



Patterns of Neighborhood Change in Buenos Aires

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Executive Summary

Gentrification and displacement are affecting urban neighborhoods around the world. Organizations working in this line of research, including the Urban Displacement Project (UDP), have historically focused on these processes in the Global North, such as the United States.¹ The UDP methodology describes elements of vulnerability and identifies communities that are at risk of, or that are already experiencing, gentrification or displacement. It is meant as an early-warning tool that can be used by policymakers and community members to mitigate displacement before it disrupts communities. UDP's research began in the San Francisco Bay Area, and has since expanded to other metropolitan areas in the United States.

The purpose of this research project is to expand the UDP methodology to Buenos Aires, Argentina. It also aims to incorporate additional research methods, including big data analysis, to elucidate a deeper understanding of these processes at play. An additional focus of the research is the economic districts program that the City of Buenos Aires began implementing in the late 2000s. The special economic districts have notably been designated in lower-income neighborhoods in the city, which may create the potential for gentrification and displacement. Our team was connected with researchers and students at the Universidad Torcuato di Tella for the duration of this project; they were invaluable partners in informing our research methods, connecting us with interviewees, and providing us with secondary data.

Through a combination of quantitative and qualitative methods, this report explores gentrification and displacement in Buenos Aires, attempting to elicit similarities and differences compared to the U.S.-centric narratives. In particular, we attempt to understand how well the UDP definitions of vulnerability to gentrification and displacement pressures, developed in the context of the Global North, transfer to a Global South setting. We also explore whether the contemporary urban strategy of government-led special district programs can induce gentrification and displacement. Through our efforts to answer these questions via interviews and publically-available data, we illuminate several findings that may facilitate future international research on gentrification and displacement.

The following questions guide our research:

- By contextually modifying the UDP vulnerability index and typologies, how can we characterize and describe displacement in Buenos Aires?
- What have been the patterns of neighborhood change in the district-designated Parque Patricios and La Boca neighborhoods in Buenos Aires?
- To what extent do external interventions like economic district designations generate neighborhood change?

¹ UDP is a research initiative from the University of California, Berkeley's Center for Community Innovation that aims to characterize gentrification and displacement in a systematic way.

Methods

We applied a mixed-methods approach for this research, including 13 in-depth interviews, field observations, and analysis of traditional secondary data (from the Argentinian Census and cadastral data) and big data (i.e., Twitter and Airbnb).

About the Economic Districts

Despite the heterogeneity in vulnerability and neighborhood composition, the economic districts program took a one-size-fits-all approach to “revitalizing” the southern neighborhoods. The Ministry of Economic Development sought to change the neighborhood, but its policies made little mention of the existing residents who might be affected. The Ministry of Economic Development did not coordinate this program carefully with the Ministry of Urban Planning. As a result, the distinct histories, contexts, and needs of the neighborhoods affected were not taken into account in the planning or implementation of the economic districts program; some districts were “natural,” building on local assets or economic strengths, while others were “artificial,” or an artifact of government intervention.

Due to the existing arts and cultural scene in the neighborhood and the attractiveness of the district to tourists, La Boca became part of the Arts District (which also includes a few blocks from neighboring San Telmo and Barracas) in 2008. The process of choosing Parque Patricios as the home for the Technology District differed from the process of designating the Arts District: According to the Ministry of Economic Development, the neighborhood was chosen by “people seated at a table.”

Findings

Vulnerability

We used seven indicators to estimate the vulnerability of neighborhoods across Buenos Aires in the 2000s and found there are different types and levels of vulnerability across space and time (Figure 1). Overall, the northern half of Buenos Aires became less vulnerable and several pockets in the southern half of Buenos Aires became more vulnerable during our study period. In Parque Patricios, the southern half of the neighborhood generally became more vulnerable, and in La Boca, the majority of the neighborhood became more vulnerable in our study period.

In addition to analyzing vulnerability in Buenos Aires with a vulnerability index, we applied a cluster analysis to gain a more detailed understanding of the different characteristics that make different populations across Buenos Aires vulnerable. We identified eight profiles through our cluster analysis, such as “*Moderate Education/High Infrastructure/Low Renters*,” which were mostly located in the southern and western portion of Buenos Aires, and “*High Education/High Infrastructure/Moderate Renters*” which were mostly located in the northern and eastern portions of the city (Figure 2). The clusters were generally scattered throughout CABA, which illustrated the varying nature of vulnerability and the importance of context throughout the city.

