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Young urban professionals discovering historic neighbourhoods

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Contemporary Latin American gentrification? Young urban professionals discovering historic neighbourhoods

Jorge Inzulza-Contardo

Facultad de Arquitectura y Urbanismo, Universidad de Chile, Santiago, Chile

ABSTRACT
A process of urban metamorphosis is under way in many inner-city neighbourhoods across Latin America. The theoretical framework of “new-build gentrification” reveals the multiple dimensions of this process, which seems to be more prevalent in the Global South than in Global North inner cities, and involves specific urban typology and urban incentives. This paper explores the emergence of new socio-spatial environments over the last three decades in Santiago, Chile. Two examples—the neighbourhoods of Bellavista and El Llano—are used to illustrate how urban renewal has expanded through changes in the contemporary physical fabric as well as social replacement by “young urban professionals.” Analysis of these changes highlights the particularities of Latin American gentrification, including the distinctive mixture of public- and private-sector incentives to replace deteriorated properties and the subsequent loss of neighbourhood meaning and community identity.

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Introduction

Continuity and change are two appropriate words to describe the dynamic process of urban metamorphosis that many inner neighbourhoods in historic cities are experiencing in Latin America (Almandoz, 2006; Cortés & Kessler, 2003; García, 2001; Lungo & Baires, 2001; Panadero, 2001). “Historic neighbourhoods” (as a term emphasized in this paper—Appleyard, 1979; Kain, 1981; Tiesdell, Oc, & Heath, 1996) can still be found, with their characteristic atmospheres and everyday life, in inner Santiago and some suburban areas of the city (Carrasco, 2007). However, districts with a strong neighbourhood spirit and offering a good quality of life have become few and far between in Santiago. Many residential areas of outer Santiago are defined by a persistent shortage of urban services and cultural activities (Fuentes & Sierralta, 2004; Hidalgo, 2004).

Santiago has experienced the rapid changes seen across Latin American cities since the 1990s, which have affected the identity and memories of many inner-city residents. Observing the massive, high-rise glass buildings that have begun to dominate the core of Santiago and obliterate the spectacular views from the city to the San Cristóbal Hill, ‘‘Gentriﬁcation” (a term coined by Glass, 1964)—and specifically the
contemporary, worldwide proliferation of new-build gentrification (see Davidson & Lees, 2005, 2010; He, 2010; La Grange & Pretorius, 2014; Lees & Ley, 2008; López-Morales, 2011, 2013; López-Morales, Meza, & Gasic, 2014; Lützeler, 2008; Shin, 2009)—is a crucial theoretical framework that allows us to understand the transformation of urban development in Latin America over the last 30 years.

New-build gentrification is expressed in different ways. One of the main concerns here is to comprehend why Santiaguinos are interested in emulating the policies and projects found in foreign cities, but a la chilena (in the Chilean way). The use of North American and European architecture and styles is common practice in local proposals for historic neighbourhoods, and this inevitably brings an element of pastiche to the physical and social fabrics of historic neighbourhoods (Fuentes & Sierralta, 2004). This paper explores the physical and socio-economic environments that have been formed in the historic neighbourhoods of Santiago, constituting significant urban development. The main questions are: are we experiencing global gentrification in historic neighbourhoods? If so, is new-build gentrification a pattern of a specific typology of displacement associated with Santiago’s historic neighbourhoods?

In the first section I discuss how the new-build gentrification concept seems to be more noticeable in the context of historic neighbourhoods in the Global South when it is compared to Western experiences, and observe how the increasing trend for specific urban typologies (e.g. gated gentrification) and urban renewal subsidies is contributing to the rapid changes in inner-city landscapes. Secondly, I focus on contemporary gentrification in inner Santiago, Chile to inform two case studies of new-build gentrification with a latino blueprint—the inner-city neighbourhoods of Bellavista and El Llano Subercaseux—and how the construction of housing is more closely connected with redevelopment policies and specific types of urban fabric such as high-rise buildings and gated communities. An empirical section presents the results of a combination of quantitative and qualitative methods, including an analysis of official data, mainly from the Census of Population and Housing in Chile 1992, 2002 and the preliminary results of 2012. Interviews with key local authorities and urban planners are included to understand the perceptions of stakeholders, and these are integrated with the findings from micro-ethnography carried out by the author in Bellavista neighbourhood in 2008 and in El Llano Subercaseux neighbourhood in 2010.

