A Proposal of Principles and Basic Concepts for a New Paradigm for Tourism in The Balearic Isles

STONES, SOIL and HEALTH

hands, heart and mind





Written by Prof. Gunter Pauli

January 2012

All Copyrights are Reserved.

Partial or complete reproduction rights will be granted after written request is received.

EXECUTIVE SUMMARY

After an exceptional group of committed citizens of Mallorca, Ibiza and Formentera engaged with the concept of the Blue Economy, I undertook the challenge to imagine a new paradigm for tourism. This brief document is *a* basis for discussion. Only if there is a broad agreement of proponents and opposition, finding that *this* tourism can achieve all dreams and objectives of all by moving forward in a positive way, with openness and a deep believe in the goodness of everyone with the best of intensions, then we will be available to translate this into one - and hopefully - many new initiatives that can turn these islands around towards a quality of life in harmony with Nature that will be permitted to regain its evolutionary path while generating jobs and strengthening a rich culture and tradition.

BACKGROUND

REFERENCES

OBJECTIVES

CORE DESIGN PRINCIPLES

- 1. Design with the Flows
- 2. Consider the Five Kingdoms of Nature
- 3. Start with what you have
- 4. Search for multiple Benefits
- 5. Build on Tradition
- 6. Slow Design with Better Return
- 7. Respect for the Laws of Physics
- 8. Content is King
- 9. Structures and Content that withstand time, crises and seasons
- 10. Overcome the errors of the past
- 11. Put nature on its evolutionary path
- 12. Welcome the Pilgrim.

ZONES OF INFLUENCE

- 1. Investors and Shareholders
- 2. The Farmers
- 3. Construction Companies
- 4. The Local Community
- 5. The Eco-system

THREE THEMES OF A NEW PARADIGM FOR TOURISM in THE BALEARIC ISLES

- 1. STONES The Hands
- 2 SOIL TheHeart
- 3. HEALTH The Mind

NEXT STEPS

A Proposal of Principles and Basic Concepts for a New Paradigm for Tourism in the Balearic Isles

STONES, SOIL and HEALTH

hands, heart and mind

Proposed by Gunter Pauli Professor in Systems Design, Politecnico di Torino Author of the Blue Economy

BACKGROUND

This documents presents a new concept for tourism in The Balearic Isles which could become a new paradigm for developers. Over the past years I gained a sensitivity for the exceptional history and the great potential of the islands thanks to the dozens of local friends who are committed to bring about a new paradigm of development in the Balearic Isles. A visit to the beaches of Es Trenc in Mallorca last December 2011 served as a reality check if this paradigm makes sense even for traditional hotel developers, rather than a concrete project design to be taken forward with immediate effect. This requires consensus.

At a time of crisis, this proposal for a paradigm shift wishes to break away from the prevailing model and conceptualize how each development initiative could be unique while mirroring the same principles, fully integrating the concepts of ecology and the Blue Economy which tends to be more uncompromising than best intentioned environmentalists, incorporating the architectural uniqueness of the islands, its culture and tradition. Health and the wellbeing of residents, guests, clients and the ecosystem stand central in all our reflections.

During multiple visits to the island and conversations with residents of all walks of life, the team members of the ZERI Foundation, sensed the conflicts and the mistrust that have dominated the islands which remain affected by pre-conceived ideas that may stand in the way of an opportunity to look at a common future beyond prevailing wisdom of all walks. A half finished phantom development left to deteriorate for over 20 years stands as a dreadful witness to the games of power of the past and demonstrate the complexity any new development on the islands will have to overcome. Until recently, major portions of land that had not succumbed to mass tourism depended on agriculture, which today is considered by the local population as well as the international mainstream experts void of any future. Time has come to think fresh and without fear, work even with those one could have considered the opponent yesterday, but still a potential ally for realizing multiple dreams.

OBJETIVES

This document is only a first sketch of the development of a new paradigm for tourism.

It is only intended for the Balear Isles.

Even though it could serve as inspiration elsewhere, its original motivation was to respond to a pressing need in Spain to rethink tourism. The Balearic Isles potentially serve as a living laboratory at a grand scale.

This paper searches for a meeting of minds based on clear and simple concepts amongst promotors of economic development, the opponents who refuse to consider more of the old, and the authorities who at this time of crisis are eager to create a future, building on the islands' vocation for tourism that marked development over the past half century, and may well have a central role for decades to come.