Figure 1. Vulnerability Index for CABA (2001 and 2010)

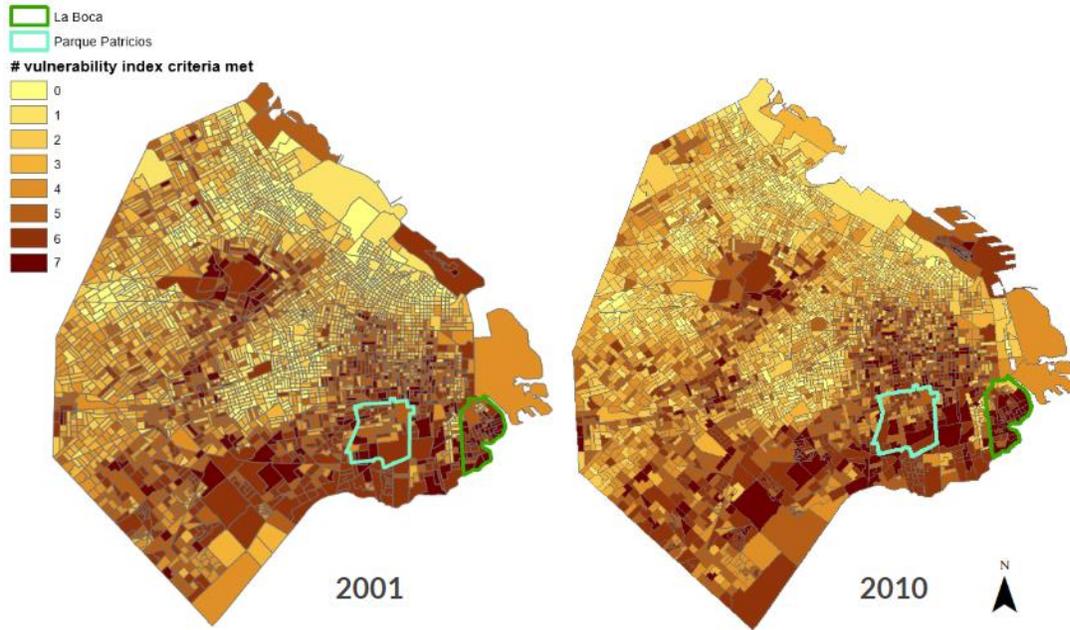
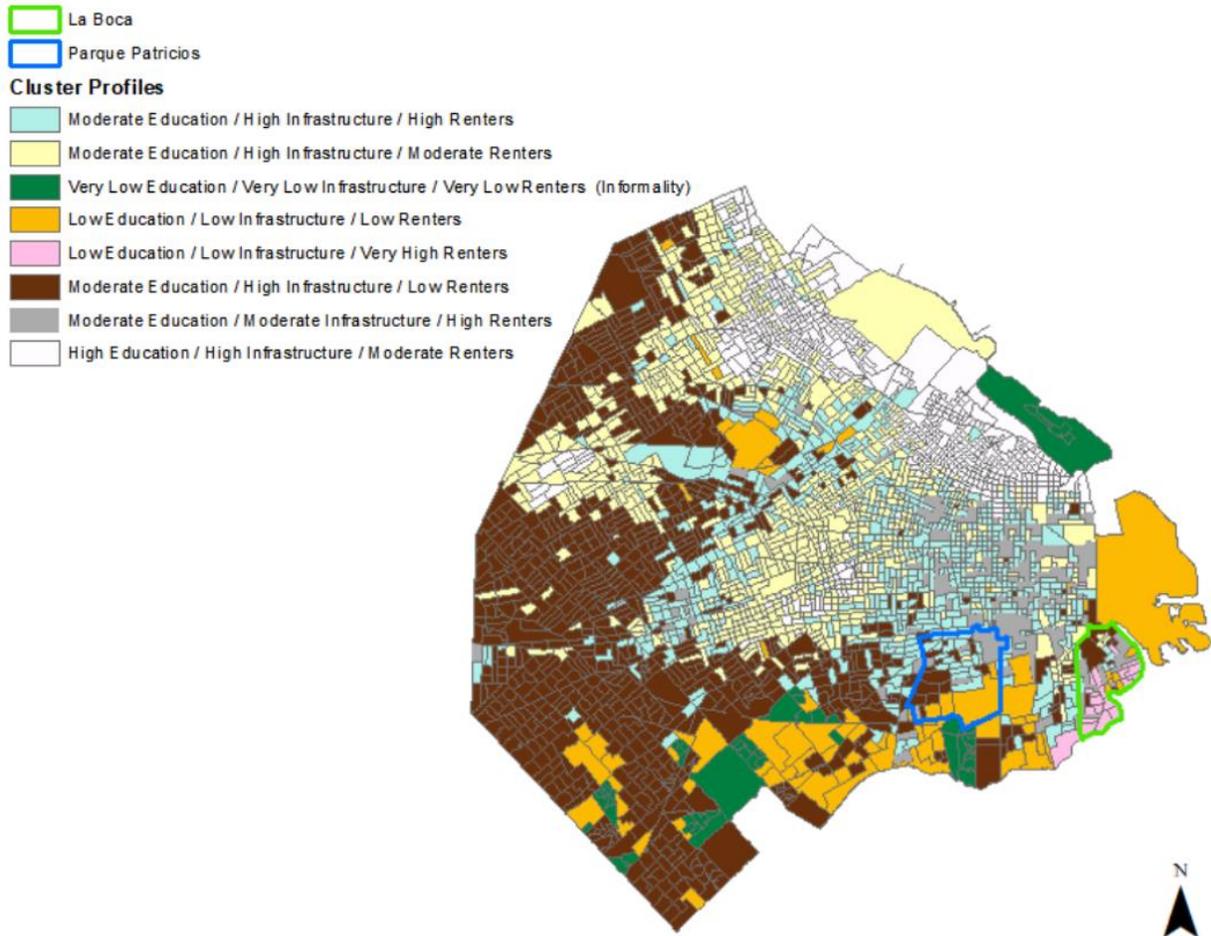