This paper delivers two main findings regarding patterns of contemporary gentrification: physical replacement by a newly typified process of gated gentrification, and social replacement by young urban professionals (YUPs) discovering historic neighbourhoods. Specifically, the next section discusses the role of urban renewal policies and real estate development used for attracting YUPs to historic neighbourhoods. Also, information from current socioeconomic analyses of Bellavista or El Llano neighbourhoods illustrates the phenomenon of YUPs discovering these areas, which allows us an empirical understanding of the patterns of change in terms of family composition, education and property tenure. Finally, conclusions are drawn by emphasizing the importance of analysing new-build gentrification as an established trend, and its significance regarding both the lack of a sense of community (Madanipour, 2003; Winchester, Cáceres, & Rodríguez, 2001) and a deterioration in the fabric (Hebbert, 2005) of inner-city neighbourhoods.
New-build gentrification in the Latin America

The concept of gentrification as coined by Glass (1964) is nowadays contextually different across urban Europe, North America and Latin America. Thus “contemporary gentrification is varied and defies more singular definitions because gentrification now occurs in a variety of sites and takes a myriad of forms” (Davidson & Lees, 2005, p. 1167). It is crucial to consider that “…the formation of central urban areas is not a universally similar process, but a varied and complicated set of histories” (Robinson, 2006 in McFarlane, 2010, p. 727). We must also address the “critical dialogue between the Anglophone mainstream and debates originated in Spain and Latin America” (Janoschka, Sequera, & Salinas, 2014, p. 25) in order to understand the gentrification process in its multiple contexts.

The first waves of gentrification that occurred in London during the 1960s (see Glass, 1964), Paris (see Kain, 1981), and New York in the 1970s (see Zukin, 1988), have demonstrated that despite varying intensities between cases, the displacement of the working class by a higher or middle class has been the fundamental factor in the process of gentrification. Apart from this identifier, an increase in property values has been another key feature, as a result of physical improvements in these deteriorated inner areas.

Focusing on the Latin American context, important differences can be identified in the effects of gentrification in contrast to European and North American studies (Janoschka et al., 2014, Jones & Varley, 1999; Sampaio, 2007). In particular, from Figure 1 the Latin American context is more associated with the third global wave of gentrification. Particularly, Rojas (2004) argue that the main causes of the return to the inner city—demographic changes, globalization (social, economic and cultural), and the technological revolution—can explain the bulk of the physical and social changes happening across this continent. Indeed, Hardoy (1992) argues that gentrification has greatly modified the core of most Latin American cities.

There are many examples of inner-city neighbourhoods undergoing processes of gentrification, such as São Paulo (Caldeira, 2000), Buenos Aires (Ciccolella, 1999; Herzer, 2008), Mexico City (Lungo & Baires, 2001) and Santiago, Chile (Inzulza-Contardo, 2012b; Contreras, 2011; Inzulza-Contardo, 2014; López-Morales, 2011) under the name of urban renewal or redevelopment. From these experiences, globalization, global capital mobility and the political context play a key role reducing the discourses such as the “right to the city” coined by Lefebvre (1974, 1991) “…to the right to better housing, lower rents etc. in the framework of the capitalist city (which was in fact in his [Lefebvre’s] eyes a ‘non-city’, the opposite of a true human and enjoyable city)…” (De Souza, 2009, p. 318). In this sense, Latin American gentrification and its link to the third global wave can be seen as an extension of the Global North via contemporary physical and social expressions attached to new-build gentrification (Davidson & Lees, 2005, 2010) and the distinction between “rehabilitation versus redevelopment,” although scholars such as Smith (1996) have questioned the relevance of this dichotomy.

National and local governments often explicitly promote current urban development phenomena. As Kennedy and Leonard (2001, p. 41) maintain, “gentrification is a politically powerful concept that can be manipulated to drive resources, jobs and
housed into lower income communities that need them.” In this sense, gentrification is linked with specific working activities—especially with service sector jobs and trendy cultural products that a globalizing society is consuming, such as new cyber cafes, modern-art galleries, shops selling music, books and antiques—all of these activities come to be used by the market as effective “urban bait” to attract the new middle classes to inner-city areas (Atkinson & Bridge, 2005). The risk is that these new patterns of consumption are not only changing the social nature of residents but also intensifying the pressures on affordability—transforming public spaces in historic neighbourhoods (orienting them towards the upper class) and setting the conditions for future waves of escalating competition and exclusivity in successive rounds of gentrification.

Considering the waves of gentrification from the 1960s to the present day as portrayed in Figure 1, the first and second waves of this phenomenon are largely absent from the Latin American context. Yet the third (and even a fourth wave) of gentrification can be clearly observed from the 1980s and 1990s, with some local variations. Gentrification in this context is defined as the replacement of the existing residential typology (mainly terraced houses) by a new housing tendency (medium- and high-rise buildings), rather than the pure displacement of people of low income to the outskirts by people of higher income, or the return to the central areas of an artistic middle class seeking to develop cultural activities.