Only if and when there is a meeting of minds, we could proceed to the next step - which is more like a jump then a simple move forward: the design of an architectural concept, the creation of a new business model with a unique content that will deserve all the stars that distinguish one hotel from the other.



REFERENCES

It may be appropriate to refer to the creation of the largest bamboo structure in modern history: the ZERI Pavilion which was first built in Manizales (Colombia), and then at the World Expo 2000 in Hanover as a symbol of the new development model proposed by the ZERI Foundation. Seven projects that had been implemented were featured: (1) integrated farming in Fiji at a boarding school; (2) conversion of water hyacinth in Zimbabwe into protein; (3) food security on Colombian farms using coffee waste to farm mushrooms; (4) transforming an old cement plant in Sweden into a waste processing plant producing soil, (5) turning beer breweries into a platform for food and nutrition with bread and sausages; (6) reconverting 8,000 HA of savannah in the Orinoco Basin back to the rainforest it used to be; and, (7) bamboo as the world's most sustainable building material.

The idea emerged from the author's passion for this "vegetable steel" that provides building material to one billion people in the Tropics. It turned into an unexpected success with 6.4 million visitors over 5 months at the World Expo. Even though this audacious undertaking faced many difficulties to succeed since it proposed a new building material and new construction techniques, it obtained a German building permit thanks to the solid science that underpinned the proposals. Over the next decade, this "permit" contributed to the creation of 519 new companies and an estimated 7,000 jobs in the Colombian Coffee Region.

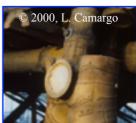
This experience and these statistics permit us to put the paradigm design project for tourism in The Balearic Isles within a special context. The exceptional team that accomplished the challenge in Germany inspires us to propose with confidence basic concepts of this new paradigm, knowing that if a consensus is reached, it will succeed.











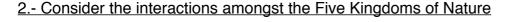
CORE DESIGN PRINCIPLES

The new paradigm is based on some of the design principles of the Blue Economy which propose that the best for our health, communities and environment must also be economically viable, must generate social capital, and is competitive. Below we describe the core principles that were applied when designing the new paradigm for tourism.

1.- Design with the Flows

The design of the new paradigm for tourism is based on the understanding and the management of the basic flows of life: air, water, solids and particles, food, waste, sound, light, money and human beings. The design of a well-defined project must be inspired by the observations of these flows before and after at the site and the surroundings of the proposed new development. It is within this context that the actual status of any piece of land, degraded or not, is not of major importance. The key is to permit Nature to maintain or regain its evolutionary path.

2007, WATRECO



In the past, the biologists classified life in three kingdoms: plants, animals and minerals. Today, modern biology understands life as symbiotic relationships amongst five kingdoms of nature: plants, animals, mushrooms, algae (protista) and bacteria (monera). Any project must understand, appreciate the contributions and synergies of all five kingdoms which will enhance the efficiency and the beauty of the project.



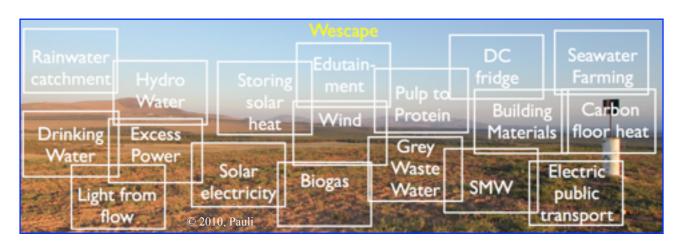
3.- Start with what you Have

After the Second World War, humanity looked for solutions based on resources available anywhere in the world. We would ship anything anywhere facilitated by the low cost of energy. Today, we propose to build the capacity to respond to our basic needs with what we have. This reduces costs while at the same time offers opportunities for the generation of additional revenues. Any concentration of people will generate by-products for which we do not automatically recognize their value. This discovery process is part of the design process.



4.- Search for Multiple Benefits

The traditional MBA will urge the entrepreneur to focus on *one* niche market with *one* core competence. This permits the translation of all benefits into *one* unique and easy to understand cash flow. The starting point of the Blue Economy is the opportunity to generate multiple benefits, with multi-disciplinary teams who are able to generate multiple revenue streams. The design process will identify which hidden assets and flows could generate multiple benefits for the investors, the clients, employees, the community and the ecosystem.