Figure 2. Vulnerability Profiles from Cluster Analysis (2001)



Displacement

Similar to the displacement occurring in the United States, direct and indirect displacement is happening in Buenos Aires. The overall pace of displacement has increased in recent years, likely driven by the increase in real estate prices, both in terms of apartment sales and land values.

This increase in land values is one of the government's goals as part of the special districts program, but the intentional increase of real estate values may also lead to speculation. This increase in land and property values is of great concern to existing communities - sometimes including the people that the government aimed to bring to the neighborhood in the first place. The situation is most critical in La Boca, which concentrates half of the city's evictions (Herzer et al., 2011). Judiciary evictions constitute the primary documented form of displacement in the Argentinian capital, and their pace has accelerated dramatically in the past few years because of real estate speculation exacerbated by land value increases. The scale of displacement experienced in La Boca seems to be related more to its location and not so much to its designation as an economic district, as it is in a prime location, very close to the city center and key transportation infrastructure like highways while still having relatively low land prices compared to the rest of the city. This differentiates the neighborhood from Parque Patricios and probably plays into the different displacement trajectories followed by each district. Administrative evictions are also common in La Boca because of the poor quality of the housing stock, which leads to high risks of collapse or fire; these then also result from years of disinvestment in the neighborhood evictions (Housing and Land Rights Network, 2017.). Other sources of displacement well documented in the Global North, such as relocation programs and urban renewal projects, are very limited as the government's participation in the real estate market is minimal. The few relocation programs under way in the capital city are conducted with the goal of integrating informal settlements and communities with the rest of the city, and typically provide housing opportunities in the neighborhoods being upgraded (Ministerio Publico de la Defensa Ciudad Autonoma de Buenos Aires, 2019).

The main challenge when trying to address displacement in Buenos Aires is its invisibility as displacement processes are acknowledged by some stakeholders, but not others. Whereas community organizations have started fathoming the causes, extent, and acceleration of displacement in the past years, the public and the private sector tend to ignore it even though they generate it with their respective actions. While housing interventions that involve relocation explicitly try to limit the displacement that could stem from these projects, community groups and some stakeholders in the public sector lament that government-led infrastructure investments that are not directly tied to housing seem to simply ignore, or do not try to mitigate, impacts that pertain to displacement. The lack of citywide displacement data not only hinders researchers - and complicated this report's adaptation of the UDP methodology to measure displacement in the Buenos Aires context -- but also complicates

proper organizing around these issues: it is harder to mitigate impacts that are not documented.