Figure 1. Waves of gentrification applied to the Latin American context. Source: based on Hackworth and Smith (2001), Cameron and Coaffee (2005), Lees et al. (2008) and Davidson and Lees (2010).
The concept of “Latino gentrification” (Inzulza-Contardo, 2012a) helps to explain how the construction of housing in Latin American inner-city areas is distinctive when seeing types of housing which are more closely connected with redevelopment polices and specific urban fabric (e.g. high-rise buildings and gated communities). Also, as Davidson and Lees (2010, p. 408) point out for London (Thames-side neighbourhoods), displacements in inner-city Latin American neighbourhoods seem to be multiple, including both direct and/or indirect displacement, “but what they all share in common is the alteration of the class-based nature of the wider neighbourhoods.”

In this sense, gentrification in Latin America as a more recent process is part of a consensus that new-build developments, and specifically “new-build residential developments in city centres” (Davidson & Lees, 2005, p. 1165), “are part and parcel of the gentrification process.” (Davidson & Lees, 2010, p. 398). As noted earlier, globalization has had a clear effect on the new patterns of urban life in many Latin American inner cities. Even though “gentrification” is still an unspoken word in public policy discourses, master plans and urban briefs, patterns of this process such as densification and housing conversion have used the main decisions by national and local governments to promote urban renewal through regulatory incentives given mainly to the private sector for encouraging investment in historic neighbourhoods.

In such areas, a large proportion of the new housing market can be observed as glass and brick (or pretending-to-be-brick) 20-storey buildings, which burst onto the historic skyline of inner-city neighbourhoods—creating a new landscape of redevelopment and a higher population density, and reorienting public spaces towards the upper classes. In this sense, the Latin American context can be associated with other Global South experiences where real estate speculation has become pervasive (Shin, 2009, 2014). He (2010, p. 346) describes the context of gentrification in Shanghai:

Urban regeneration policies emphasizing city beautification and modernisation are explicitly promoted as a blueprint for a civilised city life. Global and metropolitan styles of buildings and facilities are eagerly sought after by developers and middle-class consumers. Low-rise traditional houses built in the pre-1949 era and declining workers’ villages, factories, and warehouses built in the socialist period are considered to be inappropriate for the global city image, and are therefore targeted for redevelopment.

If the theory and politics of gentrification research are to advance beyond the impasse that has defined debates of recent years, it is imperative to capture more examples of new-build gentrification in the Global South (La Grange & Pretorius, 2014; Lees & Shin, 2015; Shin & Kim, 2015). This contemporary approach merits more scrutiny and debate in the Ibero-American context (Janoschka et al., 2014). While there is a small literature that documents gentrification in Latin America (see López-Morales, 2011, 2013; Inzulza-Contardo, 2014; on Santiago, Chile), most gentrification theory continues to take as its reference point cities in the Global North “...(e.g. New York or London) and claims about ‘the city’ as an abstract, generalized category” and also “...urban studies as a discipline have been surprisingly slow to analyse how the experience of cities in the ‘South’ might cause us to rethink urban knowledge and urban theory” (McFarlane, 2010, p. 726).
Contemporary gentrification in inner Santiago, Chile

It is crucial to point out that contemporary gentrification in Latin America is not limited to residential housing solutions. Therefore “different symbolic dimensions of gentrification (such as commercial and retail gentrification) should be better encompassed in mainstream gentrification research to bring together the variegated phenomena of the current capitalist cycle of accumulation by dispossession” (Janoschka et al., 2014, p. 24). Nevertheless, the main patterns of change in cities such as Santiago, Chile, seem to be better illustrated when analysing real estate development carried out from the 1990s onwards.

Specifically, the local authorities in charge of the Santiago area during the 1990s proposed actions for reversing the population decline in its central area (Contreras, 2011; Corporación para el Desarrollo de Santiago [CORDESAN], 1998; Valenzuela, 2004). The actions were informed by a social study that indicated that to locate an inhabitant to the city centre was 16 times cheaper than to locate the individual to the outskirts of the city (CORDESAN, 1998). This initiative was formally carried out in urban renewal zones (ZRU, Chilean acronym) as defined by the Ministry of Housing and Urban Planning according to Law 18.595 of Urban Renewal Zones (in Spanish, Ley Sobre Zonas de Renovación Urbana, published in the Official Journal of Chile on 27 January 1987).

This zoning proposal was complemented with the creation of the Subsidy of Urban Renewal (SRU, Chilean acronym) in 1991 through the Supreme Decree (DS) 95, adding it to the original DS 44 of 1988 (Regulation of Unifying General System of Housing Subsidy). The main ZRU included half of the Bellavista neighbourhood and the entire El Llano Subercaseux neighbourhood (hereafter referred to as El Llano), which are selected in this paper as representative case studies (see Figure 2).

By analysing the effects of the SRU, a redistribution of population rather than an increase of inhabitants can be observed in this historic area mainly from the 1990s (according to population censuses, Santiago’s growth rate was 1.49% for 1982–1992, and 0.44% for 1992–2002), and particularly the increase of “YUPs, as is shown in the following section. Figure 2 shows the demographic change across Santiago for the period 1992–2002. Nine districts, including Recoleta and San Miguel, demonstrated a decrease in population as part of the first population growth to the north and south of the city, with 20% (Inzulza-Contardo, 2012a) and 21% fewer inhabitants, respectively (Díaz, 2012).