5.- Build on Tradition

Modern building design selects materials and construction techniques that will save costs and speed up implementation. However, the new paradigm of tourism will start by being inspired by tradition, whereby the recognition as World Heritage by UNESCO serves as a credible basis for the design of modern structures with centuries of experience. Carcassonne, Notre Dame de Paris and Mont Saint-Michelle represent three exemplary cases in France how stone-based architecture brings wealth for generations, even today. This approach generates more value for assets that can stand the pressure of time. The challenge is to design developments that are timeless.



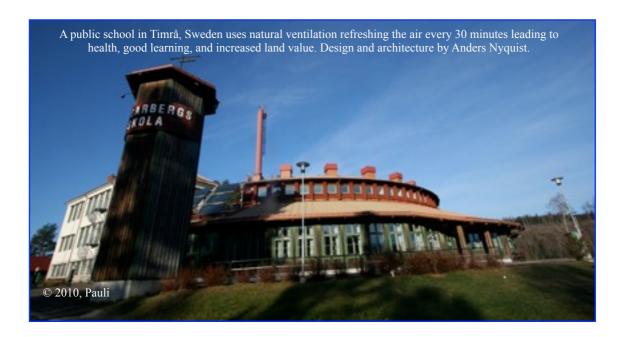
6.- Slow Design with a Better Return

The traditional focus of real estate investments is to reach the positive accumulated and discounted cash flow as soon as possible determines many practical decisions. This implies that the investment goes beyond break-even, it cash investments has been fully recovered and that the assets are the benefit that will continue to generate income. The desire to reach this point as fast as possible sometimes motivates developers to "cut corners". The new paradigm proposes a slow financial model, where several revenue streams emerge in parallel guaranteeing self-correction over time with multiple cash flows and additional benefits, that can be calculated and reported on with transparency.



7.- Respect for the Laws of Physics

The construction and tourism development sector has imposed a logic on the engineers who are forced to pump cold air up, block UV everywhere inside, and restrict airflows in the building even to the point of generating sick building syndromes. Life on earth is subjected to the laws of physics, which are predictable and without exceptions. Therefore, project design within this new paradigm is based first and foremost on the logic of physics. Chemical solutions are only considered after rigid analysis when no other alternatives seem available.



8.- Content is King

The majority of five star hotels in the world have golf courses and health spas. We propose that tourism in the future will have to offer experiences beyond this standard that is firmly established where ever you are in the world. The stay must offer the chance to focus on the health of the guests, the local communities and the environment, based on local traditions and the outstanding quality of food and nutrition. This opens up a market niche that is prepared to pay for the service summarized as "hands, heart and mind".



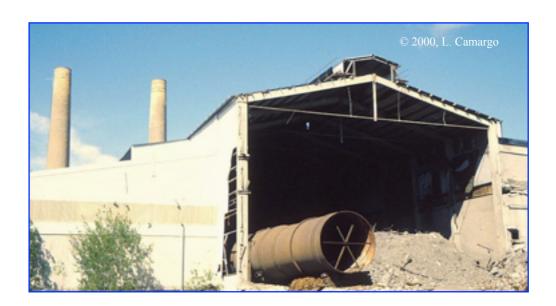
9.- Structures and Content that withstand time, crises and seasons

Hotels have become the temporary cathedrals of modern times. However, the looks change with the wind and are therefore amortized to permit reconstruction within 25 to 40 years. The design paradigm proposed maintains its strength and originality based on tradition, culture and the endless cycles of life. Therefore its viability is independent of economic cycles or seasons. The design searches for *timelessness*.



10.- Overcomes the Errors of the Past

Tourism in the past and in the present equates with excessive water and energy consumption, destruction of natural habitat, imported frozen food by air, standardized and thus predictable experiences. Some suggest that new projects must be developed on brown zones, where past errors have already caused damage. The new paradigm we propose does not differentiate between brown or green zones provided that the errors of the past can be overcome by putting nature back on its evolutionary path. The human creative mind is to be mobilized to do better than was ever imagined.



