of the total property value is decreasing. This indicates that other types of demand are present. One might also argue that second home demand may help to stop declining property prices that slowly undermine the wealth of families, and hence inhibit their capacity to move to other areas that do offer employment in something other than a declining agricultural industry (Ryan, 2003). As revealed in this study, the socio-economic differences between second home owners and permanent residents are significant, supporting arguments that the permanent residents are the weakest group.

In the public debate, development on these islands is often described as depressing and negative, compared to the historical 'good life'. Permanent residents are presented as victims of a globalization process, with little or no influence on their future livelihood. In this context, it is important to remember that island life is difficult in many instances and there is no reason to romanticize island life or the permanent residents living there. People in these communities have ambitions in life too. They want to educate themselves, get the jobs they want and have a career, and these ambitions are not necessarily linked to a future that includes living on a tiny island with its limited opportunities. Generally, such people move away from these islands. However, the move often results in many positive features for them. They improve their life situation in terms of education, employment and services, acquiring a solid base for continuous welfare improvement in the future. Still, these individuals are presented as displaced in the debate.

One of the most important reasons behind the debate of second home-induced displacement lies on the individual plane, where it is often a matter of having the best of both worlds. In many cases, the permanent residents want to preserve the peaceful life in

the countryside and to have the income to support a comfortable lifestyle. However, rural and peripheral locations often have problems in generating the income needed, from traditional sectors of the economy. Today, a new economic opportunity has come up for islands: tourism. However, this new opportunity means having consumption occur alongside production, unlike the traditional industrial sector where production and consumption were located in two different geographical locations. This means crowding and disturbance: the price many permanent residents sometimes have to pay in order to stay. So, having one's cake and eating it too is difficult and unlikely in today's global village (Murphy & Murphy, 2004).

The general development for the case islands in this study is that out-migrants are to a large extent substituted by older in-migrants, resulting in an ageing population. This development can be described as negative, causing a burden for the community in terms of increased health services and threatening the viability of schools. However, it has some positive features too, since the islands thus continue to support communities. For many rural and peripheral settlements, tourism is one of few options for sustaining local communities; and second home tourism is a particularly viable option due to its semi-permanent characteristics. The simplified assumption that rural out-migration from attractive second home locations is mainly caused by demand for second homes must be seriously questioned, at least in a Swedish context. However, further studies on the displacement theory are justified, especially on the individuals' explanation for out-migrating from islands 'hit hard' by second home tourism.

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