In particular, the Bellavista and El Llano neighbourhoods are key areas that showed a decline in population. For instance, Bellavista declined by 21.5%—from 8065 people in 1992 to 6,330 in 2002. Furthermore, the majority of these residents (58%) were found in the Providencia-Bellavista district, with 3,671 inhabitants (Municipalidad de Providencia, 2007).

However, during the period 2002–2012, Santiago’s official statistics show a population increase (or in actual fact, a redistribution) for the central neighbourhoods of Bellavista and El Llano. According to preliminary estimates from the 2012 Census of Population and Housing, Santiago has further increased its population density from 338.94 inhabitants per square kilometre in 1992 to 392.49 in 2002 and 433.93 in...
2012 (435.58 inhabitants per square kilometre in Santiago, 2012 according to Instituto Nacional de Estadísticas Chile [INE], 2012, p. 16). Meanwhile, household size has decreased in the last 30 years from 4.29 (1992) and 3.86 (2002) to 3.28 in 2012.

These indicators are clearly related to the increase in flats (high-rise building typology) that have been sold in inner Santiago as the clear housing tendency observed (70.3%) in 2002, with 38,661 units in Santiago district (Inzulza-Contardo, 2012a). Hence, Santiago’s historic centre itself is being transformed into an urban showcase for high-rise buildings emulating retro-architecture in their façades, housing and office projects sharing the same surrounding areas as historic heritage buildings, and quite often with similar names to those of historic monuments and traditional heritage zones. The Bellavista and El Llano neighbourhoods are showing similar increases of both residents and housing units.

Examination of the preliminary results of Census 2012 documents the transformation of these neighbourhoods. Table 1 shows the current recovery of both population and housing for the Recoleta and San Miguel districts (2012), where Bellavista and El Llano are located respectively. These indicators have also been linked previously to key inner-city factors such as location (proximity and accessibility to city centre), urban services and employment (tertiary sector) (Camilo, Moreno, & Cartier, 2007; Contreras, 2011; De Mattos, Riffo, Yañez, & Salas, 2005; López-Morales, 2011).
By 2009, a new pattern of building in Santiago was evident in the market. Fifty new high-rise buildings with glassed façade and mainly located in gated narrow plots with CCTV cameras offered residential use with three main options: studio flats, and one- or two-bedroom flats with one or two bathrooms; some flats included three “bedrooms,” but these were greatly reduced in size and were in fact barely larger than cupboards. Price ranges given in Unidades de Fomento (UF) were between 530 UF (US$21,134 as of 9 February 2015) and 1450 UF (US$57,072 as of 9 February 2015), with units typically between 30 and 70 square metres, depending on the interior design and the number of rooms proposed (see www.pabellon.cl). As an incentive to re-densify areas, these housing projects offered an Urban Renovation Subsidy of 200 UF (US$7872 as of 2 September 2015) for the purchase of a flat.

Several distinctive features in the proposals for housing projects for Santiago’s historic centre can be identified. A great number of these flats are designed without balconies or terraces. Compact structures like “vertical boxes” are raised from the basement upwards in an attempt to maximize the available space that the local master plan allows for this area. In this sense, a deeper analysis of the conditions of local master plans is suggested, in order to understand the different city concepts that these urban instruments “imagine” for each district of Santiago. This new landscape of gated communities, as a contemporary expression of gentrification, can be found in the inner-city neighbourhoods of Bellavista and El Llano.

From Table 2 it is possible to observe a marked increase in the number of flats as the main housing type in the district of San Miguel, with 13,404 units for the period

### Table 1. Numbers of residents and households in Recoleta and San Miguel 1992–2012.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>District:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Santiago</td>
<td>236,453</td>
<td>214,159</td>
<td>308,027</td>
<td>−9.4</td>
<td>43.8</td>
</tr>
<tr>
<td>Recoleta (Bellavista)</td>
<td>162,188</td>
<td>147,279</td>
<td>150,269</td>
<td>−9.2</td>
<td>2.0</td>
</tr>
<tr>
<td>San Miguel (El Llano)</td>
<td>83,227</td>
<td>77,914</td>
<td>90,892</td>
<td>−6.4</td>
<td>16.7</td>
</tr>
</tbody>
</table>