11.- Put Nature on its Evolutionary Path

Hotels today pay for water, but take its supply for granted, passing the costs on to the customer. The hotels consider air as free and abundant, and yet seldom realize the air quality inside. The understanding that an ecosystem provides free services to all only emerged over the past few decades. In a world where everything has a price, even the commons became commercialized, and in the process the natural cycles (and flows) of nature were interrupted. This blocked Nature's evolutionary path where change is the norm and adaptation is the way forward. Therefore, any development project has to ensure that the natural cycles on site and its surroundings are respected and to the best of our abilities restored, from replenishing carbon into the soil, to refilling of ground water, the provision of shade and fresh air. This restorative process benefits the guests who will enjoy the environment where all evolves from scarcity to sufficiency and abundance.



12.- Welcome the Pilgrims.

Hotels have emerged as status symbols, and regular stays confirm an image of the character and personality that one wishes to project. Hotels have become an expression of a person's ego where we are seen and want to be noticed. The first visitors to the Balearic Isles looked for somethings different. They have been substituted by tourists who look for something they are already familiar with, in an exotic yet predictable environment. The tourism concept within this paradigm is warm and modest, honest and committed to core principles of life. It is welcoming the pilgrim who arrived to learn, from others, from the building, from the surroundings and the ecosystems, and then share.



ZONES OF INFLUENCE

This proposed paradigm for tourism differentiates itself from the mainstream concepts applied today. Its implementation leads to a new business model that offers multiple benefits to all the stakeholders involved. Here is a review the portfolio of the beneficiaries expected from such an approach.

The Ecosytem

The beaches are badly affected by development and even though the Playa d'Es Trenc and its Natural Park are considered as one of the few zones that deserves proctection, its surroundings are degraded by Civil War bunkers, illegal car parks, uncontrolled sand extraction for construction, and half-finished housing that have been aborted two decades ago through legal wrangling. The application of the princples outlined will permit to integrate development into the ecosystem and put it back on its evolutionary path.

The Local Community

The local communities could become the main beneficiaries of this paradigm shift based on "stones, soil and health". At a time when unemployment is high, job creation cannot rely on one construction initiative providing temporary employment. This new approach to tourism creates a multiplier effect that produces more local income, guaranteeing more cash to flow into the local economy. In addition, this could lead to higher levels of efficiency in public water and waste management services, the generation of renewable energy sources at lower cost for all, thus reducing government budgets and taxes.

The Farmers

The generation of organic matter is one of the keys to the long term sustainability of life on Earth. If this paradigm shift succeeds in replenishing soil with carbon, then it is feasible to convert degraded land into fertile soil that generates income over time. This converts land of little value for the present owners to one with value, without the need to speculate. A zone with gardens, olive and fig trees, goats and sheep offers an additional emotional value and permits us to go beyond organic agriculture by adding culture and tradition.

Construction Companies

The creation of buildings based on a health and sustainability differentiates itself from the mainstream. This will translate into more demand for this type of construction and development know-how. This brings fresh perspectives to a sector in crisis - and to traditions on the border of disappearing. This opens up new markets, including overseas, promoting the brand of Mallorca and the Balearic Isles, while generating employment.

Investors and Shareholders

A project developed on the basis of the principles described leads to a continuous reevaluation of the land and its buildings, as well as its zone of influence. The main goal is to increase the asset value which relies on improved cash flow and the perspectives to continue to improve. If this is achieved then assets could multiply over a period of 20 to 25 years with a factor 10, or even 100. The strategy is to increase the total value of both the project itself as its zone of influence.

THE THREE THEMES OF THE NEW PARADIGM FOR TOURISM

1. STONES - The hands

The traditional architecture of the Balearic Isles is based on stones. This primary building material is abundant, cheap, functional, and has been the basis for building designs since the Roman era. During nearly two millennia Spain was a leader in architectural innovations in stone building. The culture of stone-based construction is on the brink of extinction due to the availability, speed and cost of concrete and reinforced cement. However, the tradition of solving technical challenges with stones is still available. Thus, it is possible to recover this unique traditional know-how.

Today, Mallorca has approximately twenty stone artisans capable of building unique structures. A carefully planned initiative - as part of this new paradigm for tourism - could not only mobilize those who are qualified today, but it is also the right time to train future stone artisans for generations to come, regenerating this culture and tradition for which Spain is known, while securing timeless professions.

Stone constructions are complemented by three additional building materials which are locally and sustainably available: earth, lime and wood. The combination of the four creates an alkaline environment that promotes healthy living conditions. The simple and authentic structures and designs can naturally control temperature and humidity, using durable materials known for low cost of maintenance. These buildings are constructed to last - thus reversing the construction-demolition cycle - increasing value over time, building assets on balance sheets.



