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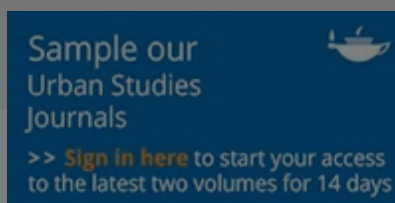
# Vacation homes and regional economic development

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Pages 1696-1709 | Received 21 Feb 2018, Published online: 30 May 2019

 Cite this article  <https://doi.org/10.1080/00343404.2019.1605440>

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## ABSTRACT

This paper studies the relationship between vacation homes and regional development. Vacation homes are often in peripheral regions with relatively low standards of living.

Seasonal tourism may have a significant impact on the local economy. The paper introduces a new concept of 'vacation homes' and discusses its impact on regional development. It argues that the introduction of vacation homes affects the local economy in a way that is not fully captured by traditional measures. The paper also discusses the impact of vacation homes on the local environment and the local community. The paper concludes that the introduction of vacation homes is a complex issue that requires further research.

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KEYWORDS

JEL: R1

[Vacation homes](#)

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## ACKNOWLEDGEMENTS

The author thanks Simon Bensnes, Lars-Erik Borge, Jan Brueckner, Roberto Iacono, Johannes Mauritzen, Maame Esi Woode, Yves Zenou, and seminar participants at Monash University for helpful comments and suggestions. The research described in this paper was primarily conducted during a postdoctoral fellowship in the Department of Economics at NTNU.

## DISCLOSURE STATEMENT

No potential conflict of interest was reported by the author.

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## Notes

1. The policy is described (in Danish) on the website of the Ministry of Environment and Food of Denmark (see <http://naturerhverv.dk/landbrug/arealer-og-ejendomme/landbrugsloven/bopaelspligt/>).

2. Guerrilla marketing  
who have been successful  
anybody can do it.  
<https://www.youtube.com/watch?v=...>  
can purchase  
'essential' items  
<http://www.status.com/>

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(IStatus.aspx)

3. See, for example, the requirements of the University of California, which require professors to be U.S. citizens or permanent residents.	4. See, for example, the requirements of the University of California, which require professors to be U.S. citizens or permanent residents.	5. See, for example, the requirements of the University of California, which require professors to be U.S. citizens or permanent residents.
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4. The total budget for the Structural and Cohesion Funds for the period 2014–20 is €371 billion, with the annual amount varying between €36 billion and €60 billion (European Commission, [2017](#)).
5. Owing to mergers and other changes, the set of municipalities in Norway changes over time. The analysis uses the municipalities that existed in 2016 and maps the data from earlier periods onto these.
6. The original 1974 law specified that the residency requirement would apply to all vacation properties of at least 0.2 hectares and all other properties of at least 2 hectares (Government of the Kingdom of Norway, [1974](#)). In 2003, the minimum size of non-vacation properties was raised to 10 hectares with no more than 2.5 hectares of cultivated land (Government of the Kingdom of Norway, [2003](#)).
7. The assumption of an arbitrarily-defined ‘centre’ where local employment and shopping occurs is made for simplicity. The theoretical results would apply if local employment and shopping occurred in a broad area such as a main street or in several separate locations. All that is required is that local residents value the same locations as seasonal residents.
8.  $\rho$  is assumed to be constant across space to keep the model simple. In reality, seasonal residents may prefer to be near the centre of the region or some natural amenity elsewhere, in which case  $\rho$  should vary by location. However, the interpretations would largely be obvious, as seasonal residents would tend to outbid local residents in the locations they value more.
9. Total spending was 15 billion NOK in 2016, of which 10 billion was for housing. While this spending was 15% of GDP, the capital spending was 10% of GDP. Local spending was 10% of GDP, depending by
10. If  $r = 0$ , there is no
11. A tripartite system will be zero even in the



12. To identify the effects of the residency requirement, it would be ideal to have some quasi-experimental source of variation in which municipalities have the residency requirement. However, there are no obvious factors that determine the timing of the residency requirement but are not otherwise correlated with the outcome variables.
13. As of January 2017, no municipality had introduced the policy, removed it, then introduced it a second time.

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Beggar Thy Neighbor? Property Taxation of Vacation Homes

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Too much of a good thing? On the growth effects of the EU's regional policy

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Recreational Housing and Community Development

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VACATION HOMES IN THE NORTHEASTERN UNITED STATES: SEASONALITY IN POPULATION DISTRIBUTION

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