### Table 2. Numbers of houses and flats built per year, San Miguel district.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Flats</th>
<th>%</th>
<th>Houses</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>972</td>
<td>964</td>
<td>99.1</td>
<td>8</td>
<td>0.9</td>
</tr>
<tr>
<td>2003</td>
<td>1119</td>
<td>1106</td>
<td>98.8</td>
<td>13</td>
<td>1.2</td>
</tr>
<tr>
<td>2004</td>
<td>1818</td>
<td>1703</td>
<td>93.6</td>
<td>115</td>
<td>6.4</td>
</tr>
<tr>
<td>2005</td>
<td>1242</td>
<td>1236</td>
<td>99.5</td>
<td>6</td>
<td>0.5</td>
</tr>
<tr>
<td>2006</td>
<td>1483</td>
<td>1474</td>
<td>99.3</td>
<td>9</td>
<td>0.7</td>
</tr>
<tr>
<td>2007</td>
<td>2237</td>
<td>2219</td>
<td>99.1</td>
<td>18</td>
<td>0.9</td>
</tr>
<tr>
<td>2008</td>
<td>2664</td>
<td>2654</td>
<td>99.6</td>
<td>10</td>
<td>0.4</td>
</tr>
<tr>
<td>2009</td>
<td>1070</td>
<td>952</td>
<td>88.9</td>
<td>118</td>
<td>11.1</td>
</tr>
<tr>
<td>2010</td>
<td>972</td>
<td>964</td>
<td>99.1</td>
<td>8</td>
<td>0.9</td>
</tr>
<tr>
<td>2011</td>
<td>147</td>
<td>132</td>
<td>89.7</td>
<td>15</td>
<td>10.3</td>
</tr>
<tr>
<td>Total</td>
<td>13,724</td>
<td>13,404</td>
<td>97.6</td>
<td>320</td>
<td>2.4</td>
</tr>
</tbody>
</table>


**Physical replacement: new-typified (gated) gentrification**

By 2009, a new pattern of building in Santiago was evident in the market. Fifty new high-rise buildings with glassed façade and mainly located in gated narrow plots with CCTV cameras offered residential use with three main options: studio flats, and one- or two-bedroom flats with one or two bathrooms; some flats included three “bedrooms,” but these were greatly reduced in size and were in fact barely larger than cupboards. Price ranges given in Unidades de Fomento (UF) were between 530 UF (US$21,134 as of 9 February 2015) and 1450 UF (US$57,072 as of 9 February 2015), with units typically between 30 and 70 square metres, depending on the interior design and the number of rooms proposed (see www.pabellon.cl). As an incentive to re-densify areas, these housing projects offered an Urban Renovation Subsidy of 200 UF (US$7872 as of 2 September 2015) for the purchase of a flat.

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From Table 2 it is possible to observe a marked increase in the number of flats as the main housing type in the district of San Miguel, with 13,404 units for the period...
2002–2011: around a third of these were built between 2007 and 2008 (Díaz, 2012). In the El Llano neighbourhood, 7981 housing units were built between 2002 and 2011, more than 50% of the housing development of the district: of these, 5,080 or more than 80% were flats (Díaz, 2012; INE, 2002, 2012). By looking at Recoleta, in Bellavista, a progressive increment in the number of flats can be observed mainly for the 2002–2005 period, rather than at the beginning when this urban renewal incentive was launched (1992).

Western Bellavista has seen a considerable rise in the number of flats built since 2001 (865 units), even though this part of the neighbourhood does not show any building activity during 2002. This figure is more relevant when it is considered that this area of Bellavista represents almost half of the flats that have been sold in the Recoleta district (1777 units) for the period 2001–2005 (Camilo et al., 2007, p. 33; Municipalidad de Recoleta, 2005a). This is the result of considerable centripetal activity (urban redevelopment with densification) based on the urban renewal strategy using the location and proximity of El Llano or Bellavista to the historic town as valuable assets (Contreras, 2011) to be discovered by YUPs (upper class).

Moreover, the word “reurbanization” (Haase et al., 2010)—or urban renewal for the cases in Santiago—in many cases is hazardously used as a translation of gentrification, thus obscuring the main negative consequences that this term implies, such as displacement of existing residents (direct and indirect according to Lees, Slater, & Wyly, 2008) and property speculation in inner areas. In physical terms, the costs and consequences are evident when observing how the current landscape evolves with the transformation of public space when “…new-build development is comprised of high density apartment buildings, built by large corporate developers” (Davidson & Lees, 2010, p. 405). This can be understood, I suggest, as a “new typified gentrification” to describe the appearance of massive high-rise buildings displacing the old-terraced-housing typologies that long shaped inner Santiago (see Figure 3).

New-build gentrification can be complex. Focusing on two key peculiarities of gentrification found in the historic neighbourhoods of Bellavista and El Llano displays two replacement actions, rather than a single, original displacement. Specifically, a first replacement of existing typology is occurring by new high-rise buildings located in historic plots, and then the replacement that remakes the social fabric (the landscapes and communities of long-standing residents) by YUP newcomers.