Gentrification

Gentrification in Buenos Aires has many of the same attributes associated with gentrification in the Global North. These include changes in amenities, people, the local economy, and security. However, what is different between the Global North and Buenos Aires is the level of awareness of gentrification. Similar to displacement, gentrification and the way it works in Buenos Aires are invisible to many, including government officials.

Gentrification in Buenos Aires, similar to the Global North, includes the construction or arrival of residential and commercial investment and uses targeted toward middle- and upper-income populations into neighborhoods with predominantly lower-income populations. In La Boca and Parque Patricios, neighborhood amenities are changing, but they are not based on the consumption patterns, tastes, or needs of long-time residents.

Gentrification in the Global North is also often broadly defined as the process of higher-income populations moving into lower-income neighborhoods. This process is also happening in Buenos Aires and in our case study neighborhoods. In La Boca, a community group noticed people buying or renting homes to live in during the work week, often in the new housing projects with amenities. On the weekends, these people return to neighborhoods in the Northern countryside, such as Vicente Lopez.

In Parque Patricios, we did not speak with any long-term residents about changes they've seen in the neighborhood. However, based on what we heard from the public defender's office, change in the Parque Patricios population may be a little less immediately visible and there may be fewer long-term residents to speak with. While we didn't hear a lot about new people moving to Parque Patricios, it may be because we didn't conduct many interviews there. It could also be that, as an HR director of the software company noted in an interview, the housing stock for "tech workers" just isn't there yet. It could also be that many employees are settled in their current homes and are not interested in moving to the neighborhood, such as the employees at her company. Nevertheless, she has noticed "a growing number of young people (professionals) who weren't commonly seen in the neighborhood." The question moving forward is if and when they will move to the neighborhood.

Another theme of change we found in both neighborhoods regards changing levels of security and/or police presence. This idea of gentrification via "cleaning up" public areas and "making it safer" is common in the literature on the Global North and South (Freeman 2006). In La Boca, many of the people we spoke to, including artists and the real estate developer, talked positively about the new street lighting. However, feelings about the increased police presence in the neighborhood were mixed. For example, the real estate developer was happy to see more police, while one artist shared that it doesn't make her feel more confident. The community group spoke with sadness about the police killing of a young man from the

community, and how the new police presence is to make the neighborhood ready for the new residents.

In Parque Patricios, the HR director of the software company seemed to confirm this theory. She spoke about her perceptions of security in the neighborhood and how it has impacted the company. When the company moved to Parque Patricios in 2014, they hired security in order to feel safe operating in the neighborhood. However, according to the HR director, the neighborhood is increasingly “safer.”

While gentrification manifests similarly in Buenos Aires as it does in the Global North, awareness in Buenos Aires is limited, even among government officials. In the Global North, the term gentrification is now well-known; according to the Urban Displacement Project, the number of times it is searched online has doubled in the past ten years (Zuk and Chapple 2015). However, many of the people we spoke to in Buenos Aires, including the real estate developer, the software company, and some artists, had never heard the term or the concept before. The individuals and organizations actively fighting gentrification and displacement know the concept well, including the La Boca community group, the public defender, the NGO, and academics. Government officials know the term gentrification but speak about it more positively than the individuals and organizations attempting to combat it. The lack of awareness about gentrification by some stakeholders and the disconnect between the way government and activists see it happening make it hard to address. Solutions should be mindful of these constraints.