2. SOIL - The Heart

Traditional agriculture on the islands was symbolized by olives and figs. The land had abundant stones which on one hand challenged fertility of the soil, while on the other hand this abundance of rocks has been converted into thousands of kilometers of walls. The wealth of walls created a symbiosis with goats and sheep fenced in around the fruit trees securing fertilization. This resulted in food self-sufficiency that prevailed for centuries, in combination with the abundance of protein sustainably obtained from the sea.

The traditions that emerged after a thousand years had to give way to the cow milk industry which - within one century - exhausted the soil, and a fishing industry which exhausted the seas. The need to farm feed, including alfalfa combined with the necessity to irrigate throughout coastal zones turned the bovine industry inviable in a globalized world driven by subsidies. As an example, there are only three of the one hundred postwar farms surviving today in the zone around the Playa d'Es Trenc. The soil completely lost its organic content, leaving room for non-native species to invade. The present state of soil renders it incapable of achieving self-sufficiency in nutrients. The recent modernization of road construction, especially drainage and storm water management, additionally disturbed the natural flows of water.

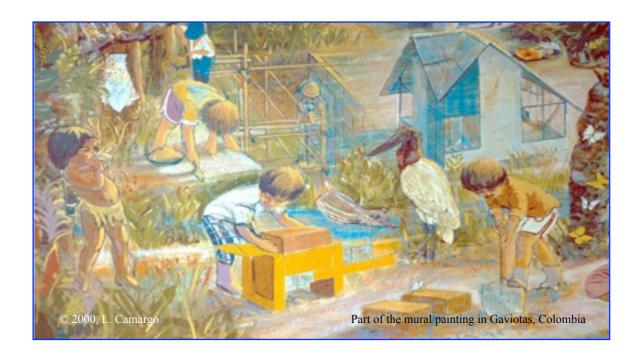
Mallorca has numerous outstanding experts in regenerative agriculture. The development of the influence zone around the hotel must be conceived as an opportunity to create an area for recovery of traditional agriculture, first by giving life back to the soill by replenishing it. It is an opportunity to cultivate local food at competitive costs with a superior nutritional value, while substituting the modern farming techniques with traditional approaches that have withstood time. These traditions can now benefit from the insights of modern science that focuses on the symbiosis and cascading of energy and nutrients amongst the Five Kingdoms of Nature. The new paradigm for tourism can play a major catalytic role in bringing about this shift.



3. **HEALTH - The Mind**

When society is in crisis, the one priority that everyone can agree on is the focus on health - of body and mind. The integration of the concepts "stone and soil" offers a new definition of health. Thanks to the building designs predominantly made from local and natural materials, and the productive interaction with the surroundings where soil is being regenerated, the client turns into a pilgrim as defined by Satish Kumar. This creates a new mindset. The guest is offered an opportunity to discover a regenerating and regenerative environment, searching for both physical and mental health, at the level of the individual, the community and the ecosystem. This goes beyond the spa, meditation and/or yoga, as it integrates zones of living, zones that give life and zones that regenerate life. It is at this crossroad that the new tourism of the pilgrim meets with reflection, joy and content that can be determined according to the history and the desires of each.

The Balearic Isles are a mix of cultures and the local communities display an extraordinary wisdom in terms of health, traditional diets, biodiversity and medicinal plants, richly combined with leadership in homeopathia. Just like the stone artisans and the regenerative farmers, this presence offers an attractive basis for a content that is unparalleled. If this can be combined with thermal springs inspired by the Romans and building designs that have the health of the visitor as a priority then it will turn into a paradigm that appeals to all, even the opposition, true to one's heart and soul.



THE NEXT STEPS

If these concepts are accepted as a starting point, then we could proceed to the design of a project portfolio based on this - always to be improved - paradigm. This requires the creation of a multi-disciplinary team to design a detailed plan, architectural concepts, mapping all the flows and influences, determine an implementation scheme with multiple GO-NO GO decisions that is without compromise on the fundamentals and realistic in the details.

It would take about 6 months of work and needs to be locally coordinated.



For all further contact and coordination: Eduardo Ferreira, ZERI España.

<<u>info@zeri.org</u>>