Gentrification can occur as new buildings are still under construction, when real estate agencies sell to prospective newcomers to fill new gated communities in inner-city high-rise building projects that have not yet been built. This has become quite a common practice in Santiago among the YUPs (see Rérat, Söderström, & Piguet, 2010), and is known as “en verde” (literally, “green”) condition. Properties are chosen and purchased in advance, prior to construction, from a catalogue much as any other commodity: real estate as the latest version of an iPhone or iPad. This exemplifies the “indirect displacement” analysed by Davidson and Lees (2010) because it is a process that involves a lapse of time, rather than being a direct displacement (Glass, 1964), and clearly imposes redevelopment (Lees et al., 2008) rather than rehabilitation (Appleyard, 1979; Kain, 1981).
Social replacement: YUPs discovering historic neighbourhoods

Ortiz and Morales (2002) and Camilo et al. (2007) have identified specific socio-economic groups or Santiaguino gentrifiers who have chosen to live in some of these areas of the historic centre. For instance, 40% of young people who have migrated from the outskirts to the core of Santiago are highly qualified middle-class professionals choosing to relocate to the eastern quarter of the historic centre, specifically the districts of Lira, Santa Lucía, San Francisco and Lastarria. In these quarters, groups of people are buying or renting old 200–300 m² flats located on the Parque Forestal, overlooking the Mapocho River, and with privileged access to cultural activities located in these historic surrounding areas.

However, Contreras (2011) argues that this group differs from the classic definition of typical gentrifiers captured by real estate agencies. Information from current socio-economic analyses of historic neighbourhoods such Bellavista or El Llano illustrates the phenomenon of YUPs discovering these inner-city neighbourhoods. These analyses allow us an empirical understanding of the patterns of socioeconomic change in terms of family composition, education and property tenure.

In Bellavista, a key sample area of 17 “blocks” shows a population increase from 251 (1992) to 700 residents by 2002 (see Figure 4). Particularly, the workforce range (19–65-year-olds) of people in this Bellavista sample has shown a greater increase (65.6%) when compared to the Santiago average (58.2%, Census 2002). In addition, this figure was higher than the figure shown for the two districts where Bellavista is located—4 percentage points more than the Providencia district (60.11%) and almost 10 percentage points more than the Recoleta district (56.82%). More specifically, the 31–45-year-old age group has increased more in the western than the eastern area of Bellavista (Recoleta district) as part of the urban renewal zone with subsidies and incentives.
This situation is also similar to the samples from El Llano that have been part of the same urban renewal process like western Bellavista, and where the workforce profile allows us to assume that the majority of residents are young professionals working mainly in the tertiary sector as identified by Camilo et al. (2007). Figure 5 shows an increase of dwellings per block in El Llano, from 63 to 661 over the last 10 years, reflecting the dramatic increase in flats located in high-rise buildings. Thus, real estate agency activity has been identified mainly with new (gated) typologies that replace old terraced houses, provoking demolitions and alteration in the public space of El Llano, which can also be associated with the current literature on new-build gentrification reviewed in this research (Davidson & Lees, 2010; Haase et al., 2010; He, 2010; La Grange & Pretorius, 2014; López-Morales, 2011; Lützeler, 2008; Shin, 2009; Shin & Kim, 2015).

Likewise, linking the newcomers (YUPs) and the level of educational attainment for the period 1992–2002, increases of almost double the number of people with at least primary education were observed for the Bellavista samples (from 1790 to 3543 residents). This figure is made more significant by comparing the different levels of

![Diagram of Bellavista neighbourhood samples](https://example.com/bellavista-diagram.png)

**Figure 4.** Selected “blocks” for Bellavista neighbourhood samples. Source: Based on Census of Population 2002.
education reached; approximately 50% of Bellavista residents show a higher education qualification in this decade, which can also be observed in El Llano, with 20.7% of the population achieving higher education levels by 2009 (Díaz, 2012).

Finally, a considerable redistribution of privately rented households in particular can be observed in inner Santiago from 2000. For Bellavista, an increase of 8.5 percentage points in tenant residents was registered in 2002 (from 36.0% in 1992 to 44.5% in 2002) (Census, 1992, 2002). This means that of 1350 householders found in 2002, nearly half
of these belong to the category of private rental tenure. The other half of the residents in the Bellavista samples are distributed in three categories, in which owner-occupied householders represent the biggest proportion with 682 people, and a low number (68) of residents are considered in the “other” category such as transferred housing by the state for a given period of time (e.g. state school, army or city council).

Closer scrutiny of the data reveals that the private renting category represents a larger proportion than the other two categories of owner occupation with and without a mortgage. Specifically, owner occupation without a mortgage category is observed in specific blocks such as blocks 1, 3, 12 and 16, and so on. Blocks 4, 5, 9, 10 and 13 also exhibit the predominance of the first category of private renting. Nevertheless, the owner-occupied with mortgage category achieves a greater proportion for blocks 4, 7 and 8 that belong to the Providencia sample, and blocks 12, 13, 16 and 17 in the Recoleta sample (see Figure 6).