A Typology of Neighborhood Change in Buenos Aires

Using census and cadastral data, we are able to characterize the different forms of neighborhood change in Buenos Aires, including not just vulnerability, gentrification, and displacement but also exclusion. Figure 3 maps neighborhood change, building on combinations of the following basic categories:

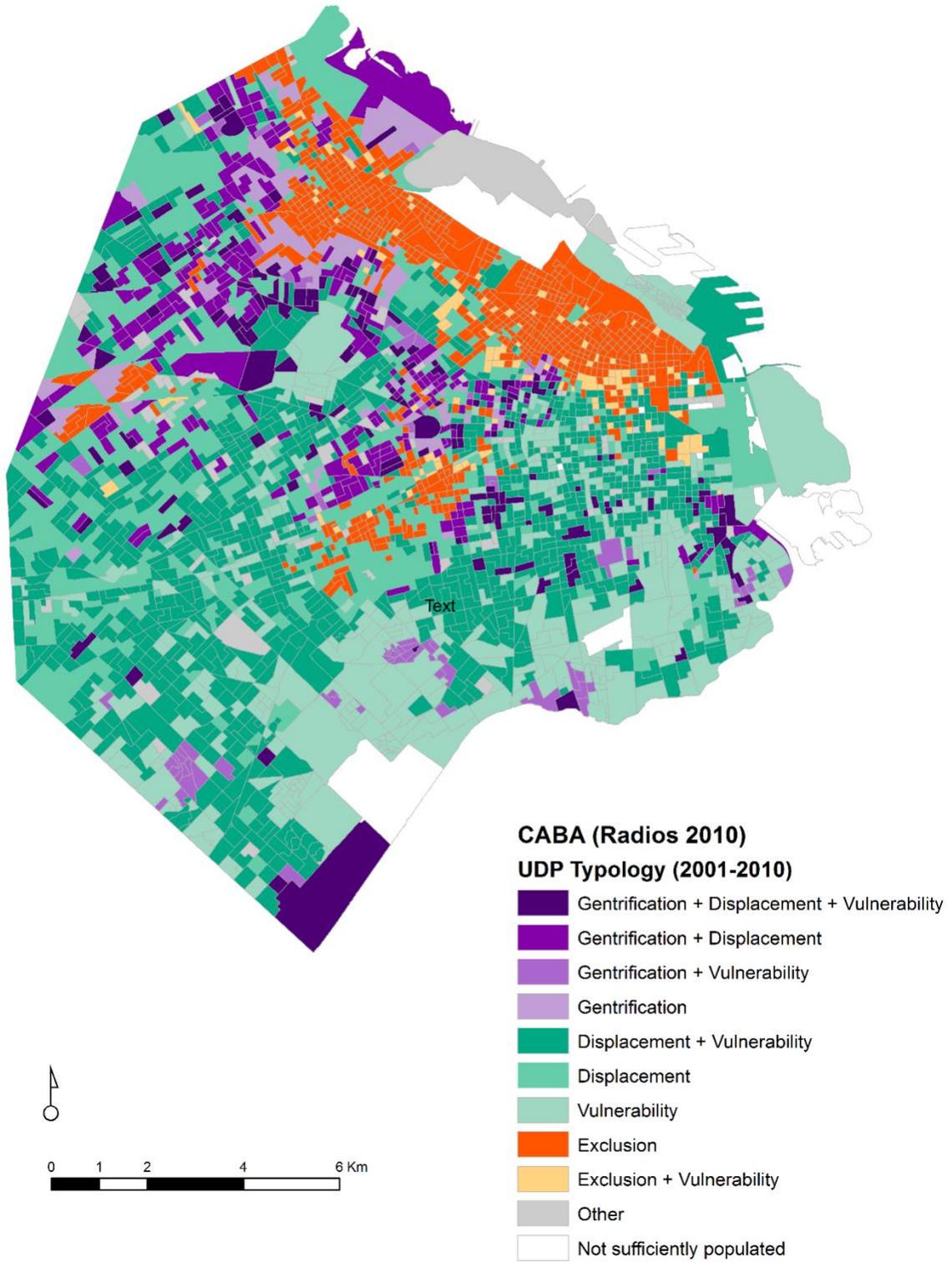
Vulnerability: Meets four or more of the following criteria for vulnerability in 2010: low housing value, low college education, high renter population, high unemployment, high overcrowding, low infrastructure quality, low housing quality.

Displacement: Loss of share of low-educated (did not complete high school) households, 2001-2010, greater than the average loss in Buenos Aires as a whole.

Gentrification: Gain in share of college-educated households, 2001-2010, greater than the average gain in Buenos Aires as a whole, AND gain in average land value, 2001-2010, greater than the average gain in Buenos Aires as a whole.