**Discussion and conclusions**

It has been argued earlier that the first and second waves of gentrification are largely absent from the Latin American context, but that the third wave of gentrification can be clearly observed from the 1980 to the 1990s (Inzulza-Contardo, 2012b). This
explanation of gentrification is closer to Ley’s theory (1996), and new academic research supports the idea that globalization is a key issue in explaining this phenomenon in Latin America (Borsdorf, Hidalgo, & Sánchez, 2007; Caldeira, 2000; Lungo & Baires, 2001; Roberts, 2005; Rodríguez & Winchester, 2004; Rubino, 2005; Thompson, 2001). Gentrification and globalization seem to have become important “partners” in the 1990s and into the 2000s in the Global South, and particularly in the Latin American context (Inzulza-Contardo, 2012a).

Authors such as Lees and Ley (2008) and Davidson and Lees (2005, 2010) have developed research on new-build gentrification as a global process and which can be applied to Latin America. More specifically, some Latin American researchers have identified singularities of gentrification by analysing mainly inner cities and including patterns of urban-cultural change, lack of local identity, and new housing trends in Puebla and Mexico City (Jones & Varley, 1999; Lungo & Baires, 2001), São Paulo (Caldeira, 2000), Buenos Aires (Ciccolella, 1999; Herzer, 2008) and Santiago, Chile (Camilo et al., 2007; Contreras, 2011; De Mattos et al., 2005; López-Morales, 2011).

New-build gentrification in the Latin American context reflects social transformations from the 1990s onwards, as the national “tertiarization” of the economy altered employment structures and modified individual and household consumption habits (Arizaga, 2003; De Souza, 2009). In inner Santiago, the pressures of market forces worked to displace old buildings (terraced houses) by investment in new offices and housing projects. With this comes the inevitable displacement of existing residents (social replacement). The physical and social replacement resulting from new-build gentrification (densification and conversion) is redefining the historic areas of Bellavista and El Llano.

This has created a typified gentrification by specific building typologies (high-rise buildings), creating gated gentrification with a comprehensive infrastructure of security and exclusivity (CCTV 24/7, private squares, gyms, etc.), which is offered to Santiaguinos in much the same way as any other commodity. Furthermore, this typified gentrification can accelerate even as the commodities are still under construction, by selling residential and historic locations from a catalogue showcasing a pastiche of architecturally trendy flats surrounded by plentiful local amenities and shops.

The YUPs acronym has been used here to refer to contemporary Santiaguino gentrifiers who are discovering the inner city. However, the real problem is not the presence of newcomer YUPs, as they are helping to repopulate central Santiago. For this group of people, this is often their first experience of living in inner-city Santiago and many of them have migrated from peripheral regions to the capital. It is certainly not their prime intention to displace old residents. In fact, Morales (2006) maintains that the newcomers in the Bellas Artes quarter (located beside the Bellavista neighbourhood) have had a positive effect on that historic area—generating a market for the appearance of new bookshops, restaurants and other amenities.

In this sense, the main concern should be the way that gentrifiers in Santiago—real estate agencies and governments—are reshaping inner-city neighbourhoods and then presenting the results under the banner of “reurbanization” along the lines of so many other Global South experiences (La Grange & Pretorius, 2014; López-Morales, 2011, 2013; Lützeler, 2008; Shin, 2009; Shin & Kim, 2015). For instance, in 2004 a 21-storey building was located in block 16 of the Bellavista sample, resulting in 1074 newcomers
(358 flats of 67.8 m$^2$ on average, with an average of 3 people per flat). This meant an increase in both the population density and property prices. Also, Arriagada (2006) and other professionals involved in the main urban policies for Santiago have argued that the measures adopted by the state have been more in response to housing demand rather than intended to protect the public realm (the people already living in inner Santiago).

Therefore, even though a repopulation of Santiago appears to be under way, the ideal of creating socially mixed neighbourhoods seems to remain a distant dream. Renewal policies, master plans and developers are offering a singular option of housing typology (typified gentrification), which obscures the views and narrow streets of valued historic neighbourhoods and detracts from their original charm as well as their social function and community identity.

From the Bellavista and El Llano cases, it is clear that a new housing market in inner Santiago is changing not only the socioeconomic profile of its residents, but also the historic environment. Subsequently, an urban scenario in which there is a dominance of paid-employee young professionals (rather than managers) who are tenants (rather than owners) can be seen in the Bellavista and El Llano neighbourhoods in the period 1992–2004 (Díaz, 2012; Inzulza-Contardo, 2012a). The current social composition of the Bellavista neighbourhood is a sharp dichotomy between established residents who have lived there for at least 20 years (in many cases for more than 40 years) and new YUPs who have recently moved into the new luxury towers.