Exclusion: Land values in top quintile, AND share of college-educated households in 2010 is greater than the average share in Buenos Aires as a whole.

Figure 3. Neighborhood Change in Buenos Aires



As shown in the map, most of the northeast of the city, from Recoleta to Palermo to Belgrano, is already exclusive (in orange). Some of these neighborhoods have historically housed Buenos Aires' most affluent residents, while others have gentrified recently and are increasingly excluding low-educated residents from moving in. Gentrification (in purple) is occurring largely in neighborhoods adjacent to the exclusive enclaves, but also a few more distant neighborhoods like La Boca. Neighborhoods in the darkest shade of purple (e.g., San Telmo) are experiencing gentrification along with displacement (loss of low-educated households), and continue to have vulnerable residents. Finally, a set of neighborhoods in green are experiencing either displacement or vulnerability or both, but without increases in land value.

Economic Districts

The outcomes of the economic districts program have varied, since this one-size-fits-all programs failed to account for neighborhood history, context and need, and created two types of districts (natural and artificial) in one program.

According to the Ministry of Economic Development, the Arts district in La Boca has not been as successful as was hoped. However, we argue that the “failure” of the Arts District is due to a lack of clarity around goals and poorly formed policy, and a failure to consider the existing human infrastructure and social ties. While the goals of the economic districts were to spur development, the goals of the Arts District also were ostensibly to support artists, because the district was created around the fact that many artists were located in La Boca. However, the Ministry of Economic Development clarified in an interview that the true intended recipients of the district benefits were not single artists but large companies. This lack of focus on individual artists explains why the artists we spoke with found the Arts District, and its corresponding tax breaks, to be unhelpful in supporting their livelihood. This negative perspective on the Arts District is shared by the community organization La Boca Resiste y Propone. According to one of their members, “The law of the Arts District is designed to benefit real estate developers.”

Based upon the stated goal of the economic districts program to spur private investment in historically underinvested and low-income areas of CABA, the program can be viewed as partially successful in Parque Patricios. According to the Ministry of Economic Development, over 300 technology firms have moved into the district since it began in 2012. The success of the tax incentive, however, has been mixed. Though it has succeeded in luring many companies to the area, many from outside of Buenos Aires, the increase in demand for office space has resulted in skyrocketing rents. An intervening factor to consider in the Parque Patricios case is the relocation of the Buenos Aires City Hall to the neighborhood in 2014. According to research by a student in the Masters of Urban Economics at the Universidad Torcuato Di Tella, land values increased and vacancy decreased in the neighborhood after the City Hall moved (Wong 2017).

Recommendations

There are four main recommendations that result of this study:

1. **Enforce existing rights to housing:** Buenos Aires already has a solid legal framework to protect its residents from displacement, however the lack of direct responsibility or coordination between government agencies results in little or no action.
2. **Incorporate inclusionary zoning:** Real estate developments are dictating the new urban form of Buenos Aires. Therefore, introducing a tool such as inclusionary zoning may ease the burden on the local government to provide affordable housing and is worth further study.
3. **Share best practices, adapted to local contexts:** Cities around the world experience urban phenomena similar to Buenos Aires, such as gentrification or informality. Paying careful attention to local context, best practices from other places can inspire policy makers in Buenos Aires.
4. **Institutionalize Data Collection Informed by Community Groups:** There has been little to no attention given to the relevance of data in order to measure displacement and address it. Community groups have stepped up and gathered their own data, however it must be the authority's responsibility to generate this unbiased data in regular time intervals.

Conclusion

In both cases and throughout the city, we found significant evidence that gentrification and displacement are happening in Buenos Aires. These processes are not fundamentally different from those happening in the Global North. The major difference is that gentrification and displacement are less present in the Buenos Aires public consciousness than in the Global North, which makes them difficult to address and/or mitigate. However, it is promising that Argentina does have existing right-to-housing laws that could help mitigate these issues — they just need to be enforced.

The understanding of gentrification and displacement in Buenos Aires is hindered by data limitations. These limitations are described in detail in the methodology section of this report and might help explain why our secondary data and primary data do not always tell the same story. At the same time, there could be a variety of reasons for this outcome, including data limitations, the small number of interviews we conducted, or the bias of our interviewees.

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