These new residents pay a mortgage for their properties (mainly flats), which are located within gated communities. For the Recoleta sample the analysis is even more interesting, as significant numbers of new developments have not yet been included within any official Chilean census. Nevertheless, linking the data supplied by Recoleta City Council on three high-rise building projects completed during 2003–2004 (which together added around 65,000 m$^2$ of construction to this district), it is evident that something significant is happening in these blocks (Municipalidad de Recoleta, 2005a, 2005b).

In the case of El Llano, on the other side of this boom in population growth is the destruction of a sense of home for older residents, especially when considering the speed and aggressive nature of this densifying redevelopment in this historic area. Moreover, the application of national urban regulations and local master plans in these neighbourhoods has subdivided urban territory in Bellavista into eastern and western areas, and saturated a great proportion of public space of El Llano. Thus, the modification of both the physical and social fabric of Bellavista and El Llano is creating a fragmented urban setting that old residents perceive as dehumanizing. This is the largely unseen face of gentrification.

However, can these YUPs be considered as “contemporary gentrifiers”, or at least as “Santiaguino gentrifiers”? The contemporary “gentrifiers” identified by De Mattos et al. (2005), Camilo et al. (2007) or Contreras (2011) are described by their education level (first degree and postgraduate degree) and, in many cases, they have jobs related to the tertiary sector. The contemporary gentrifiers described in this paper match this YUP definition, and they also correspond to the contemporary “global gentrifiers” identified in other global cities around the world such as London, Mumbai, Auckland or Cape Town by Lees and Ley (2008) and Davidson and Lees (2005, 2010), and are particularly
similar to Asian experiences (Hogan, Bunnell, Pow, Permanasari, & Morshidi, 2012) such as central Shanghai (He, 2010; He & Wu, 2009).

Hence, the physical forms (high-rise building typology), individuals (YUPs) and spaces (gated communities) constitute the physical and social realities that should be considered in evaluating new policies and master plans. Historic neighbourhoods include all kinds of residents—artisans and craftsmen, people originating from the peripheral regions, workers in the tertiary sector, bohemians, singles, and older people. Yet recent commercial advertisements have been used to draw more YUPs into these inner areas rather than to provide incentives for existing residents to stay.

In fact, a recent housing project named “Bellavista-Forestal” in the Recoleta district has been the main concern for both new and old Bellavista residents. By using the slogan “aqui quiero vivir, cerca de todo, en mi nuevo barrio” (“I want to live here, near to everything, in my new neighbourhood”), a real estate agent has promoted both “the human-friendly scale” of Bellavista and also its strategic location in Santiago. The effort to promote a “posher” flavour to Bellavista-Recoleta as a sales strategy is similar to contemporary new-build developments in European central city areas such as Zurich (Rérat & Lees, 2011), and in four case-study areas of Leipzig, Bologna, León and Ljubljana (see Haase et al., 2010). Therefore, the problem is not just about the influx of residents moving into the inner cities, but the need for a debate about the objective image of historic neighbourhoods. Further research must therefore be carried out with the aim of finding the appropriate relationship between houses and flats, and also the links between these housing properties and the public realm.

Only in this way is it possible to change the current perception of intensified competition for space and place between established residents and new YUPs. Appropriate proposals for housing projects for all kinds of residents might be the only possibility to offer dignity to this historic area as the legacy of the city, and thus avoiding what is effectively domicide (Porteous & Smith, 2001). Contemporary, state-of-the-art gentrification has opened the debate that new-build gentrification “...trends are not restricted to the largest urban centres but have also been evolving in medium-sized cities...” (Haase et al., 2010, p. 44).

In this sense, contemporary gentrification is not only concerned with the introduction of new housing typologies, with the resulting displacement, and replacement of old residents. Extensive demolition invariably results in a loss of neighbourhood identity and meaning—including streets as loci of collective memories (Hebbert, 2005), and important memories of remaining residents (Boyer, 1994; Halbwachs, 1976, 1992). Therefore, more research into the varied forms and trajectories of contemporary gentrification is needed to prevent the further destruction of homes in favour of the specific objectives of developers, investors, state agents and potential future new residents of older city neighbourhoods. New-build and the new-typified gentrification of Latin American cities are antonyms of the “human factor” of lived space and a genuine sense of home.

**Note**

1. The Unidad de Fomento (UF) is a Unit of account that is used in Chile. The exchange rate between the UF and the Chilean peso is now (today) constantly adjusted for inflation so
that the value of the Unidad de Fomento remains constant on a daily basis during low inflation. It was created on 20 January 1968 for use in determining principal (monetary item) and interest (constant real value non-monetary item) in international secured loans (monetary items) for development, subject to revaluation according to variation in inflation. Subsequently it was extended to all types of bank loans (monetary items), private or special financing (monetary items), purchases (trade debtors/trade creditors being constant real value non-monetary items) or investments on instalments, contracts (constant real value non-monetary items) and some special situations.

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